A Study on Customer Satisfaction and Brand Loyalty at Nice Software Nagpur

Ruchita Shantaram More[1], Abhijeet Gajbhiye[2]
[1]*MBA Student, Tulsiramji Gaikwad Patil College of Engineering and Technology Nagpur, India*
[2]*Professor, Department of MBA Tulsiramji Gaikwad Patil College of Engineering and Technology Nagpur India*

***Abstract*—This paper considers customer satisfaction and brand loyalty in a leading software company in the local software market, Nice Software, Nagpur. Based on descriptive and analytical design that adopts mixed method, data were gathered on 200 clients through stratified random sampling. The results indicate that customer satisfaction is greatly determined by quality of the software products, their responsiveness in terms of technical support, and their price perception, which is a strong indicator of brand loyalty. Reliability of the software and the effectiveness of the support was found to be the leading drivers of the loyalty, and relationship duration have a moderating role in satisfaction-loyalty relationship. The research has practical suggestions that can be adopted to improve customer retention in competitive software markets.**

***Index Terms*—Customer Satisfaction, Brand Loyalty, Software Industry, Service Quality, Customer Retention**

I. INTRODUCTION

India has become one of the top growing software industries with a significant contribution to the economic growth and creation of a job. With the growing competitive environment, software firms are undergoing a two-fold challenge of not only getting new customers but also maintaining current ones. In the case of organizations such as Nice Software, which functions within the emerging IT sector of Nagpur, customer satisfaction and brand loyalty is becoming important to determine the success of business in the long term.

The software industry has several aspects of customer satisfaction concern such as the quality of the product, the dependability of the service, the responsiveness of the technical support, the fairness of the prices, and the interaction with the customers after sales. Whenever the customers feel satisfied with the software solutions and related services, they tend to have trust and emotional attachment to the brand, making them repeat clients and create a positive word of mouth referrals as well as having less inclination to change to competitors. On the other hand, customer dissatisfaction can easily destroy brand equity and push clients to other suppliers.

Brand loyalty is an ingrained loyalty to stick with the products and services of a brand. The issue of data migration and the complexities associated with integration make data migration a challenge in the software industry and because switching costs are often high owing to training requirements, it is an asset in terms of loyal customers. Nevertheless, loyalty should never be automatic as this should be achieved by delivering value on a regular basis, initiative in addressing problems, and deep engagement with the customer.

The current paper is concerned with carrying out thorough research of the customer satisfaction and brand loyalty in Nice Software, Nagpur. The purpose of the research is to determine the main sources of satisfaction, brand loyalty rates among current customers, and the correlation between customer satisfaction rates and loyalty consequences, and to give recommendations that could be used to improve customer relations.

II. LITERATURE REVIEW

The theoretical basis of customer satisfaction can be traced to the principle of expectancy- disconfirmation

paradigm that holds that satisfaction occurs when perceived performance is comparable to or surpasses the previously set expectations. According to Krishnan and Menon (2021), the main drivers of satisfaction are the software reliability, timely updates, and responsive technical support, stating that the customization of solutions produces a greater satisfaction level than the standardized products.
The SERVQUAL framework has been widely used to study service quality where five dimensions are identified to include tangibles, reliability, responsiveness, assurance, and empathy. Joshi and Patil (2020) used this framework on Indian IT companies and developed good correlation between the dimensions of quality of services and customer retention, and assurance and responsiveness were especially appreciated among business clients.
The business-to-business brand loyalty is not like that of consumers. In an analysis of the loyalty in technology markets, Deshpande and Kumar (2022) discovered that trust, perceived expertise, and uninterrupted service delivery develop commitment in the long run. Their study showed that longevity of relationships is positively related to resistance to competitive bids.
Customer support has been an issue that has been of great concern in software satisfaction. Iyer and Nair (2023) stressed that first-call resolution, the technical knowledge of the support workers, and 24/7 availability contribute greatly to the level of satisfaction, as delayed responses of the support team contribute to the increased dissatisfaction.
Another dimension is that of pricing perception. Gupta and Sharma (2021) found that perceived value of money is more likely to have an impact on satisfaction rather than absolute price levels, which implies that the transparent price model and giveaway alternatives can improve customer goodwill.
Online communication has become important in the modern customer relationships. The article by Singh and Reddy (2022) reviewed the relationship between customer portals, knowledge bases, and active communication and loyalty, and the results indicated that customers who use self-service resources can retain the company better.
The effect of word-of-mouth is difficult to ignore. As Fernandes and Kulkarni (2021) pointed out, word-of-mouth by an already satisfied client is a key driver in the decision- making of potential customers, and satisfied clients are free brand ambassadors.
Another lens is the Trust and commitment theory. Mehta and Desai (2022) linked trust in capabilities of the vendors, data security habits, and ethical behavior to long-term commitment, and suggested frequent communication and disclosure as key to establishing a long-term trust.
It has been found that post-purchase experience is crucial. Venkatesh and Rao (2023) discussed the quality of onboarding, the effectiveness of training, and continuous account management on the degree of loyalty, concluding that customers with a structured onboarding support had a much higher score on loyalty.

III. RESEARCH METHODOLOGY

The research design employed in this study is both quantitative and qualitative and takes a descriptive as well as analytical research design. The descriptive element records the current satisfaction and loyalty rates, whereas the analytical elements compare the correlation between variables.
The research subject is on the client base of the Nice Software, Nagpur, but geographically restricted to Nagpur and nearby areas. The target population is in the form of existing clients who use the products or services at least six months including businesses operating in the retail, education, healthcare, manufacturing, and professional services industries. Those clients who stopped services in the last twelve months were also considered to have comparative insights.
The stratified random sampling was used to pick 200 respondents. The sample was stratified according to type of client according to the business size like small (45%), medium (32%), or large (23%), industry sector according to less than two years (30%), two to five years (45%), and over five years (25%).
The main method of data collection was through online and face-to-face structured questionnaires based on five-point Likert scale. Twenty-five major clients of business owners and IT managers were interviewed using semi structured interviews. Three focus groups consisting of six to eight individuals were arranged or set up.
The secondary data was collected through internal company records such as client feedback records,

support ticket records, and service renewal records. The theoretical framework was informed by industry publications of NASSCOM and academic journals. Data analysis was done using SPSS Version 26 which was used to perform a descriptive analysis, correlation analysis, and regression modelling. They had to undergo qualitative analysis through the thematic analysis of the interview transcripts. Statistical significance was set at 0.05 p-value.

IV. DATA ANALYSIS AND INTERPRETATION

A. Customer Satisfaction Levels

Customer satisfaction is analyzed in various dimensions; results showed different degree of satisfaction. The mean score of the satisfaction of the quality of software product was 4.2 out of five and 78 percent of the respondents were satisfied. The technical support was responsive with 68 percent reporting being satisfied with it (3.8). Pricing perception was an average of 3.9 and 72% of the responses were that a pricing was fair. The levels of overall satisfaction were

4.1 with 76% reporting general satisfaction.

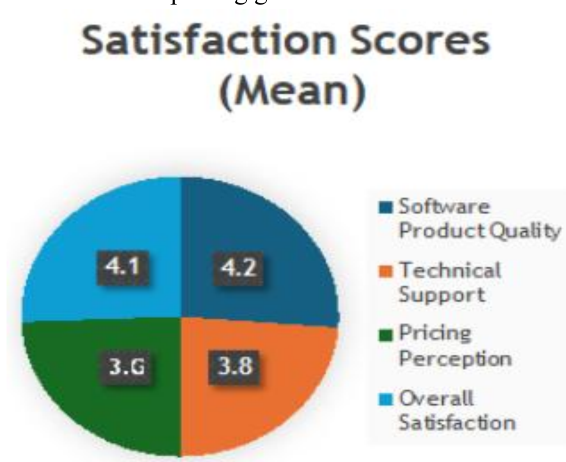

Fig 1: Customer Satisfaction Scores

B. Brand Loyalty Indicators

The loyalty of the brand was gauged on several indicators. The level of repeat purchase intention recorded 4.3, with 82 percent of them stating that they would use the products of Nice Software again. It had a recommendation willingness of 4.1 with 76 per cent willing to recommend to other people. Switching resistance was 3.7 with 64% saying that they would not easily move to the competition. Composite score on loyalty to the brand was 4.0.

Table 1: Brand Loyalty Indicators

Loyalty Indicator	Mean Score	Positive Response
Repeat Purchase Intention	4.3	82%
Recommendation Willingness	4.1	76%
Resistance to Switching	3.7	64%
Overall, Loyalty	4.0	74%

C. Correlation Analysis

The Pearson correlation analysis showed that there were significant associations between the dimensions of satisfaction and brand loyalty. The quality of Software products was significantly positively correlated with brand loyalty with a value of $r = 0.72$ ($p < 0.01$). The technical support responsiveness was moderately positively related to loyalty at $r= 0.58$ ($p < 0.01$). Perception of pricing showed moderate correlation with a value of $r = 0.51$ ($p < 0.01$). Brand loyalty had the strongest correlation with overall satisfaction of $r = 0.78$ ($p < 0.01$).

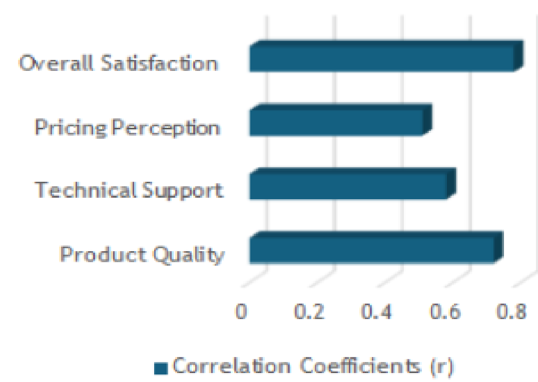

Fig 2: Correlation with Brand Loyalty

D. Regression Analysis

The results of the multiple regression analysis were relative contribution of brand loyalty by various dimensions of satisfaction. This model was able to explain 67 percent of variance ($R^2 = 0.67$). The best predictor (= 0.48, $p < 0.01$) was software product quality. Response in terms of technical support had a $\beta = 0.31$ ($p < 0.01$). Pricing perception showed $\beta = 0.18$ ($p < 0.05$).

Table 2: Regression Analysis Results

Predictor Variable	Beta Coefficient	Significance
Software Product Quality	0.48	$p < 0.01$
Technical Support	0.31	$p < 0.01$
Pricing Perception	0.18	$p < 0.05$

E. Segment-wise Analysis

Comparison of client segments showed some interesting trends. The satisfaction with the quality of the software products was higher among small businesses (mean 4.4) than the large businesses (3.9). Nevertheless, big companies scored higher in loyalty (4.3) than small companies (3.9).

Clients who had extended relationship tenure had an increasing score on loyalty. People who were partnered less than two years had an average of 3.6 on loyalty, two to five years old had an average of 4.1, and more than five years old had an average of 4.5.

Fig 3: Loyalty by Relationship Duration

V. FINDINGS AND DISCUSSION

There are several significant findings of the study. First, the quality of software products became the most important factor of satisfaction as well as loyalty. Customers have always stressed on quality software that is bug- free and that fulfils the requirements of the operational needs. This is in line with the study of Krishnan and Menon who found out that software reliability is the main driver of satisfaction.

Second, responsiveness of the technical support is vital in the development of customer perceptions. Although the quality of products leads to initial satisfaction, support experiences play a major role in the prolonged relationships. Support staff who served clients in a professional manner and addressed their problems immediately were valued. The score of the technical support (3.8) is lower than the one of the product qualities (4.2), which is why there is an opportunity to improve.

Third, the price perception affects the loyalty, but not to the same extent as the quality of the product and support. Clients are seen to be ready to pay and acceptable prices when they feel that they are receiving the equivalent value. This supports the study by Gupta and Sharma which supports the idea that value perception is more important than the actual price levels.

Fourth, high level of correlation between satisfaction and loyalty makes theoretical expectations true and empirically valid within software industry context. Nonetheless, relationship is not linear, implying that other variables, including switching costs, and relationship length intercede the relationship between satisfaction and loyalty.

Fifth, relationship duration was found to be important loyalty moderator. Clients who had a longer association exhibited greater loyalty even though the levels of satisfaction were like that of newer clients. This goes in line with the findings of Deshpande and Kumar that longevity of relationships is associated with resistance to competitive offers.

Sixth, the analysis by segment helped to identify that various types of clients must be approached in a different way. Ease of use and quick implementation became a priority among small businesses, whereas integration and managing dedicated accounts was the priority with large businesses.

VI. RECOMMENDATION

On findings, there are several recommendations. First, put in place an organized customer feedback system that would continuously measure satisfaction on all dimensions. Compulsory pulse surveys and subsequent feedback on post interaction would be a source of early warning about problems.

Second, invest in technical assisting infrastructure and human development. Look to increase the support hours, introduce level- based support system and offer continuous technical training. A knowledge management system that captures the common issues may increase the percentage of first call resolution.

Third, formulate segment specific engagement practices that identify different client needs. Small businesses could have simplified product packages and online tutorials whereas large businesses will need a special account manager and frequent business reviews.

Fourth, go beyond transactional interactions in relationship-building initiatives. Engagement would be done regularly through newsletters and product updates. Emotions would be enhanced by user group meetings and client appreciation events.

Fifth, take advantage of customer base advocacy. Contented long-time clients will be effective testimonials and will be able to give referrals. Introduce formal referral program and use corresponding incentives.

Sixth, focus on the value delivery as a part of pricing communication. Make use of case studies to show the payback and point out the total cost of ownership as compared to that of alternatives.

VII. CONCLUSION

In this paper, customer satisfaction and brand loyalty at Nice Software, Nagpur, were investigated to offer empirical data onto customer relationship within the local software market. Results confirm that quality of software products, responsiveness in technical support and perception on pricing are significant predictors of satisfaction, which is a strong predictor of brand loyalty. The software reliability and support effectiveness turned out to be the key factors of loyalty, and the relationship duration also makes the satisfaction-loyalty relationship.

The study has a practical and an academic contribution. It offers empirical support of satisfaction-loyalty associations in the environment of the Indian software industry academically. In practice, it provides the management of Nice Software with a clear direction on how to improve its retention of customers with specific investments.

Weaknesses are that the single focus on companies can restrict the generalizability and cross-sectional design can only capture relationships at one moment in time. These could be handled by future research using multi-company comparative research and longitudinal designs.

Finally, customer satisfaction and brand loyalty are essential resources of software companies. In the case of Nice Software, further emphasis on product quality, attentive customer care, transparent pricing, and customer relationships will allow creating a sustainable loyalty and achieving continuous growth.

REFERENCES

[1] Deshpande, R., & Kumar, A. (2022). Loyalty to a brand in the technology of B2B. Industrial Marketing Management, 24 (3),45-58.

[2] Fernandes, L., & Kulkarni, B. (2021). The word of mouth and the impact of the same on the perception of the software brand. J Consumer Behavior 14(2) 112-125.

[3] Gupta, S., & Sharma, R. (2021). Purchase perception and valuation of software. Journal of pricing and Revenue management, 11(2), 78-92.

[4] Iyer, M., & Nair, K. (2023). The role of customer support in software customer satisfaction. International Journal of Customer Relationship Management, 9(1), 34-48.

[5] Joshi, N., & Patil, P. (2020). Service quality dimensions and customer retention in IT firms. Journal of Business Research, 18(4), 156-170.

[6] Krishnan, V., & Menon, S. (2021). Determinants of customer satisfaction in software services. Journal of Services Marketing, 16(2), 89-104.