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CUSTOMER SATISFACTION TO CUSTOMER DELIGHT

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Abstract:- Being the most preferred market by many Organization within the country and also from other countries, Indian market conditions have become very competitive. Take any kind of Goods or Services we see stiff competition in every sphere. Due to this severe competition, the customer is subjected to products that are most of the time similar to each other, and customers find it difficult to differentiate one brand from another. Companies are experts in building Points of Parity (Pop's) between Products (or Brands), but building Points of Difference (Pod's) is the challenge.

Most Organizations fail or struggle to create a value proposition due to intense competition. Companies are overlooking value enhancers like, Green Value, Social Responsibility, Customer Support, Follow through after sale etc. Not following sustainable value drivers will lead to standard products in the market. Organizations are now realizing that they have lost their valuable customers because they were focused only on the Product and not Value.

Value is a bundle of goods, services, support, time, price and other benefits. We can put it in an equation as follows...

Value = Goods + Services + Customer Support + Empathy + Offers + Benefits +
A1+A2+A3+..... (where 'A' is anything that adds value to the offering)

An Organization needs to adopt a win-win policy between itself and the customer. Customer should receive value for an offering which is more than what is being offered by competition, at the same time the organization should also make a profit. Satisfied customers pay more if they perceive that they are receiving more value in an offering. This research paper is an attempt to find out how Companies are sustaining by adding value and how Companies are failing by not doing so. It is a descriptive study where data is primarily collected and analyzed by reviewing relative data available in the form of research papers, articles, blogs, surveys conducted by various institutes or agencies.

Keywords: Customer Satisfaction , Indian Market, Valuable Customers , Competition .

INTRODUCTION

This research article aims to describe that If a company want to sustain in the market , it needs to offer “Value” instead of offering only “Product” to the customers. Today’s shopping has become easier for most people to swift between different brands & products . The Market has become very much competitive. Customer are having different brands and product to choose . In order to attract new customers and retaining existing customers , companies are providing good shopping experience and best price. Customers do know now a days that how much value they contribute to an organization.

The Value is a bundle of benefits attached to the Products .. like discounts, Pre-sales & after sales service , buy back, Exchange etc..

The concept of offering value can be understand better like this.

Human being are the creations of God . Each one has a different Characteristics in the form of value such as nice physique, voice, tall, handsome , pretty, sense of humour, look etc..which makes them unique from one to another. Same in the case of animals also each animal has different characteristics in the form of value such as Elephants are huge, Rabbits are cute and small, Camels are tall where Ants and flies are tiny . All are special possessing some kind of uniqueness as strength. This uniqueness and strength are known as values, which are attached with each of them and make them different from each other

Thus we see God has attached value in each of his creation and this value gives creature a unique identity and make them special and different from others..

There are various interpretations of what is meant by customer value ?

“Low price receiving for what is desired, receiving quality for what is paid or receiving something for what is given” according to Zeithmal

According to Woodruff defines customer value as “A customers perceived preferences for evaluation of those product attributes . Attributes performances and consequences arising from use that facilitate achieving the goals and purpose”.

HERE WE SEE CUSTOMER VALUE HAS TWO ASPECT :

I. Desired Value

II. Perceived Value

Desire Value is something which a consumer desire in a product or service . Perceived value is that a customer believes he or she received after using the product or service after it was purchased.

Value is perceived at various levels so value needs be delivered at various levels. Now a days companies are offering value either before sales or after sales . One more level where customers seeks more attention is during sales . This is the phase where most companies are failing to offer value due to some reasons .

4.1 ‘PRODUCT’ TO TERM’ VALUE’ FOR MARKET SUSTAINABILITY

“Anything that is produced, whether as the result of generation, growth, labor, or thought, or by the operation of involuntary causes; as, the products of the season, or of the farm; the products of manufactures; the products of the brain”

Where as

“Value is a bundle of goods, services, Customer support, time, price and other benefits which are attached to the product”

We can put it in an equation as follows...

Value = Goods + Services + Customer Support + Empathy + Offers + Benefits + A1+A2+A3+..... (where ‘A’ is anything that adds value to the offering)

- Products- Anything that is being produced , called products.
- Core Products - Basic needs, main benefits or central benefits when a consumer looks into a products . These products are called core products .
- Services- A Service is a performance not a thing, they are experienced rather than owned. Services are not tangible things which can be touched or felt, services are deeds and performances. Intangibility, Heterogeneity, Inseparability & Perishability are the characteristics of services
- Customer service or Support - Customer service is the provision of service to customers before, during and after a purchase. According to Turban et al. (2002), "Customer service is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer expectation."

- Price- It is the exchange value for a product or service expressed in terms of money. Here we see a price is a exchange value for a product or service . Price (2p) plays a very important role in decision making process. Consumers pay price expecting value in return .
- Customer Empathy- Ability to understand and share feelings of another called empathy where as customer empathy creates wonderful sense of emotional satisfaction when a customers feel that he or she is being valued as a person or human being . Create a emotional bond between customers & marketers is necessary to drive customers towards customer loyalty .
- Offers & benefits - An expression of readiness to do or give something if desired. Anything which is associate with products or service which adds value in products are service , known as benefits .. Here the equation is
$$\text{Value} = \text{Goods} + \text{Service} + \text{benefits}(A1+A2+A3)$$

Here $A1+A2+A3$ are the benefits which add value

4.2 POINT OF PARITY & POINT OF DIFFERENCE

Point of Parity-

The aspects of the product offering that are largely similar to the offerings of like competitors. In simple words the attributes or functions or benefits are not unique to the brand and might be shared by competitors.

Point of Difference-

The aspect of the product offering that are relatively distinct to the offering of like competitors . Or we can say . Attributes, functions or benefits of a products which a consumer strongly feels that it is not being associated or shared with other brands or competitors.

Once a brand has established its POP, to be considered in a specific category and negated its competitors ' advantage the next step is to establish POD for gaining the competitive advantage over its competitors. Companies are expert in building POP's but its a big challenge in building POD's . Consumers are the backbone of a business . The strategy , policy or anything which Marketers build and implement , main objectives of all these are to make customers delighted . Customers are the most complicated elements . So companies are continuously trying to gain new customers as well as retaining existing customers through POD's .

Customer Support, Follow through after sale etc. Not following sustainable value drivers will lead to standard products in the market. Organizations are now realizing that they have lost their valuable customers because they were focused only on the Product and not Value. Here is a example of BSNL & MTNL

BSNL & MTNL are two govt telecom companies which face intense competition from private & foreign players . TRAI announced on nov 20, 2009 that MNP will be introduced in India, on December 31,2009 and finally it introduced in 20 january,2011 and BSNL & MTNL had to suffer . In a smaller period around 3,23,000 BSNL customer requested for switching to the other service provider while 1,31,000 requested for switching to GSM networks. Due to the poor customer service these companies like BSNL, MTNL, Reliance suffered huge loss and lost their existing customer .

So we see offering value has become a key to sustain in the market . It is quite helpful in gaining new customer as well as retailing existing customer as well .

If a customer is satisfy by value offering by a company , it is not sure that in his/her next visit he/she will be satisfied by getting the same value . Designing Value is a step by step process which should be flexible enough to meet customers requirement as we know due to some cue's and drivers customers tastes and preferences keeps on moving from one track to another . Offering value is not an easy task . It needs lot of research , effort in a continuous manner without a pause . Because taste & preferences keeps on changing and we can not predict it exactly.

5.0 CHALLENGES IN OFFERING VALUE :

A Marketer must deliver value along the dimensions that matter most to its customers. For example, from a customer's perspective, the value of having pizza in store with a friend would be greater than ordering it for home delivery. In both of the cases the price might be same but value extracts is different. There are three stages where customer's assess value -

I. Pre-Sales

II. During Sales

III. After sales

Value is perceived at various levels; therefore, value needs be delivered at various levels. Values could be offered in various way, through various channels and at various levels. Its a big challenge for Marketer is that

I. In which form value is being offered?

II. Is it being offered to the right person in a right way through right channel?

III. How organization is going to make money from that Value?

Every organization should make a check list for their Value Proposition which they are offering that would help them to serve their customers better. At every level of it research needed .. Some question are formed here

- Are the benefits clearly explained or stated?
- The value is directly or indirectly related to the product ?
- Value is reaching to the right customers?
- A customer would be ready to pay extra for that?
- Offering value is unique from the other rivals ?
- The value is in the Customized form?

If value is not directly associated to the product or service most probably customers are not going to buy that product or service.

Suppose there are two firms . A & B. A is selling Laptops which cost 25000 and offering value in form of printers which cost only 5000 and market price of printer is 7000. Here the customers saving is 2000 rupees. B dealing with the same laptop in 25000 and offering value in form of mobile phone which cost 7000 but market price of mobile phone is 9000. Here the customer saving is same 2000 rs. But most consumers prefer buying from A . Because printer is directly related to the products. which they might need in future.

Here we see the customers of today looks for the core products first then he /she moves to the “expected product “ or augmented products etc. Here the core products is laptop and expected product are printers or mobile. When customer is totally satisfied with a core product then he/she think of choosing one most valuable offer. Mostly customers moves where they are getting value in monetary form or that very product which they might need in future .

6.0 DELIVERING VALUE - A STEP BY STEP PROCESS

One of the most common reasons for the failure of a business venture, large or small, is its inability to deliver value to customers. The concept of value is one of those things that is both simple and complex. Simple because it only has three components, complex because it can only be defined by the customer, and can include tangible and intangible concepts such as perceptions and opinions. There is always a big gap between what does customer want and what marketers provide . Value could be associated and delivered by marketer to customer either by any 4 pc of marketing mix or 7 pc of service marketing mix. While designing a value system a marketer should think about customers view first rather than companies profit . Delivering value is a long term process which start from attracting new customer, bringing them to the business, making them satisfy, building customer loyalty among customers and most important bonding a strong relationship at every process . Here is the process ...

Step 1 - “Utility”

The very first value is “utility” . What is being delivered either any product, service or idea . It has to be fit for the purpose that customer expect from it . We can say it should fulfill functional or primary need of the customer first.

If A visiting any restaurant for eatables , the very first value is the quality of food which should fulfill his/her hunger first then organization should think of value added benefits.

If it is a cellphone, the phone must be able to receive a signal, the customer must be able to dial a number and connect to someone on the other end of the call.

Step 2 - “Recovery”

The next component is recovery which customers want in form of guarantee or warranty . Due to any reason if a customer associate or find any risk in product, service or Idea , he/she avoid buying that product, service or idea. A Marketer should offer warranty or guarantee so that customer could buy the product , service or idea without any hesitation. Few sentence a marketer use with a smiling face ,when a customer has brought any thing from the store . These sentence gives nothing but confidence .

“ You have made a right choice Sir/ Madam “

“ Sir/ Madam you have bought the best product /service in the world”

Step 3- “Emotional Engagement”

“Now a days if something happens wrong in a relationship, customers replace or shift to other brand other that fixing the problem”

So a Marketer has to be careful while designing value process. A open discussion with customers will be helping much more in designing value process.

Before designing value talk to customers that - -

- what are they looking in a particular product or service ?
- What kind of service they want ?
- How do they want recovery in the case of failure?
- Which kind of benefits they looking for ?
- Factors they keep in mind before purchasing any product or service ?
- What brings him/her to the store ?
- What changes they want ?

Before designing value a Marketer should go through these set of question to offer offer value the way customers want .

Step 4- “Strategy and Marketing”

Always remember strategy and marketing are two different concept but they are linked to each other. Strategies are

- What to offer ?
- How to offer ?
- When to offer ?

Where as Marketing is communicating the strategy & value in a way that drive customers to buy products or service . Now strategy which is designed to keep core products, augmented products, relationship and communication with customers should execute to the market and try to get timely feedback from the customer.

Step 5- “Customer getting more than pay”

Where does money come into play in all of this? The customer must perceive that the total value of the service is higher than its cost, and produces a positive return. The return can be tangible (as in a positive Return on Investment) or intangible (as in an increase in the reputation of the customer's brand, or the goodwill of the customer's customers). Keep in mind that sometimes intangible returns can be much more valuable than tangible ones! We all are human being. We try to look tough but the fact is we are emotional. Sentiments drive us . A marketer should create a sense closeness with their customer.

Step 6- “Maintenance”

Always remember customers taste and preferences keeps changing on regular basis. Value process should be enough flexible to change the way as customers want it. If customer is not happy with the value offering , ask customer first how does he/she want to get value from company . There is always a gap between provider and receiver. A marketer should bridge the gap through recovery as customers want .Because the ultimate objective of the business in to making its customers feel delighted.

These are the steps which a Marketer should follow while designing Value process .

6.2 Value Delivery system

- | | | |
|-----------------------|---|--------------------|
| 1)Choose the value | Customer value need , Value Positioning | |
| 2)Provide the Value | Product/ Service Development, Pricing, | Distributing Value |
| 3)Communicating Value | Sales force message, Sales promotion, | Advertising/PR, |

KEY POINTS -

Remember that the perceptions of customers can change from one day to the next. If you're delivering value on a regular basis, it is important to ask the right questions, and develop trust and credibility with the customer, to be able to detect when those perceptions change, and be able to adjust and realign to the customer's new definition of value. The worst mistake you can make is to try to produce value for a customer without consulting the customer. In any business relationship, only one party ever defines the value of goods or services the customers. The best way to know about customers is “talk to them”. Engage yourself more with customer , you will know them better. Once you know their taste and preferences , formulate strategy based on research and implement it.

7.0 MARKETERS THINK DIFFERENTLY TO SUSTAIN IN MARKET

In this era where competition is so stiff, if marketers do not think differently they will not able to catch up the market . The concept of marketing has been changed from over a period of time . As we know Marketing is a on going process which start from research and never get end because marketers are continuously doing research to offer best to their customers and to stand alone from the crowd. If we look back in 60's, the producer used to produce the product and place to the market and consumers used to buy without thinking or evaluating too much. At that time customers were not having so many choices . Making profit was the main objective of the business. There were very few sellers with limited products. Where as today's market where marketers are focusing to offer great value to the customers . Customers delight has become the key for any organization. Now a days customers know “ how much value they contribute to an Organization” therefore they expect more and more. Today, the Customer is much educated; he/she has his own standards to judge the Service or Products. It is not easy to build brand loyalty among customers, sometimes I do even ask myself, ‘why did I switch to the other brand? When the present brand fulfilled my needs, then what was the necessity of switching? The answer I get is, “ Just for a change ”. The main reason behind customers switching from one brand to another brand is the gaps which exist between, “What company thinks and what do customers expect.” This gap can not be filled . A marketer could only bridge the gap. Knowing more and more about customer means bridging the gaps closer. Knowing more and more about customer is possible only through Partnering with the customer, Emotional bonding with customers, Customer satisfaction ultimate objective of the business with all these a long term focus with innovation at every step. Few customer shared there experiences ..

Dr. Swati Ratan (MBBS working with PSU) says - I love going CCD Patrakarpuram Gomti Nagar, Lucknow again and again because i get value for my money some times even more . The physical evidence, soothing music, employee's etiquette energize me every time .

Mr. Aiyaz Pasha (Managing Director of AAkey's) says - “i Phone best phone ever”. Holding this phone gives me confidence and i find my self alone from the crowd somewhere standing far from the crowd with my own identity . The features, applications, quality everything outstanding and not shared by any other brand this is called point of difference of Apple group.

While talking to some Marketers i find that Employees of any organization play a vital role in customer satisfaction.

Mr. Kamal (Outlet Manager of Pantaloons Phoenix Mall , Lucknow) Whenever i find my employees not performing up to the mark . I talk to them and try to find out the reason . I try to solve it asap . Whenever a customer walk to the store there is always a face to face counter between customers and store employees. Its a responsibility of employees to make customers happy and making their experiences memorable while offering them best service . Last week of every month I organize a motivational program for employees . If employees are relaxed and happy then only they can give 100% effort to make each and every customers happy.

There are some POD's of Pantaloons which is not being shared by its competitors..

- A. Affordability and quality
- B. Fringe benefits like (loyalty Program, Payback, Parking Benefit)
- C. Every time something new with customers to make them feel that Pantaloons care like Kids Fashion show, pic of the kid , to make customers feel proud
- D. Parichay program for Internal employees to know them better , educate them, and motivate them to make customers happy
- E. Upabdh – This means availability of size , color and design .. if not available at a store then access by other 78 outlets in the country
- F. Pantaloons offers not only the product it offers
- G. Product + Service + Affordability + monetary benefit + extra Attention to customers + some more
- H. Pantaloons is more concern about Size , availability and colors ets

I. Pantaloons offers quality, service, reasonable price, extra attention

J. Best part is Exchange offer of 90 Days where if any defect found in any product. Customers have 90 days for exchange in the case of any defect in clothes.

K. It works on Brand Loyalty rather than ad hoc discounting.

Naushad Alam (Sous Chef at Piccadily hotel , Lucknow) Piccadily management strive for positive customer feedback. We do provide extra care and attention to our customers . I myself sous chef connect to each customers so that i can offer customize service . Every customers has different zone of tolerance level . Some times due to unavoidable factors when order delivery takes time , in waiting time we offer them cookies, soups, papad , ice-cream whatever they like . This keep customers busy and we cook comfortably. If we find that customer is dissatisfy with our service . We talk to him/her and go with service recovery process to turn up dissatisfaction from satisfaction .

8.0 PERSONS & REFERENCES

Dr. K. Mishra(HOD at BBAU Lucknow) Thank you for guiding me at every step.

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- Mr. Aiyaz Pasha , Managing Director “Aakey’s”
- Dr. Swati Ratan , MBBS working with PSU
- Kamal Soni , Unit Head Pantaloons , Lucknow(Phoenix Mall)
- Naushad Alam Sous Chef @ Hotel Piccadily, Lucknow

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