

A STUDY OF CUSTOMER SATISFACTION INDEX WITH REFERENCE TO HEAVY COMMERCIAL VEHICLE - A CASE STUDY OF COMPANY X.

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Abstract:

Customer is the key to business and their satisfaction is the most important tool that helps to increase sales and generate profits in the business environment. Satisfaction is a subjective concept and therefore difficult to determine it depends on many factors and varies from person to person and product to product. The quality of services is correlated with customer satisfaction, especially in service businesses, where many corporations are concentrating on improvement of service quality resulting to the high level of customer satisfaction and more revenue. The present study is an attempt to find the satisfaction level of the customer on Company X of commercial vehicle industry with respect to Service Orientation, Arrangement of Appointment and Reception of Vehicle at Workshop, Workshop Appearance, Quality of Repair, Service Billing, Vehicle Handover and Complaint Management. The empirical findings of this study mostly customer are satisfied with service provided by Company X and its service partners except the are Spare Parts availability and Complaint Management where customer dissatisfaction noted.

Introduction:

The commercial vehicle industry in India has witnessed tremendous growth in the past few years with sales volumes of approximately 0.8 million units in 2015 and ranked among the top 7 markets for commercial vehicles in world. It is also positioned among the top-4 markets for heavy duty trucks by volumes, India ranks fairly close to United States and Europe in the heavy duty truck segment volume. Over the past decade, domestic CV sales have grown at CAGR of 4.6% driven by growing economy. The Indian trucking industry is currently valued at \$130 Bn and there are approximately 5.6 Mn on road vehicles transporting 80% of the country's freight. Multinational organisations are targeting India's commercial vehicle segment to tap the potential of the world's fourth largest market.

Heavy commercial vehicle manufacturers are now keen on enhancing their market share by investing in heavy duty products, design & development, manufacturing systems, distribution and

services. They are gearing up with proactive solutions for meeting the changing customer needs. In recent days India is witnessing a change in consumerism. The market is now predominantly consumer driver. A relationship between a company and a customer has previously been based on a product-centric view; however, today relationship between the two parties has taken a shift and customers are the main focus in maintaining relationships. Customer is the key to business and their satisfaction is the most important tool that helps to increase sales and generate profits in the business environment. Satisfaction is a subjective concept and therefore difficult to determine it depends on many factors and varies from person to person and product to product.

Service Quality in Commercial Vehicle Industry:

Service Quality is the term associated with the customer satisfaction. Service quality is defined as the quality of services provided by the industry. Lai (2004) stated that there is a significantly positive relationship between the quality of the service and customer satisfaction, as well as with future purchase intentions of customer. The service quality for any industry generally measured with the help of the SERVQUAL model. The attributes of service quality are; Tangibles - It contains physical facilities, equipment and personnel appearance, Reliability – It is the ability to perform the promised service dependably and accurately, Responsiveness - Willingness to help customers and provide prompt service, Assurance - knowledge and courtesy of employees and their ability to gain trust and confidence. Empathy - Providing individualized attention to the customers.

Customer Satisfaction in Commercial Vehicle Industry:

Customer satisfaction is key performance indicator for business firm and has long been recognised as crucial role and survival in competitive market. Satisfaction is a positive feeling in the customer which will be created after purchasing the good or receiving the service. The positive feeling will be established by the interaction of the customer's expectations and the service provider performance. The above mentioned feeling will be established by the interaction of the customer's expectations and the supplier's performance. The benefits of customer satisfactions: **1.** It help to enhance the market share, **2.** It provide a platform in the competitive marketplace., **3.**It gives the idea about their weaknesses and problems associated with Industry, **4.** Satisfied customer works as a brand ambassador, **6.** It increases the brand loyalty of the Industry.

Literature Review:

The quality of services is correlated with customer satisfaction, especially in service businesses, where many corporations are concentrating on improvement of service quality resulting to the high level of customer satisfaction and more revenue. Service quality is one aspect markedly

influencing customer satisfaction. The view of different researchers and scholars on customer satisfaction and service quality are as follows-

Singh (2011) revealed a study on " An empirical review of the product and customer satisfaction of Tata commercial vehicles" to find out the quality of service , performance of Tata motors and to know the consumer perception towards Tata motors with the sample size of 100 customers and used the statistical techniques tables, bar charts etc. This study concluded that consumer prefer the Tata commercial vehicles due to its better quality, brand image, easy availability of service stations, spare part quality etc.

Md. A Asl, Md. M Tolarod (2015) presented study on Overview of Service Quality within an After Sales Service Industry Commercial Vehicles (Iran). In this thesis author tries to describe the relationships between the aspects of customer satisfaction (customer's expectation and perception) in terms of service quality in the context of after sales services to commercial vehicle. According to literature, customers' satisfaction would be regarded as a result of after sales services by vehicle service centre. This review of literature suggest finding out the factors affecting customer satisfaction with service quality of Company X commercial vehicle across India. In this article the researchers will be concerned about the different factors namely: Service Orientation, Arrangement of Appointment and Reception of Vehicle at Workshop, Workshop Appearance, Quality of Repair, Service Billing, Vehicle Handover and Complaint Management.

After going through the literature it has been found that many researchers have studied some of the attributes of the customer satisfaction with other industry, but studies with respect to the satisfaction of customers on commercial vehicle by using index method are rarely available. Thus, the present study is an attempt to find the satisfaction level of the customer on Company X of commercial vehicle industry.

Research Objectives:

1. To study the customer satisfaction level of Company X
2. To find out the most important factor for Customer satisfaction of Company X

Research Methodology:

This study will be based on experiences, observation and data collection & analysis thereafter. Regarding to the large amount of potential respondents a quantitative approach with an ordinal level of measurement is chosen. Sample size of 198 respondents is chosen who are using Company X commercial vehicle. In order to make the study more useful and informative descriptive statistics have been applied. The customer satisfaction index represents the overall

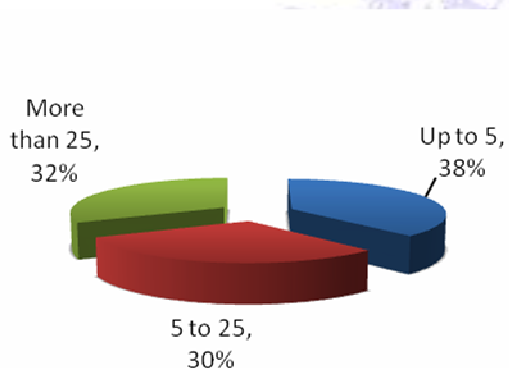
satisfaction of customer towards Company X , usually as a percentage. Data have been collected from both primary and secondary sources. For the primary data a questionnaire survey was used. Moreover, different local and internationally published research papers were reviewed to strengthen theoretical backgrounds of the study. Then the respondents were asked to indicate their level of satisfaction by using a 5 point Likert scale (from 1=strongly dissatisfied to 5= strongly satisfied).

Sample Size:

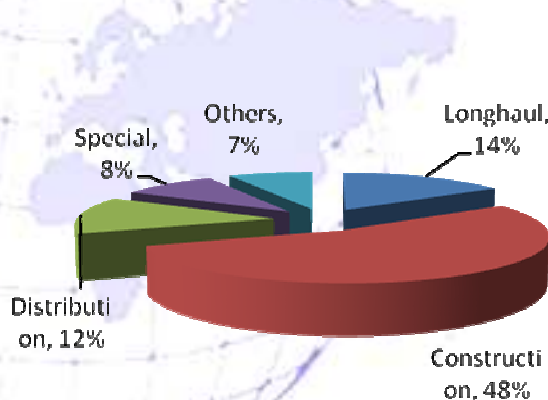
Total 198 customers were contacted during this survey across pan India.

Data Statistics:

Customer Vehicle Fleet Size



Customer Vehicle Usage



Analysis and Discussion:

Service Orientation	Friendliness of service person:	<ul style="list-style-type: none"> 85 (43%) customers are highly satisfied 79 (40%) customers are satisfied 34 (17%) customers are dissatisfy
	Speed of reaction to service and repair requests	<ul style="list-style-type: none"> 77 (39%) customers are highly satisfied 81 (41%) customers are satisfied 40 (20%) customers are dissatisfy
	Personnel's commitment to helping the customer	<ul style="list-style-type: none"> 89 (45%) customers are highly satisfied 75 (38%) customers are satisfied 34 (17%) customers are dissatisfy
Arrangement of Appointment	Flexibility of the workshop in arranging appointments	<ul style="list-style-type: none"> 81 (41%) customers are highly satisfied 81 (41%) customers are satisfied 36 (18%) customers are dissatisfy

	Availability of the workshop by telephone	<ul style="list-style-type: none"> ▪ 87 (44%) customers are highly satisfied ▪ 77 (39%) customers are satisfied ▪ 34 (17%) customers are dissatisfy
Reception of Vehicle	Joint fault diagnosis with the service personnel on vehicle reception	<ul style="list-style-type: none"> ▪ 71 (36%) customers are highly satisfied ▪ 87 (44%) customers are satisfied ▪ 40 (20%) customers are dissatisfy
	Agreement on repairs BEFORE work is actually performed	<ul style="list-style-type: none"> ▪ 73 (37%) customers are highly satisfied ▪ 84 (42%) customers are satisfied ▪ 41 (21%) customers are dissatisfy
	Waiting time when dropping off the vehicle	<ul style="list-style-type: none"> ▪ 75 (38%) customers are highly satisfied ▪ 69 (35%) customers are satisfied ▪ 54 (27%) customers are dissatisfy
Workshop Appearance	General Appearance of workshop	<ul style="list-style-type: none"> ▪ 71 (40%) customers are highly satisfied ▪ 87 (41%) customers are satisfied ▪ 40 (18%) customers are dissatisfy
Quality of Repairs	Quality of the after-sales or repair service	<ul style="list-style-type: none"> ▪ 81 (41%) customers are highly satisfied ▪ 79 (40%) customers are satisfied ▪ 38 (19%) customers are dissatisfy
	Availability of spare parts	<ul style="list-style-type: none"> ▪ 65 (33%) customers are highly satisfied ▪ 62 (31%) customers are satisfied ▪ 91 (46%) customers are dissatisfy
	Speed of Repairs	<ul style="list-style-type: none"> ▪ 71 (36%) customers are highly satisfied ▪ 69 (39%) customers are satisfied ▪ 54 (25%) customers are dissatisfy
	Technical competence of the workshop personnel	<ul style="list-style-type: none"> ▪ 75 (38%) customers are highly satisfied ▪ 79 (40%) customers are satisfied ▪ 44 (22%) customers are dissatisfy
Service Billing	Complete and correct invoices	<ul style="list-style-type: none"> ▪ 75 (38%) customers are highly satisfied ▪ 93 (47%) customers are satisfied ▪ 30 (15%) customers are dissatisfy
	Reliability of cost	<ul style="list-style-type: none"> ▪ 77 (39%) customers are highly satisfied ▪ 81 (41%) customers are satisfied ▪ 40 (20%) customers are dissatisfy
Vehicle Handover	Quality of the after-sales or repair service	<ul style="list-style-type: none"> ▪ 81 (41%) customers are highly satisfied ▪ 79 (40%) customers are satisfied ▪ 38 (19%) customers are dissatisfy
	Availability of spare parts	<ul style="list-style-type: none"> ▪ 65 (33%) customers are highly satisfied ▪ 62 (31%) customers are satisfied ▪ 91 (46%) customers are dissatisfy
	Speed of Repairs	<ul style="list-style-type: none"> ▪ 71 (36%) customers are highly satisfied ▪ 69 (39%) customers are satisfied ▪ 54 (25%) customers are dissatisfy

	Technical competence of the workshop personnel	<ul style="list-style-type: none"> ▪ 75 (38%) customers are highly satisfied ▪ 79 (40%) customers are satisfied ▪ 44 (22%) customers are dissatisfy
Complaint Management	Dedication of the workshop when dealing with your complaint	<ul style="list-style-type: none"> ▪ 36 (18%) customers are highly satisfied ▪ 63 (32%) customers are satisfied ▪ 99 (50%) customers are dissatisfy
	Solution to your complaint	<ul style="list-style-type: none"> ▪ 36 (18%) customers are highly satisfied ▪ 55 (28%) customers are satisfied ▪ 107 (54%) customers are dissatisfy
	Support provided by the workshop in the event of a breakdown	<ul style="list-style-type: none"> ▪ 87 (44%) customers are highly satisfied ▪ 83 (42%) customers are satisfied ▪ 28 (14%) customers are dissatisfy

Conclusion:

The purpose of this study was to measure customer satisfaction with respect to Company X of commercial vehicle industry. During the survey 198 customers were contacted and data were analyzed using index method in this study. The empirical findings of this study mostly customer are satisfied with service provided by Company X and its service partners. Findings also showed that satisfied percentage is more than the dissatisfied except the area complaint management. The areas where customer are found dissatisfied are spare parts availability and complaint management. Thus, Company X and its service partners is now required to concentrate their efforts on sustaining satisfiers and work on the area in which customer shows there dissatisfaction. Efforts can be put to improve areas which will increase the level of overall customer satisfaction.

In conclusion, the companies can benefit from the fact of knowing how customers perceive the service quality and knowing the way of how to measure customer satisfaction. This will help the companies to better understand various service quality dimension that affect on customer satisfaction. Thus, understanding customer satisfaction with dealer service quality is very important.

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