



A STUDY ON CUSTOMERS' SATISFACTION TOWARDS AFTER-SALES SERVICES OF PHILIPS HOME APPLIANCES IN TIRUPUR OF TAMILNADU, INDIA.

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ABSTRACT

Customers' satisfaction is a strategic goal of any organization. After sales service is one of the important factor that influence customers' satisfaction in case of durable goods. Three major activities that play a crucial role within the after-sales services in the manufacturing industry are field technical assistance, spare parts distribution and customer care. In this study 200 respondents are taken as samples for doing this research. The data required for this study is collected through a structural questionnaire. Simple percentage analysis and Chi-square test are used as tools for analysis of this study. This study has considered different aspects of after sales services that have impact on customers' satisfaction.

KEYWORDS : Durable goods, Crucial role, Customer care.

INTRODUCTION

Customer satisfaction refers to the emotional response that people feel after making a purchase from a company. Satisfaction of buyer depends on the product or service performance in relation to buyers expectations. After sales service is an important aspect of a marketing transaction. Such service covers repairs, spare parts and smooth maintenance at lower charges after the product has been sold and being used. Philips offers with a century of history and more than 450 innovative products and services in India. Company which provides prompt and efficient after sales service will have upper hand over its competitors. Better service will create company's image and reputation.

STATEMENT OF THE PROBLEM

This study has considered different aspects of after sales service that has an impact on customer satisfaction. This study is aimed to know who are the customers', what they need, and how they feel and react on after-sales service of the brand. This research reveals about a study on customers' satisfaction towards after-sales services of Philips home appliances in Tirupur of Tamilnadu, India. This research also focuses on customers' needs and wants towards after-sales services offered by the brand experts.

OBJECTIVES OF THE STUDY

- 1) To study the "After-Sales Services" in home appliances companies in Tamilnadu.
- 2) To study the customer satisfaction towards after-sales services of the selected unit.
- 3) To know about the problems faced by the customers' on after-sales services of Philips, India.

LITERATURE SURVEY

- (1) (Ehinlanwo and Zairi ,1996) indicated that, "organizations are dedicating more and more recourses to after-sales and large number of firms have after-sales department with employees focusing only on providing after-sales services and developing after-sales offers".
- (2) (Goffin, 1994; Slater, 1996; as cited in Ruben, 2012), "After-sales service has emerged as a major source of competitive maneuvering, so firms strive for competitive advantages with their after-sales service portfolio to differentiate offers from competitors".
- (3) (Levitt, 1983), "The relationship linking a buyer and a seller seldom ends after a purchase transaction; the outline of the relationship affects the decision of the buyer on the next round

of purchase".

- (4) (Memoria C. B, Suri R. k & Memoria Satish, 2006), "Almost all consumer durable goods need post sales servicing .After sales service is an important aspect of a marketing transaction. Such service covers repairs, spare parts and smooth maintenance at lower charges after the product has been sold and being used. The need for such services arises to prevent dissatisfaction, frustration and ill will among customers against the manufacturer's product".
- (5) (Philip Kotler, 2003), "Satisfaction of buyer depends on the product or service performance in relation to buyers expectations. In general, satisfaction is a person's feeling of pleasure or disappointment, resulting from comparing products perceived performance in relation to his or her expectations. If the performance falls short of expectations, the customer is dissatisfied. If the performance matches the expectations, the customer is satisfied. If the performance exceeds expectations, the customer is highly satisfied or delighted".
- (6) Saccani, *et al.*, (2007) defined, "after-sales service for manufactured goods as the set of activities taking place after the purchase of the product, devoted to supporting customers in the usage and disposal of goods".
- (7) (Takeuchi & Quelch, 1983; Reichheld & Sasser 1990; Zeithaml *et al.*, 1990), "An essential strategy for success and survival in competitive business environment are quality assurance and extended service programs; these attempts are driving the customer's perception of a company's products in the right direction".

RESEARCH METHODOLOGY

Collection of Data

Primary data and Secondary data were used.

Sampling Design

200 respondents were selected and data collected through questionnaire by simple random sampling method.

Area of study

The study was confined to Tirupur of Tamilnadu, India only.

Tools for the study

- Simple Percentage analysis
- Chi-square test

TABLES AND CHARTS

**TABLE 1
AGE GROUP OF THE RESPONDENTS**

S.NO	AGE GROUP	NO.OF.RESPONDENTS	PERCENTAGE (%)
1	BELOW 20 YEARS	14	7
2	21 TO 40 YEARS	96	48
3	41 TO 60 YEARS	63	32
4	ABOVE 60 YEARS	27	13
	TOTAL	200	100

**SOURCE: Primary Data
INFERENCE:**

The above table shows that out of the total respondents taken for the study, 48% of the respondents belongs to the age group of 21 to 40 years whereas 32%, 13%, and 7% of the respondents are belongs to the age group of 41 to 60 years, Above 60 years, and Below 20 years.

Majority (48%) of the respondents are belongs to the age group of 21 to 40 years.

CHART 1 AGE GROUP OF THE RESPONDENTS

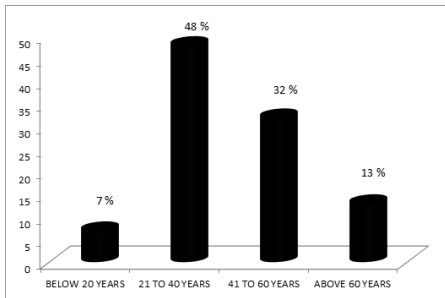


TABLE 2 TYPE OF PRODUCT PURCHASED BY THE RESPONDENTS

S.NO	TYPE OF PRODUCT PURCHASE	NO.OF.RESPONDENTS	PERCENTAGE (%)
1	SOUND AND VISION	39	19
2	PERSONAL CARE	61	31
3	HOUSEHOLD PRODUCTS	91	46
4	PC PRODUCTS	9	4
	TOTAL	200	100

**SOURCE: Primary Data
INFERENCE:**

The above table shows that out of the total respondents taken for the study, 46% of the respondents are says household products whereas 31%, 19%, and 4% of the respondents are says that their product type is personal care, sound and vision, and pc products.

Majority (46%) of the respondents are belongs to the type of product is household products.

**CHART 2
TYPE OF PRODUCT PURCHASED BY THE RESPONDENTS**

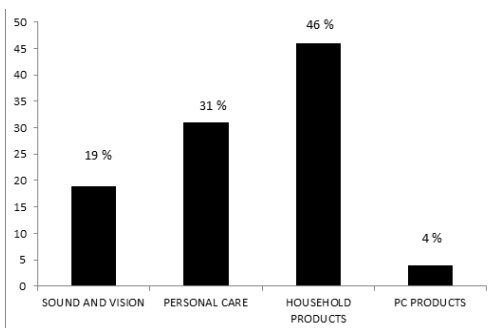


TABLE 3 MODE OF AFTER-SALES SERVICE RECEIVED BY THE RESPONDENTS

S.NO	MODE OF AFTER-SALES SERVICE	NO.OF.RESPONDENTS	PERCENTAGE (%)
1	FIELD TECHNICAL ASSISTANCE	72	36
2	SPARE PARTS DISTRIBUTION	59	29
3	CUSTOMER CARE	47	24
4	PRODUCT INSTALLATION	22	11
	TOTAL	200	100

**SOURCE: Primary Data
INFERENCE:**

The above table shows that out of the total respondents taken for the study, 36% of the respondents are says their mode of after-sales service is field technical assistance whereas 29%, 24%, and 11% of the respondents are says their mode of after-sales service is spare parts distribution, customer care, and product installation.

Majority (36%) of the respondents are says their mode of after-sales service is field technical assistance.

CHART 3 MODE OF AFTER-SALES SERVICE RECEIVED BY THE RESPONDENTS

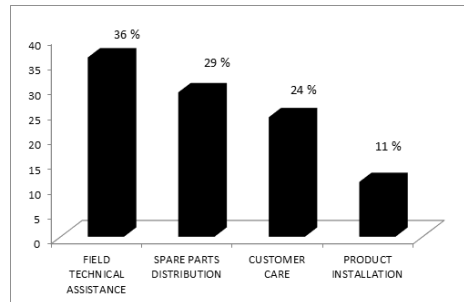


TABLE 4 LEVEL OF SATISFACTION BY THE RESPONDENTS ON AFTER-SALES SERVICES OF PHILIPS INDIA

S.NO	LEVEL OF SATISFACTION	NO.OF.RESPONDENTS	PERCENTAGE (%)
1	SATISFIED	103	52
2	HIGHLY SATISFIED	62	31
3	DISSATISFIED	27	13
4	HIGHLY DISSATISFIED	8	4
	TOTAL	200	100

**SOURCE: Primary Data
INFERENCE:**

The above table shows that out of the total respondents taken for the study, 52% of the respondents are says they are satisfied whereas 31%, 13%, and 4% of the respondents are says that they are highly satisfied, dissatisfied, and highly dissatisfied.

Majority (52%) of the respondents are says that they are satisfied.

CHART 4 LEVEL OF SATISFACTION BY THE RESPONDENTS ON AFTER-SALES SERVICES OF PHILIPS INDIA

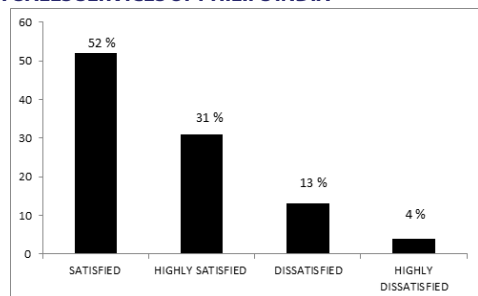


TABLE 5 PROBLEMS FACED BY THE RESPONDENTS ON AFTER-SALES SERVICES OF PHILIPS INDIA

S.NO	PROBLEMS	NO.OF.RESPONDENTS	PERCENTAGE (%)
1	LACK OF TECHNICAL SKILLS OF THE EXPERTS	19	10
2	CUSTOMER CARE CHARGES	56	28
3	PRICES OF SPARES	92	46
4	TIME TAKEN FOR DOING A SERVICE	33	16
	TOTAL	200	100

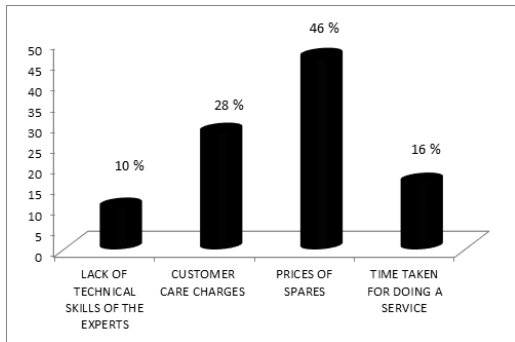
SOURCE: Primary Data

INFERENCE:

The above table shows that out of the total respondents taken for the study, 46% of the respondents are says the problem is the price of spares whereas 28%, 16%, and 10% of the respondents are says that they face the problems like customer care charges, time taken for doing service, and lack of technical skills of the experts.

Majority (46%) of the respondents are says that the problem is the price of spares.

CHART 5 PROBLEMS FACED BY THE RESPONDENTS ON AFTER-SALES SERVICES OF PHILIPS INDIA



CHI-SQUARE ANALYSIS

TABLE 6 COMPARISON BETWEEN MODES OF AFTER-SALES SERVICES RECEIVED BY THE RESPONDENTS WITH THE PROBLEMS FACED BY THE RESPONDENTS

MODES OF ALTER-SALES SERVICES	PROBLEMS FACED BY THE RESPONDENTS				TOTAL
	LACK OF TECHNICAL SKILLS OF THE EXPERTS	CUSTOMER CARE CHARGES	PRICES OF SPARES	TIME TAKEN FOR DOING A SERVICE	
FIELD TECHNICAL ASSISTANCE	7	20	33	12	72
SPARE PARTS DISTRIBUTION	6	17	27	10	59
CUSTOMER CARE	4	13	22	7	47
PRODUCT INSTALLATION	2	6	10	4	22
TOTAL	19	56	92	33	200

CALCULATION OF EXPECTED FREQUENCY TABLE

O	E	O-E	(O-E) ²	(O-E) ² / E
7	6.84	0.16	0.02	2.92
20	20.16	-0.16	0.02	9.92
33	33.12	-0.12	0.01	3.01
12	11.88	0.12	0.01	8.41
6	5.60	0.4	0.16	0.02

17	16.52	0.48	0.23	0.01
27	27.14	-0.14	0.01	3.68
10	9.73	0.27	0.07	7.19
4	4.46	-0.46	0.21	0.04
13	13.16	-0.16	0.02	1.51
22	21.62	0.38	0.14	6.47
7	7.75	-0.75	0.56	0.07
2	2.09	-0.09	8.1	3.87
6	6.16	-0.16	0.02	3.24
10	10.12	-0.12	0.01	9.88
4	3.63	0.37	0.13	0.03
CALCULATED VALUE				60.27

Therefore, $\chi^2 = 60.27$

Degrees of freedom = $(r-1)(c-1)$

= $(4-1)(4-1)$

= 9.

Table value = 16.919 for 9 degrees of freedom at 5% level of significance.

RESULT

FACTORS	CALCULATE VALUE	TABLE VALUE	DEGREE OF FREEDOM	SIGNIFICANT LEVEL
MODES OF AFTER-SALES SERVICES WITH THE PROBLEMS FACED BY THE RESPONDENTS	60.27	16.919	9	5%

From the above table analysis the researcher finds that the calculated value (60.27) is more than the table value of (16.919). Hence, the null hypothesis is rejected.

INTERPRETATION

(H⁰): There is no significant relationship between modes of after-sales services with the problems faced by the respondents.

(H^a): There is a significant relationship between modes of after-sales services with the problems faced by the respondents.

FINDINGS AND SUGGESTIONS

- 1) Majority (48%) of the respondents are belongs to the age group of 21 to 40 years.
- 2) Majority (46%) of the respondents are belongs to the type of product is household products.
- 3) Majority (36%) of the respondents are says their mode of after-sales service is field technical assistance.
- 4) Majority (52%) of the respondents are says that they are satisfied.
- 5) Majority (46%) of the respondents are says that the problem is the price of spares.

SUGGESTIONS

- 1) Most of the customers' are engaged with household products. If Philips India gives more attention to all its other products, that will raise the consumption standard of customers'.
- 2) To improve the quality of all other after-sales services are possible only if Philips India having more communication with the customers'.
- 3) To reduce such prices of spares ,installation charges, and try to make toll free customer care calls are may increase more customers' to Philips India.

CONCLUSION

After sales service is an important aspect of Marketing of durable products. Customer satisfaction level is influenced not only by quality of actual product delivered but also by quality of after sales service offered by company. Satisfaction level of customers in relation to after sales service also depend on interaction of

customers with the technical staffs/employees. Service charges and other cost of repairing /servicing are important factors that influence satisfaction level of customers. It is good to notice that the majority of Philips India customers are satisfied with after sales service offered by Philips India.

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