

Marketing Intelligence Through The Relationship Of Quality Service, Customer Satisfaction, Customer Loyalty

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Dr.MGR.Educational& Research Institute**Abstract**

A study undergoes that the relationship among the quality service, customer satisfaction, and customer loyalty in retail sector. The study examines their effect on customer satisfaction and loyalty. A study analyse the correlation relationship among the quality service and customer satisfaction and customer loyalty, the questionnaire has been collected from the respondent of the retail store customers in Chennai city. Finally the customer perception of reasonable price increases, the impact has been created by quality service based on customer satisfaction. The study showcases that perceived switching cost increase the relationship between customer satisfactions and strengthens the customer loyalty.

Key word: Quality service, customer satisfaction, customer loyalty

Introduction:

This study believes that quality is an important outcome of comparison between customer expectations before and after their experience of the service. If customer views that their expectations for the service performance confirm their perceptions of the service this situation may lead to induce the notion of quality service. Many researcher concur that service quality, customer satisfaction and customer loyalty are distinct, but strongly interrelated constructs. For example, the ability of service provides to appropriately implement service quality in executing daily job many lead to greater customer satisfaction.

This relationship has widely been investigated the predicting variable of service quality is little explained in the service quality.

Customer loyalty is a competitive tool for many companies. The growth and survival of companies depend on how loyal their customers are, and the audit firm is no exception. Customer loyalty has played an important role for achieving the competitive advantages (Lin and Wang, 2006). Customer loyalty can increase a company's income and reduce costs

(Reichheld, 1996). Reichheld, Sasser and Earl (1990) also found that customer loyalty could lead to a 25 to 85 percent increase in profit. Luo and Bhattacharya (2006), Ismail, Haron, Ibrahim and Isa (2006) and Oliver (1997) found that customer satisfaction is a major driver of customer loyalty and leads to future revenue. This paper assesses the customer satisfaction and customer loyalty of the audit firms' customers and also focus on functional quality offered by the audit firms.

Research objective

- To find that quality of service provide by the retail store will lead to customer satisfaction
- To find that relationship among the customer satisfaction and customer loyalty in retail sector

Customer Loyalty

Customer loyalty is an important key to organization success and sustained competitive advantage for the service industry (Pullman and Gross, 2004). Increasing customer loyalty will benefits in reducing the initial cost of introducing and attracting new customers, positive word of mouth, increase the number of purchase and value of purchase (McMullan and Gilmore, 2009; Tsoukatos and Rand, 2006), increase company's profitability, growth, and performance (Reichheld, 1996) and increase market share and higher rates of return on investment (Reichheld and Sasser, 1990; Raj, 1985).

Customer Satisfaction

The word „satisfaction“ originates from Latin language “satis” (sufficiently good, adequate) and “facio” (do or make). Simply, satisfaction is defined as an effort of fulfillment of something or making something adequate (Tjiptono, 2007). Howard and Sheth (1969) in Tjiptono (2007) state that customer satisfaction is a buyer's cognitive situation on gap between the results obtained and sacrifice made. Bitner and Zeithaml (1996) in Akbar and Parves (2009) stated that satisfaction is a customer's evaluation on product or service, whether or not the product or service meets their needs or expectations. Customer satisfaction plays an important role because there is a big difference in loyalty between customers who are just satisfied and those who are extremely satisfied (Lovelock and Wright, 2007). Ruswanti (2012) in her research

concluded that customer satisfaction is a feeling resulting from an evaluation process about what is received on what to expect including the purchase decision of the goods itself, as well as the needs and desires associated with the purchase.

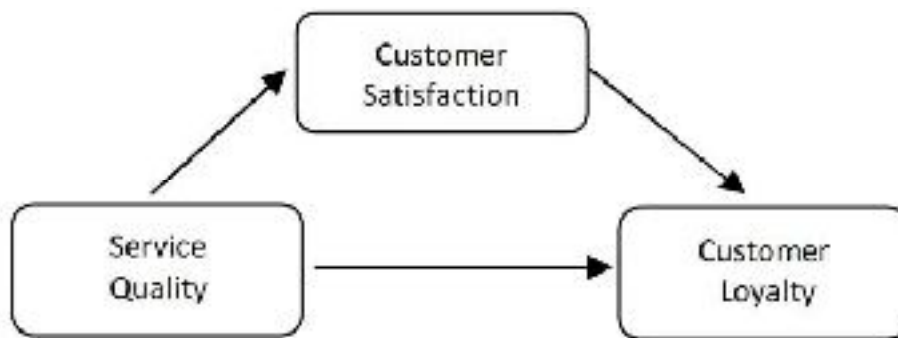
Relationship among Service Quality, Customer Satisfaction and Customer Loyalty

Service quality and customer satisfaction were regarded as relevant factors that could affect customer loyalty. High level of service quality will affect customer satisfaction and high level of customer satisfaction may lead to increased customer loyalty, high profitability and increased market share of business (Rootman, 2006). Chodzaza and Gombachika (2013) studied service quality, customer satisfaction and loyalty among industrial customers of a public electricity utility in Malawi. They found a very strong relationship between service quality, customer satisfaction and customer loyalty. This study also found that the relationship between service quality and customer loyalty is partially mediated by customer satisfaction. Bakti and Sumaedi (2012) studied the relationship between service quality, customer satisfaction, and customer loyalty in a public university library service in Indonesia. They found that service quality has a direct affect on customer satisfaction and customer satisfaction has a direct effect to customer loyalty. In other words, service quality influences customer loyalty indirectly via customer satisfaction. Lu et al. (2007) studied the differences in factors that affect customer satisfaction and loyalty to the local and the foreign supermarkets in China. The study found that there exist a difference in factors influencing customer satisfaction and loyalty with regards to Chinese or foreign supermarkets. Post-purchase service showed greater influence upon satisfaction for foreign supermarkets and in-store goods also have greater impact upon loyalty. For Chinese supermarkets, store infrastructure contributes more to loyalty than foreign supermarkets. Khan (2012) investigated the impact of customer satisfaction on customer loyalty. The sample of this studied are students of different universities of Pakistan by using questionnaire. The questionnaires were distributed through electronic mail and self-administered. A five Likert scale were used to measure the impact of customer satisfaction on customer loyalty.

Research Framework

This study seeks to determine the relationship among service quality, customer satisfaction and customer loyalty in retail sector. The independent variable of this study is the service quality and customer satisfaction in the retail market. The customer loyalty is the dependent variable. The respondents are 45 from big bazar, spar market, star bazar in Chennai. Accordance with the literature, the developed research model is shown in

Figure1. Marketing Intelligence key factors



Hypotheses Development

H1: signification relationship between service qualities is positively related to customer satisfaction.

H2: signification relationship between customer satisfactions is positively related to customer loyalty.

Table 1: Quality of service provide by the retail store

Satisfaction level of quality service	No. of the Respondent	% of the respondent
Highly satisfied	9	12
Satisfied	23	30
Neutral	32	43
Dissatisfied	9	12
Highly dissatisfied	2	3
Total	75	100

Table 2: Level of customer satisfaction with the service provide by the retail store

Customer Satisfaction level	No. of the Respondent	% of the respondent
Highly satisfied	11	15
Satisfied	25	33
Neutral	29	39
Dissatisfied	8	11
Highly dissatisfied	2	3
Total	75	100

Table 3: Customer satisfaction create through customer loyalty

Customer satisfaction create customer loyalty	No. of the Respondent	% of the respondent
Highly satisfied	7	9
Satisfied	19	25
Neutral	38	51
Dissatisfied	6	8
Highly dissatisfied	5	6
Total	75	100

Table 4:Correlations between quality service and customer satisfaction

		quality service	customer satisfaction
quality service	Pearson Correlation	1	.953
	Sig. (2-tailed)	75	.000
	N		75

customer satisfaction	Pearson Correlation	.953	1
	Sig. (2-tailed)	.000	
	N	75	75

**. Correlation is significant at the 0.01 level (2-tailed).

Significant level > table value so rejects H_0

Interpretation:

H_1 is accepted so there is significant relationship between the Age group and Awareness about the green products 0.953 value was highly positively correlated

Findings of the study:

- The researcher has ascertained that 43% of the retail store are quality service
- This study has determined that 39% of the customers are satisfied with the retail store service.
- Study has identified that 51% of the respondent customer satisfaction create through customer loyalty.

Suggestion:

- Retail store has to be much concentrate about while providing service to the customer so that they can make customer satisfaction.
- In this study it shows that when the customer is satisfied with the retail store, they are more loyal to the particular store. So that retailer has too much concentration on satisfying the customer by giving quality product and service.

Conclusion

Customers are satisfied with the overall quality of service provided by their retail store, their customers will be likely to purchase more products. The ability to keep customers is related to the intensity of customer satisfaction. Therefore, it is reasonable to predict that satisfied customers in retail store will have a higher loyalty intention toward its service. Therefore, retail store need to improve the relationship between audit firm and customer. Based on the above discussion, the three main points are drawn as conclusion, they are: first, only

assurance that may predict customer satisfaction. It shows that the customers don't have definitive discrimination to determine whether they are satisfied or not with the service provided by the retail store; second, Satisfaction, it is found that there is an impact of service quality on customer satisfaction amounting to 1.780, $p < .001$, and the impact of satisfaction of loyalty amounting

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