

The Impact of Customer Service on Customer Satisfaction and the Resultant Behavioural Intentions on the Indian Companies

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Abstract- To provide a high quality customer service that actually satisfies the customer needs that results in customer satisfaction which is one of the biggest approach and important need of today's organizations. Customer satisfaction every time focuses on the behavioural intentions of the customer hence there is a strong reason why all the companies are continuously realizing and reaching out to the customer with the aim of building strong relationships that will result in customer loyalty and customer retention. Managers of all the small & big companies should therefore be more alert by the important part that is been played by the quality customer service in building those strong relationships. By gaining an accurate and deep understanding, into customer thought process and expecting managers will be in a position to offer products and services that meet customer demands. Customer service matters more than a price. Customer satisfaction and service is one of the most important issue affecting organizational survival and existence.. It has the most important effect on customer retention and in order to narrow it down, focus on customer service quality as one of the customer satisfaction factors for this technological advancement is a major factor.

Index Terms- Customer Service, Customer Retention, Business Loyalty Model, Customer Behaviour, Challenges

I. INTRODUCTION

Customer Service is more important than price. Customer satisfaction and retention is at par excellence for the growth of the company. Many Companies have adopted many strategies to improve the operation of the business i.e. either increase cost or decrease sales. Companies are not going to decrease their cost but rather would work upon how to increase their sales in an easy way by working upon the service been rendered to the customer after the sales or while providing adequate service to all

the customers. None of the companies are going to take any challenge when it comes to profit margin or to compete with other organization rather they are going to work upon in a genuine manner to be an A class company with majority of customer goodwill and rapport. Service to a customer is by far the most important thing for a business, as a company you provide a good customer experience and the relationship and strength of this relationship builds up a mountain for your competitors to have to climb over it in every sphere. People will only look to stay loyal to a company if they have very good reason to, don't give your competitors the opportunity to maximise on poor customer service. Customer service is a great attitude to look up to and not a department to manage into. Customers may not tell you that they've had a bad experience or a bitter experience with your business -- but they will definitely tell their friends, family, co-workers and other connections. The effects of poor customer service is like an earthquake which goes on rippling under the earth i.e. below the base of the companies which is far beyond the revenue lost with that one particular person. Customers are the base of achievement for every business, and if customers are not treated in a right manner, the business or any organization may lose its reason for existentialism. If the customer services aren't taking care of their customers, and your business becomes known for poor customer service, expect several things to happen -- and none of them is going to be good news for your business.

Why do company lose customer ?

It is indeed a very big question and all the companies must find a right answer for this question. Because all the companies invest a lot of capital and a little

fortune to attract the customers. But how should we bring customer ideally and genuinely and quite obvious telling their partners and friends to come too. The actual question which has come to mind is that where do the existing customers go away? for finding this i have done a research on few companies on customer experience towards that particular company and what i found out is there is three big reasons for this issue. They are:

- When there is a problem with the customers while doing any transactions with the company
- When they encounter lot of problem while asking for help for any of the problems they have come across.

There are many ways a customer can ask for help to customer service, it can be through mails, chat rooms, toll free number, web sites etc. but the service provided by many companies differ from one another .its been seen that formally 40 % company attend your query and rest put you into a queue by telling you are going to be attended shortly and they regret for the inconvenience caused. Many customers they find it hard to connect with the service and they look upto change in the company.

- When customer they get a very poor response with the help they have asked for.

Due to the bad response which they have encountered they are not only going to change their loyalty rather they are going to spread this information to many others who are into the market.

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- When there is a problem with the customers while doing any transactions with the company.

Its been seen that 30 % customers lose loyalty while doing business with the companies due to some or other reasons.

- When they encounter lot of problem while asking for help for any of the problems they have come across.

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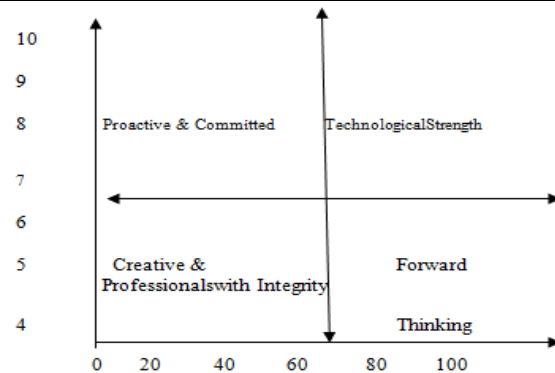
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In all the business firms these three reasons plays a very vital role which has a serious and direct impact on the revenue and profit margin of the company. It also has a serious effect on the operating cost and many compliances of the company along with the support from the customers.

II. SCORE CARD FOR CUSTOMER SATISFACTION INDEX (CSI)

Score of Customer Satisfaction	Benchmark
Average Score of 8 or over out of 10	Excellent
Average Score 7 to 8 out of 10	Needs Severe Attention
Average Score below 7 out of 10	Serious Concern



III. LITERATURE REVIEW

Kassem (1989) has opined that service companies can ill afford to neglect customer service quality issues. In the past, quality was the prerogative of manufacturing sector. However, in the modern day fiercely competitive service sector, quality of services has become as important (if not more) as quality of goods. Binks et al., (1989) have pointed out that banks are not trying to differentiate their products/services while targeting small business sector. They can't afford to do so in future as the markets are becoming more and more heterogeneous. The authors have strongly recommended that mass marketing must pave way to nice and customized marketing. They have revealed that Indian customers have lot of resentment regarding more time taken by banks in rendering services at counters. The studies have strongly recommended establishing standard timings for various banking services which, must be abided by the banks. Berry et al., (1990) are of the view that the sole judge of service quality is the customer and to get a positive feedback from him; the service companies should implement the five imperatives of service quality viz. Reliability, Assurance, Tangibles, Empathy and Responsiveness in their services. The authors have advocated knowing the expectations of the customers on the said fronts and further measuring their actual perception. It becomes imperative for service companies to improve themselves on whichever front expectations of the customers outscore their perception. Reichheld and Sasser (1990) have suggested "Zero Defection of Profitable Customers" as an ideal approach to attain higher profitability in service sector. Their assertion is based on the fact that it is less costly and hence more profitable for the service firms to retain existing profitable customers than to attract new customers. The profitable customers not only add to the profits of the companies but also bring new customers in their kitty by spreading positive word of mouth. Buttle (1996) has viewed that since its launch in 1985, SERVQUAL has become a widely adopted technique for measuring service quality. However, there is a need to deliberate upon the 'expectations' aspect of the model as the same is reflected in perception itself. The author has opined that low perception score itself convey high customer expectations while high

perception score signify that expectations are met to a desired extent. Moreover, expectations of modern day customers are always sky high and comparing it with perception does not make too much of a sense. Ndubisi and Wah (2005) had worked on factorial and discriminate analyses of the underpinnings of relationship marketing and customer satisfaction. The results show that five key dimensions, namely: competence, communication, conflict handling, trust, and relationship quality, discriminate between customers in terms of perceived relationship quality and customer satisfaction.

No Customer can truly satisfy the customer until and unless the management is genuinely at its back support and is actually working for the profit of the company. All the customers cannot be satisfied only the targeted customer can be made satisfy through customer service. You can satisfy only few of the people some of the time and some of the people all the time. This has now become the real mission and vision of all the small and the big companies in and around India. As marketers we should segment our market area as well as customers linked with it. It is never a good thought to satisfy everyone as the companies do not aim at everyone as valid entity or a valid customer. People as in general, their behaviour is continuously changing and so do the performance of the companies in delivering customer. Measuring customer satisfaction should and must be a continuous process. Checking and Tracking surveys provide benchmarks of one's own company's performance and, if competitor suppliers are also being measured, there will be measurements of resultant behavioural performance.

The questionnaire needs to be strong & consistent so there is no dispute about answers differing because of changes to questions. The sample of each survey must be large enough to provide a reliable base and the selection of the sample must mirror earlier surveys so like is being compared with like. A sample format of a questionnaire is given below.

QUESTIONNAIRE FOR CSI					
	Excel lent	Good	Aver age	Fair	poor
Staff availability in time					
Staff offered you for help					

Staff was friendly & cheerful					
Knowledge of products sold					
Offered Advice					
Staff courteousness					
Overall rating on customer service					
OPEN ENDED QUESTIONS					
Rate our Customer Service					
Improvement required in our Customer Service					
Recommendation or Rating for anyone Particular					
Thank you for your precious time as our Genuine Customer					

IV. TECHNOLOGY HAS BROUGHT ABOUT A GREAT CHANGE IN THE MINDSET OF THE CUSTOMER THINKING, BEHAVIOUR AND EXPERIENCE

Planning and execution needs to be developed under proper system. The Initiator of any business must think of how they will become profitable and exist among the various competitors and come up with a plan of growth and expansion. Here technology plays a very vital role. Many business owners often overlook the advancement of technology and how it is going to effect and how they are going to run their business in the long run. As a smart business owner you need to find out how technological advances are changing customer behaviour and to find out ways to adapt your business which is going to suit the changing needs of the customers. There are various thinking patterns of customer but the major work of every business owners is to find out ways to remain profitable and grow regardless changing of customer thinking patterns.

The rate of customer attention is diminishing
Every day there is lot of posts and videos being posted regularly. There are too many things to be consumed in one single day, for this reason less attention is been given to all the customers. there is too many emails and replies to be seen and posted. This means that the company has to find a way to grab the attention of the customers quickly, sell them on your offer and then make it quite easier for them to buy from you.

Need for personal Attention

One has to identify the target market Audience and then has to work upon how to personalize all your content, products and resources towards the needs of all the customers. This can help all the customers to make a purchase and also increase the faith and likelihood that if the business owners take interest then the customer will again come to you for a purchase or refer you to other people with similar interests and needs. This will definitely help in preventing frustrations and increase sales

V. UNENDING CHALLENGES FOR THE COMPANY

A company every time faces unending challenges specially when it comes to the fast technological changes. With the advent of the technology the communication system has moreover taken a drastic turn to an unknown destination. Technology has given all the powers in the customers hand literally with the internet, smart phone and tablets. These devices are day to day upgrading as per the need of the world. If we compare 10 to 15 years back there was a huge difference in communication between the two parties now and who is using it now. Improve in such a manner that the new version offers more to the consumers and satisfy their satisfaction level, making the previous one obsolete in as little as six months' time. How and why has technology changed the way consumers behave? Here are a few things that you need to keep in mind as you reinvent your strategies to keep up with the consumers.

Every Customer is connected

We are all connected with each other through internet portals in one platform or other through our network of friends. we have with us more than one devices that keeps us upgraded all the time. The advancement of technology gives fuel to the connectivity that brings together the world as one big community from the smart phones to the super-fast data. This has brought about a lot of change in connectivity.

Change in Customer/ Consumer Expectations

Technology has brought about many changes, with the introduction of smart phones and e-commerce customers can access products anytime anywhere sitting at one particular place with a single click in

their mobile phones. They have raised many questions through their customer needs on customer service department. As a business one has to keep up the pace with the changing customer behavior. If a customer wants to buy something online at night and has a query then they expect that it must be attended and expect to get instant answers from the customer service department, if they are not attended they choose another supplier or online service available online who can meet their immediate need and demand. Consumer now has come to know that everything is in their hand, and the power vested on them can be utilized in any manner they want. A simple dissatisfaction from one customer end in the social media ignites all the other customers who never had any problem with the products and services.

VI. TOUGHEST CHALLENGE FOR THE CUSTOMER SUPPORT SYSTEM

- Your Customer is in anger
- Loosing trust of the Customer
- Asking for a Discount unsettled
- Asking to give a new feature which can't be build
- Question unanswered anyway
- Unanswered Backlogs
- Unattended Customer

Some of the customers are angry and upset because they are confused and some are upset because of a mistake that your company has not committed but it has come into their eyes just like that. Some due to their bad day has given a wrong review ,here customer service department must tackle the problems in a very intelligent manner because company can never match with the customers emotion therefore There is a technique which is being developed by Disney to overcome these kinds of challenges and to make the angry customer cool and calm. It is called H.E.A.R.D technique.



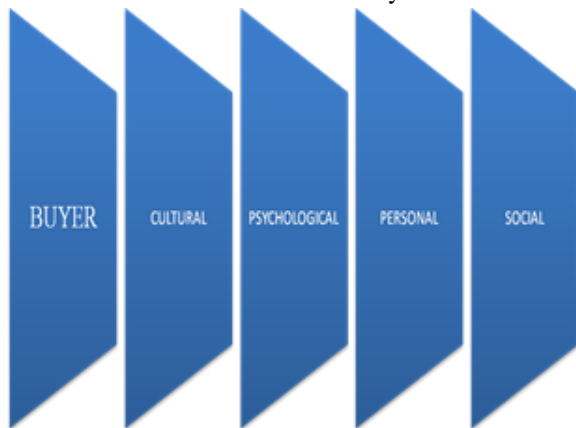
- CS – CUSTOMER
- H – HEAR
- E – EMPATHIZE
- A – APOLOGIZE
- R – RESOLVE
- D – DIAGNOSE

This Trick or technique has helped many companies in their customer service segment to bring a positive result among the customers and in the resultant behaviour of the customer retention. Whenever you face an angry customer simply follow this technique everything is going to be solved. try to listen to what customer wants to say and read their mind. Try to express some empathy and show that how much concerned you are as a customer support system for their problem, offer an apology even if you are not in fault any way. do whatever you can to dissolve the issues being confronted or ask the customer what their suggestions are or would be in such case or situation. When everything is solved figure out why the problem occurred so that you can ensure that is not going to be repeated in the future. As long as we are working in a company we are going to encounter such cases now and then but by being prepared with the tools techniques and improvised ideas we can very well handle all the situations in a better manner. we will be able to build up a healthy relationship with our customers and can make our life a lot easier. Maximizing efficiency without sacrificing effectiveness is the main motto of every company. They are now hiring learned creative thinkers as customer service support employers not to increase their sales or to gain company profit but to retain the customer and to grow the customer satisfaction level.

VII .BASIC LOYALTY BUSINESS MODEL



The biggest customer service challenge today is meeting diverse customer expectations. As the customers have lots of options with them so we need to do beyond expectations to make the customer feel special which will make a customer a returning customer and which will give our company more business which will help in our personal and professional growth. A knowledge management system to be built into your CRM software is important so that the agents don't have to spend their time in memorizing product and company information rather they can get it in their fingertips and can access to the answers they need regardless to their location and area wherever they are.



VIII. FACTORS INFLUENCING CUSTOMER BEHAVIOUR

Cultural Factor – is a main issue pertaining in this modern conceptual arena where customer satisfaction is been affected by the diversified company culture where employees belong from different geographical areas come under one roof and venture themselves in creating such models where customer satisfaction is been given a major goal .Consumers are first diverted towards and influenced by the groups they belong to and even they don't belong to.

Psychological Factor – Motivation, Perception, Learning, Attitudes, soft skills and etc plays a vital role in product and services. To increase sales and encourage the consumer to purchase the service the organization must try to create a conscious need in the consumer's mind which helps in motivating them in buying the service.

Personal Factor – Lifestyle of every consumer and customer has a crucial affect on the consumer buying

services. Lifestyle means how a person lives in his social set up.

Social Factor – Means the surrounding in which the consumer is staying and with the people with whom the environment he is dealing with. That plays a very vital role and his behaviour reflects accordingly to the situation in which he is staying.

IX .CONCLUSION

Customer satisfaction and retention is addressed as a marketing strategic business development tool. Customer satisfaction has a positive effect on an organization's profitability and development, satisfied customers form the foundation of any successful business as customer satisfaction leads to repeat purchase, increase profitability, brand loyalty, and positive with a loud word of mouth. Satisfied customers are most likely to share their experiences with other people to the order of perhaps five or six or ten people. Equally well, dissatisfied customers are more likely to tell another ten people of their bad experience. Research has demonstrated that if customer service system works on loyalty model and works upon how to develop understanding between different types of customer then surely the profit margin is going to grow and customer are going to retain and are going to be rather happy .

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