CUSTOMER SATISFACTION



# CUSTOMER SATISFACTION OF SAMSUNG MOBILE HANDSET USERS

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#### Abstract

The main aim of this research paper is to find customers satisfactions with relations to some variables like individual features, price, brand name etc. In this study researcher has focused on the customer of Bhavnagar city and research is carried out by primary data analysis tools like Correlation, study indicates an average satisfactions of customers toward MOBILE HANDSET USERS OF SAMSUNG.

Key words: - Mobile handset, frequency, Samsung, Customer Satisfaction.

Nowadays, customers are continuously facing the dilemma: which phone to buy. After the smart phones have been released, the choice seemed to be even harder, since the opportunities and offers that producers are providing are endless (Seongwon et al., 2011; Milutinovic et al., 2011). According to Maithili R.p.Singh Probably the fastest developing digital media tools todayare the applications for the internet and mobile or smart phones.

Over the past decade, the mobile phone industry has increasingly recognized the meaning of customer satisfaction and experience. In rapidly changing business environment today, customer satisfaction is a critical factor for mobile phone industry to maintain and improve their profitability. Prior studies have found that customer satisfaction contributes to company's profitability and customer loyalty (Fornell, 1992; Fornell et al., 1996) and several authors claim that higher customer satisfaction can lead to higher market share (Fornell, 1992). Consumer satisfaction is central to customer behavior concept and it is now common to find customer satisfaction as one of important goals in company politics (Fournier and Mick, 1999). Customer satisfaction is generally assumed to be a significant determinant of repeat sales, positive word-ofmouth, and customer loyalty. Satisfied customers return and buy more, and they tell other people about their experiences, both positive and negative (Fornell et al., 1996). Many other researchers have recognized the need for investigating the customers' satisfaction, experience, and loyalty in the past (Deng et al., 2010; Verkasalo, 2010; Lee, 2011; Bong-Won and Kun Chang, 2011; Lee et al., 2011). Customers engage in a constant process of evaluating the things they buy as they integrate these products into their daily activities (Fournier and Mick, 1999). Oliver (1981) defined customer satisfaction as "the summary psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumer's prior feelings about the consumption experience". Customer satisfaction or dissatisfaction is determined by the overall feelings, or attitude, a person has about a product after it has been purchased (Solomon, 2004). The concept of customer satisfaction is a function

of customer expectations (Schiffman and Kanuk, 2004). A customer whose experience falls below 70 Dobrota et al. expectations (e.g. mobile application does not work fast enough) will be dissatisfied. Customers whose experiences match expectations will be satisfied. And customers whose expectations are exceeded will be very satisfied or delighted. Therefore, we can define customer satisfaction as the individual's perception of the performance of the product or service in relation to his or her expectations. Customers will have drastically different expectations of a new expensive mobile phone and a five year old model. Creating satisfied customers, and thus future sales, requires that customers continue to believe that the brand meets their needs and offer superior value when they use it. Companies must deliver as much value as customers initially expected, and it must be enough to satisfy their needs (Hawkins et al., 2004).

In 19th century, Prof. Alfred Graham Bell invented the telephone to talk to others. The first real improvement in the telephone was due to Thomas Alva Edison's carbon transmitter, which was then further improved by the Blake microphone. Another improvement was the combination of mouthpiece and earpiece into a single handset, giving a new freedom of movement to users. The individual parts of the telephone were discovered and developed by different people at different times. On February 14, 1876, the day that Graham Bell applied for a patent for his version of the telephone, Elisha Gray applied for a Caveat-a document indicating that he intended to file his own patent claim within three months. But Gray was a few hours too late. Bell has already filed an actual patent application. In this way, London's first trunk telephone line linked the city with Briton. For the first time, telephone communication was opened between London and what were then termed 'the Midland and Northern countries'. Thomas Watson was Alexander Graham Bell's right-hand man who helped him create the telephone. Cellular Phones are an offshoot of Graham Bell's invention. These devices work and have to be activated with the help of an electronic chip which are provided by many service providers. The cell phone has revolutionized the way in which people communicate with each other. India has a population of more then 100 crores and 60% of the people use cell Phones.

Industry overview: Third largest in the world and the second largest among the emerging economies of Asia, the Indian Telecommunication network has proved its mettle time and again. Public as well as private segments of the economy have made significant contributions to make the sector one of the key contributors to India's success story. The growth of Indian telecommunication sector is highly driven by supportive government policies, emerging new technologies and changing consumer behavior. The fact that the industry has made stupendous growth in recent times is reflected in the statistics, key developments, investments and future prospects.

**Key statistics:** In its recent statement issued, Telecom Regulatory Authority of India (TRAI) has revealed that the country's mobile subscriber base has increased from 893.84 million in December 2011 to 903.73 million in January 2012, growing by 1.11 per cent; Telecom operators added 9.88 million mobile subscribers in January 2012, taking the total telephone user base to 936.12 million; The overall tele-density (telephones per 100 people) reached 77.57 per cent; Broadband subscriber base increased from 13.30 million at the end of December 2011 to 13.42 million at the end of January 2012

Literature review: Christopher Lovelock and Jochen Wirtz (2006) explained the relationship between service quality and service productivity. A key challenge for any service business is to deliver satisfactory outcomes to its customers in ways that are cost-effective for the company. If customers are dissatisfied with the quality of a service, they won't be willing to pay very much for it or even to buy it at all if competitors offer better quality. Low sales volumes and/or low prices mean less productive assets; According to Valarie A Zeithaml, Mary Jo Bitner, Dwayne D Gremler and Ajay Pandit (2008) customers hold different types of service expectations: (1) desired service, which reflects the customers want; (2) adequate service, what customers are willing to accept; and (3) predicted service, what customers believe they are likely to get. While service quality, the customer's perception of the service component of a product, is a critical determinant of customer satisfaction, in case of a pure service, service quality may be the most critical determinant of satisfaction. They mentioned the service encounters or "moments of truth" as the building blocks for both satisfaction and quality. Service encounter is an opportunity to build perceptions of quality and satisfaction. So it is important to manage the evidence of service in each and every encounter; Harsh V. Verma (2009) also confirmed that in services, quality is not objective, rather it is perceived. Quality in services is based on customer's judgment of superiority on intangible dimensions. He describes a framework which views quality in services as made up of two dimensions of technical and functional quality. Technical quality refers to the outcome while functional or process quality refers to the quality of process through which the outcomes are transferred to the customer; Parasurman, Zeithaml and Berry (1985) however listed ten determinants of service quality, which were further regrouped into five dimensions: reliability, responsiveness, tangibles, assurance and empathy In the process of evaluation of customer satisfaction.

#### **Objectives**

To know if, is there any relationship between Brand name & satisfaction level, Feature of Handset & satisfaction level and price of Handset & satisfaction level.

### **Hypothesis testing**

#### H0:

There will be no significant association between brand name & level of satisfaction from Samsung mobile handsets

There will be no significant association between feature of Handset & level of satisfaction from Samsung mobile handsets.

There will be no significant association between Price of Handset & level of satisfaction from Samsung mobile handsets.

#### H1:

There will be a significant association between brand name & level of satisfaction from Samsung mobile handsets.

There will be a significant association between feature of Handset & level of satisfaction from Samsung mobile handsets.

There will be a significant association between Price of Handset & level of satisfaction from Samsung mobile handsets.

**Data collection:** The search to answer the research questions is called collection of data. Both primary & secondary data has been collected for the purpose of research.

**Sample size:** The sample size is 200. This sample size is decided by taking into consideration time & cost available to the researcher. Also the parameters like family income, age occupation etc has also been taken into consideration while deciding the sample size

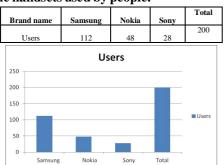
**Statistical tools :** Structured Questionnaires and other statistical tools used for the research are, frequency: to know the brand purchased by the respondents and level of satisfaction, Correlation to know is there any correlation between the satisfaction level and the price of Handset, brand name & features of handsets.

**Karl Pearson's Correlation method :** Pearson's correlation coefficient between two variables is defined as the covariance of the two variables divided by the product

of their standard. The form of the definition involves a "product moment", that is, the mean (the first moment about the origin) of the product of the mean-adjusted random variables; hence the modifier product-moment in the name. To test the linear relationship between two quantitative variables, it is important to remember that Pearson's correlation only provides information about the direction and strength of the linear relationship between the two variables. If the research hypothesis involves some other pattern of relationship (i.e., curvilinear), then some other statistical analysis will be necessary. Fortunately, researchers are usually interested in linear relationships between variables, so this is a very useful statistical test.

**Findings and recommendation :** After gathering necessary data, they were analyzed by Excel and the variables were calculated. Then the variables entered in SPSS software and then correlation between dependent and independent variables were measured by using Pearson correlation coefficient. The four profitability ratios of five years & one capital ratio for those five years were analyzed for finding correlation. Correlation is denoted by r. if r=1 then its correlation is positive & perfectly correlated. If r=-1 then its correlation is negative. If r=-0 then it's known as there isn't any correlation.

### 1) Mobile handsets used by people.



## 2) Factors influencing the users for purchase mobile handsets.

Factors	Features	Price	Brand Image	Battery Back up	Appearan ce	Resale Value
No. of users	68	34	25	30	40	3
	Appreance 40 20%  Battry Back up 30 15%  Brand Image 25 12%	2%	Price 34 17%	Features 68 34%	■ Features ■ Price ■ Brand Image ■ Battry Back up ■ Appreance ■ Resale Value	

The above chart indicates that Samsung having good brand awareness among the respondent. After Samsung nokiya Sony and Apple and other brands follows.

The table shows the satisfaction level of Samsung mobile

handset users from the selected factors like brand name, price & features. The correlation between the satisfaction level & brand name, price & features are determined from 200 respondents.

## 3) Satisfaction level from Samsung mobile handsets out of its different selected factors.

Satisfaction	No. of	No. of	No. of
level in	respondents	respondents	respondents
percentage	satisfied from	satisfied from	satisfied from
	brand name	price	features
20	20	20	10
40	30	40	20
60	25	25	15
80	35	70	45
100	90		110
T0tal	200	200	200
Mean	40	40	40
Correlation	0.80	0.64	0.86

#### **Findings & conclusion**

Tests on coefficient of correlation demonstrated that there is a meaningful link between one variables of satisfaction level and three variables of selected factors brand name, price & features.

The table shows that there is a positive correlation between the satisfaction level & brand name as the value of r is positive. But that's not perfectly positive as its value is less than one i.e. 0.80. So the null hypothesis is rejected & alternative hypothesis is accepted as there is significant association between brand name & level of satisfaction from Samsung mobile handsets.

The table shows that there is a positive correlation between the satisfaction level & price as the value of r is positive. But that's not perfectly positive as its value is less than one i.e. 0.64. So the null hypothesis is rejected & alternative hypothesis is accepted as there is significant association between price & level of satisfaction from Samsung mobile handsets.

The table shows that there is a positive correlation between the satisfaction level & features as the value of r is positive. But that's not perfectly positive as its value is less than one i.e. 0.86. So the null hypothesis is rejected & alternative hypothesis is accepted as there is significant association between features & level of satisfaction from Samsung mobile handsets.

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