



GNITED MINDS
Journals

*Journal of Advances and
Scholarly Researches in
Allied Education*

*Vol. VI, Issue XII, October-
2013, ISSN 2230-7540*

**A RELATIVE ANALYSIS ON CUSTOMERS'
SATISFACTION OF CELLPHONE: STUDY ON
SELECT COMPANY**

A Relative Analysis on Customers' Satisfaction of Cellphone: Study on Select Company

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Abstract – Customer satisfaction is the key for company's boom and sustainability of today's competitive marketing world. A company ought to know their customers' sense towards products and services. The study enables firms to scrutinize the changes in customer satisfaction, so that company can act swiftly to satisfy them. Appraisal of customer satisfaction for unrelenting perfection is a prerequisite for any company. Customer retention is also money-spinning; companies will amplify profits by having better customer loyalty and satisfaction. Customers who are discontented tell twice as many people about it as compared to contented ones. The Indian cellphone manufacturing companies like Videocon, Onida are having convincingly good products and also they are priced comparatively less with foreign players. The market statistics in India indicate that foreign companies Blackberry, Htc, have achieved greater heights. The Indian key players Onida and Videocon are not able to get a bigger pie. The study aims to analyze the satisfaction level of customers towards cellphone products of LG, Onida & Videocon. The sample size of 300 respondents is taken from three major cities like Karnal, panipat and Yamuna nagar. Thus it is analyzed with statistical tools like standard deviation, arithmetic mean and testing hypothesis with chi-square test.

INTRODUCTION

Customer satisfaction the key for company's success and sustainability in today's competitive Marketing world. A company must know how their customers rates the products and services. This study enables a firm to examine the changes in customer satisfaction so company can act swiftly to satisfy them. Increase of customer satisfaction is a prerequisite for any company.

In a spirited market where businesses combat for a single customer the customer satisfaction tactics is seen as a solution. Customer point of reference for satisfaction of consumer the products or services and whole cluster of parameters are associated with them like service quality, Brand, good product etc. Customer satisfaction in business terms is a measure of how products and services supplied by a company meet or surpass customer expectation.

One of the most vital goals of all companies is to hypnotize its customers. As a result, customer satisfaction research should be firm's largest expenditure. Customer satisfaction can also be articulated as an overall evaluation of performance based on all prior experiences with a firm and has been linked to a firm's overall performance and health of a company.

The level of satisfaction is untiring not only by the quality and type of customer experience but also by the customer's expectations. The business without a

crucial point on customer satisfaction is at the clemency of the market. The companies with paucity of loyal customers are at a big menace as their customer's desires are not met. Ultimately a competitor will blissfully satisfy those desires and customer retention rate will dwindle and customer attrition rate will augment.

The rationale of a business is to generate and keep a customer. The business has to fruitfully create and retain customers in a cost-effective way. This healthy practice will make a profit and aid for survival. If, for any reason, a business fails to exert a pull on or sustain ample number of customers, it will experience losses. Too many fatalities in customer strength will lead to the demise of the enterprise.

Today, it would be tricky to unearth a company that doesn't candidly claim to be customer-oriented, customer-focused or even-customer driven enterprise. But a look closer on how these companies put their assertions into practice reveals that they are superficial, inadequate and incomplete. Only by conducting market surveys and customer interviews the organizations will not know about their customers better. The companies have to genuinely understand the customers and listen to them vigilantly, even the simplest query put forth by the customers.

Customer retention is also money-spinning; companies will increase profits by having better customer loyalty and satisfaction. Customers who are discontented tell twice as many people about it as

compared to contented ones. The dissatisfied customer will pose a serious threat for the firm as they discontinue the use of the company products. Another concerning issue is that not many dissatisfied customers will complain to top management; instead they spread a huge downbeat remark in the market spoiling the firm's image.

LITERATURE REVIEW

Choudry Pran K (1995) in his study on sales promotion opined that the sales promotion has become one of the most important marketing tools. He carried out survey on select consumer durables and non durables. For promotion can be – and has been used in a wide variety of roles. These included he stated, a consumer to buy your brand for the first time.

This encourages the consumer to buy more than usual on a single shopping visit, giving the consumer an extra reason to stay loyal to the brand over a series of repeated purchase and improve the reputation of the brand. He concluded that many marketing executive in Indian companies' sales promotion is now emerging as one of the most stimulating and fulfilling of their responsibilities.

Majumadar Nanda (1998) conducted a study to assess the value perception of Videocon.

She revealed that assuming the company retains their manufacturing capabilities, their brands and their distribution network would be attractive for many a transitional.

The author found that despite the initial enthusiasm the companies gamble could back fire. It is also highlighted that the benchmark even of it is more than double the existing price remains artificial.

Sachitanand N (1999) studied the Indian brands of consumer durables and underlined that since the start of this decade, the consumer durables in India has been on a roller coaster ride. He put forth that not only are the major Indian players confident of meeting the multinational challenge but they are also gearing up to become a global players themselves.

Sanjay K Khan and Kavitha Sharma (2002) Vikalpa Management Journal Vol. 25, No. 1, Jan – Feb 2002, article titled "Product Related Antecedents of Consumer Involvement: An Empirical Investigation". The authors in this article have found that differences in consumer involvement with the products have been stated to be dependent on various product and brand related factors, viz., consumers risk perceptions, product's hedonistic value, product familiarity and brand awareness.

The paper investigates the relationship between product related antecedent conditions and consumer involvement for the products. It is found that the

purchase of durable products were more involving than frequently purchased non-involving products.

RESEARCH METHODOLOGY

Objectives of the Study

a) To identify customer satisfaction level for select cellphone companies with regard to product features, sales promotion strategies and effectiveness of sales promotion campaigns, prices, brand, after sales service, customer feedback systems and grievance handling of the customers'.

b) To make a comparative study of the customer satisfaction with regard to cellphone companies.

c) To study the existing customer satisfaction strategies adopted by the select

cellphone companies (Indian MNC Companies Videocon, Onida and Foreign MNC LG).

d) To suggest plans to enhance the customer satisfaction for select Indian company

HYPOTHESIS OF THE STUDY

1. H₀= There is no significant difference in overall customer satisfaction among the select cellphone companies product.

H_A= There is significant difference in overall customer satisfaction among the select cellphone companies products.

2. H₀= There is no significant difference in customer redressal mechanism among the select cellphone companies products.

H_A= There is significant difference in customer redressal mechanism among the select cellphone companies products.

3. H₀= There is no significant difference in brand preference among the select cellphone companies product.

H_A= There is significant difference in brand preference among the select **cellphone** companies product.

Sample Frame

A sampling frame is a means of representing the elements of population. A sampling frame can be telephone directory, city directory, listing of customers' etc. In this study sample frame is taken from the list of existing customers' and from various retailers of select cities.

Sample Unit

It is the basic unit containing the elements of population to be sampled. In this study the sample unit is the household who has purchased the cellphone of select companies.

SAMPLING METHOD

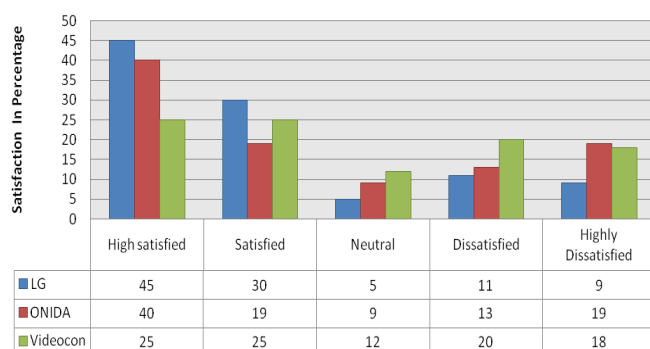
The sampling method is the way the sample units are to be selected. In order to achieve the objectives of research the following sampling method is used: Non probability, simple random sampling.

Sample Size

The population, refers to all the users of the products of the LG, Videocon and Onida companies. The sample in this study is select on simple random sampling method. The sample size is **300** in total.

COMPARATIVE ANALYSIS AND FINDINGS OF CUSTOMER SATISFACTION

CHART : VOICE QUALITY OF SELECT CELLPHONE COMPANIES VOICE QUALITY



Source Primary Data

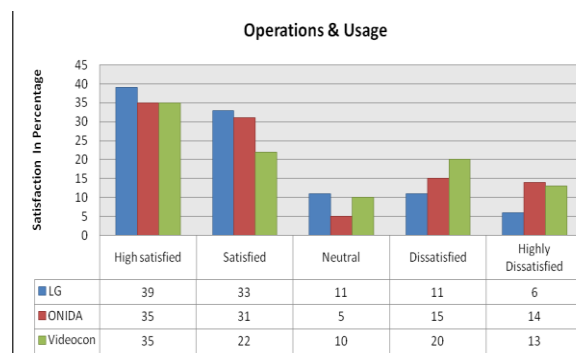
The chart indicates that 45 percent of LG cellphone users opined that they were highly satisfied with quality and 30 percent said they were satisfied. Among the Onida users only 40 percent of users showed highest satisfaction for its quality and another 19 percent showed their satisfaction level.

A higher percentage of Videocon users were dissatisfied with its quality. The higher satisfaction for LG is because of its excellent technology and it is known for efficient connectivity. Very few customers' of LG expressed dissatisfaction about quality.

The chart also reveals that there is very low percentage of dissatisfaction among the LG users and higher in case of domestic companies.

This again indicates the technological expertise of Korean giant LG.

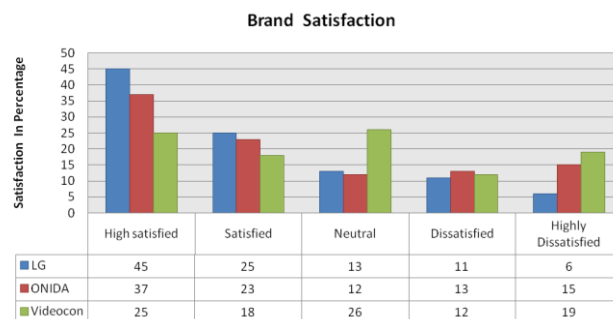
CHART 2: EASE OF OPERATIONS AND USAGE OF SELECT CELLPHONE COMPANIES



Source Primary Data

The chart obviously shows that majority of LG users are satisfied with the usage and sound clarity. The users of LG opined that the menu was very simple, user friendly. The customers' were glad with programs in their cellphone. A negligible number of LG users were despondent with the usage. The users of Onida and Videocon felt the operations are not so user friendly as compared to users of LG cellphone. Some customers' of Videocon and Onida opined that the menus were confusing and not so gracious. Customers' were unable to judge the timing, resulting in improper connectivity;

CHART 3: CONSUMER BRAND SATISFACTION OF SELECT CELLPHONE COMPANIES

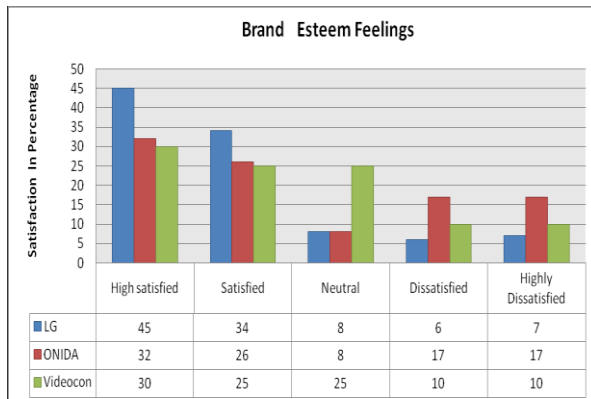


Source Primary Data

The above visual aid shows the customer reaction for the brand satisfaction of selection cellphone. From the chart it is clear that LG brand users are more satisfied than Onida or Videocon. Among the LG users 45 percent were highly satisfied with the brand. The satisfaction for the domestic brand users was 37 percent and 25 percent for Videocon and Onida respectively. The domestic brands are well known and they have got good image, but in the case of CELLPHONE these brands have not carved a niche in customers' mind. This can be a reason for dissatisfaction with domestic brands. The chart

indicates that even the dissatisfaction level is much higher compared to LG.

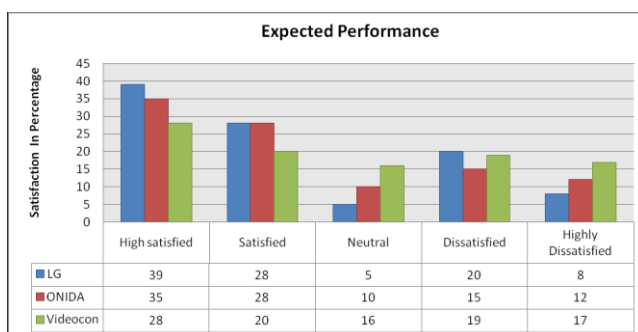
CHART 4: CUSTOMER BRAND ESTEEM FEELINGS OF SELECT CELLPHONE COMPANIES



Source Primary Data

When cellphone users were requested about the sense of pride or esteem feeling of owning their brands LG got a positive response of 45 percent, followed by Onida at 32 percent and Videocon at 30 percent. Onida is trying hard to make its presence felt as a high quality and innovative company; it has recently agreed for alliance with international vendors for cellphone components. The higher dissatisfaction for brand esteem may also be because of the social class. The buyers of such products usually belong to high income group, occupation and educated people. This category of people may be confirmed about the Indian brands.

CHART 5: CONSUMER EXPECTED PERFORMANCE OF SELECT CELLPHONE COMPANIES



Source Primary Data

When the customers' were told to compare their cellphone performance with their expectations the following results evolved. The users of LG (39 percent) again ranked their cellphone high for its superior performance. They said the product's performance matches their professed expectations. The satisfaction level came down in case of Onida and lowest satisfaction was found in Videocon. On the other end the chart reveals a low magnitude of dissatisfaction by the LG users, whereas the users of Indian firms show

a high magnitude of dissatisfaction, owing to their low performance.

CHART 6: OVERALL SATISFACTION OF SELECT CELLPHONE COMPANIES



Source Primary Data

The chart 6 reveals the customer satisfaction level on overall parameters for select consumer durable companies of cellphone. Again LG users have ranked their cellphone high on overall performance parameters. 45 percent were highly satisfied and 25 percent are satisfied. In case of Onida 39 percent were highly satisfied and in case of Videocon around 35 percent are highly satisfied. The higher satisfaction in LG is quite obvious in the study as LG was ranked high based on the parameters of products and services. The chart indicates that low percentage (9 percent) of LG users was dissatisfied. Even Onida has been ranked well and it is observed in the chart that only 10 percent of users were highly dissatisfied. It is a healthy sign for Onida. The Videocon cellphone segment has been ranked the lowest; even the dissatisfaction level is high i.e. 14 percent.

HYPOTHESIS TESTING

HYPOTHESIS 1

H0= There is no significant difference in overall customer satisfaction among the select companies cellphone product.

HA= There is significant difference in overall customer satisfaction among the select companies cellphone product. To test this above hypothesis all the major parameters on product features, brand parameters and service parameters were shown in chi square table. To test the hypothesis the following eleven parameters were taken, quality, and usage, variety of cellphone, expected performance, brand satisfaction, technical service, price satisfaction, product recommendation level, call centre effectiveness and effective complaint handling. All these parameters were asked to the respondents through Likert scale questions. The eleven parameters and three select cellphone company's values are plotted into a table using chi square

formula with a **degree of freedom 20** at **95 percent confidence level**.

The following result was observed in overall satisfaction for cellphone of select company's

Chi - square Value 149.46

Table Value 31.41

The table value is found less than the chi-square value so null hypothesis is rejected and alternative hypothesis is accepted, therefore it can be inferred that overall satisfaction is not same in select cellphone companies.

HYPOTHESIS 2

H₀= There is no significant difference in customer redressal mechanism among the select companies cellphone product.

H_A= There is significant difference in customer redressal mechanism among the select companies cellphone product. To test the above hypothesis the following parameters concerned to customer redressal system are taken, technical service effectiveness, customers' complaint handling, relationship with company sales people, responsiveness of call centre and call center effectiveness. In this case the five variables and three select companies observed data is plotted into a table and chisquare formula is being applied with degree of freedom 8 at 95 percent confidence level. The following result was observed in customer redressal mechanism for cellphone product of select companies.

Chi - square Value 58.15

Table Value 15.51

The table value is found to be less than the chi-square values so null hypothesis is rejected, therefore it can be inferred that customer redressal mechanism is not same in select companies.

HYPOTHESIS 3

H₀= There is no significant difference in brand preference among the select companies cellphone product.

H_A= There is significant difference in brand preference among the select companies cellphone product. To test the above hypothesis the following three parameters concerned to brand image are taken, brand preference and satisfaction, esteem feelings for the brand and product recommendation. the three parameters and three select companies observed data is plotted into a table and chi-square formula is being

applied with degree of freedom 4 at 95 percent confidence level. The following result was observed in brand preference for cellphone of select companies.

Chi - square Value 26.27

Table Value 9.49

The table value is found less than the chi-square value so null hypothesis is rejected and alternative hypothesis is accepted, therefore it can be inferred that there is significant difference in brand preference among the select companies cellphone product.

MAJOR FINDINGS

Approximately 75 percent of LG cellphone users were glad as they have experienced efficiency. In regard to Videocon cellphone users 50 percent were happy. The users of Videocon 35 percent and Onida 32 percent have experienced quality and they were dissatisfied as the cooking was uneven. In LG the dissatisfaction rate was at 20 percent. Around 62 percent of LG users are happy ; where as 52 percent are happy in case of Videocon. The LG products are good is aesthetics. In case of displeasure the LG users are very low in numbers i.e. 9 percent only, whereas in case of Onida and Videocon it is 19 percent and 18 percent respectively. The LG cellphone also ranked high for its aesthetics (50 percent). Again the Onida 42 percent and Videocon 32 percent of users have been rated less than LG cellphone.

The users (39 percent) of LG cellphone opined that the menu was very simple and user friendly. The users of Onida and Videocon felt the operations are not user friendly as compared to users of cellphone. This led for higher dissatisfaction among the Onida (14 percent) & Videocon (15 percent) customers'. In LG hardly 6 percent of customers' are dissatisfied. In regard to variety of cellphone offered during their purchase showed the following result, 45 percent of LG users confirmed that they are highly satisfied and 25 percent said they are satisfied. Diminishing trend of satisfaction is found for domestic companies, Onida (35 percent) and Videocon (25 percent). The LG cellphone users are highly satisfied with the technical service provided by the company. Majority of user's i.e. around 60 percent showed satisfaction for their prompt technical services and assistance. Cellphone users of Indian companies are not happy as compared to LG. The dissatisfaction level is high among the domestic company cellphone users Onida (15 percent) and Videocon (11 percent).

The customers' of LG (39 percent) again ranked high their cellphone for its superior performance. They said the product's performance is meeting their professed expectations. The satisfaction level came

down in case of Onida (35 percent) and lowest satisfaction was found in Videocon (28 percent). This indicates the customers' of Onida and Videocon are not happy with their products and they are not meeting their perceived expectations. In case of LG cellphone users around 44 percent were willing to recommend the brand and another 26 percent also showed interest in recommending the brand to their friends, colleagues and relatives. In case of Onida around 36 percent showed highest willingness and another 24 percent were willing to recommend the same brand.

CONCLUSION

Customers' of select companies were critically interviewed on multiple parameters for customer satisfaction. Each parameter is logically identified and then administered to the customers' through appropriate questions. More than 300 customers' are interviewed for this study. The sample is select from three cities karnal, panipat and yamuna nagar.

The overall observation from the study reveals that the users of LG cellphone are satisfied at a higher level than the domestic firms Videocon and Onida. On many parameters LG was superior than domestic companies. The study also reveals that the LG firm is highly customer oriented and known for making customer driven innovative and superior quality products. The domestic firms must take initiatives, be proactive and provide good products and conquer higher customer satisfaction. LG products have proved themselves about their advanced technology, be it television, microwave oven or washing machine and cellphone and all these have outperformed domestic company products. LG superiority is not only with products, they are equally ahead even in customer services like grievance handling, speedy, effective technical support and service.

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