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## A STUDY ON 'FACTORS AFFECTING CONSUMER SATISFACTION' IN KADAPA CEMENT COMPANIES

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## ABSTRACT

This study entitled "A study on Factors Affecting Consumer Satisfaction" was conducted for Kadapa Cement companies. The primary objective of the study is to find the satisfaction of the consumers towards various cement companies. The study also aims to find out the awareness, factors influencing, consumer relations and facilities. The companies will gain information about consumers' preference depending on the following factors. Quality, Setting time, Value for money, Availability, Packing, Promotional tools. Descriptive research is used in this research. The primary data is collected from 800 consumers of cement companies in Kadapa region using the structured questionnaire method. The sampling technique that was adopted for the study was simple random sampling. The collected data were analyzed using descriptive statistics, percentage analysis, chi-square test used for the analysis.

**Key words:** Consumer satisfaction, Cement companies, Influenced factors, Consumer awareness, Consumer relations.

## Introduction:

The consumer satisfaction is very important to promote the service and succeed in any kind of business. Today in the market, there is heavy competition and the technologies are changing day by day, to become successful in modern market the business organizations have to be consumer oriented organizations have to look after for building consumes.

Consumers' satisfaction is the perceived fulfillment of the consumer's desires after utilizing a company's product. Such satisfaction may be measured by degree of direct survey. Consumer satisfaction is so important that many organizations allocate a large portion of their resources to pursue this objective. One of the ways to achieve consumer's satisfaction is through affecting marketing strategies which are developed around the identification of consumer's expectations using such dimensions as the four P's along with organizations, distinctive competence virtually everything the marketers do is done with the ultimate aim of getting or attracting the probable consumers.

## **Review of literature:**

**Cacippo (2000)** basically, consumer satisfaction is a psychological state; carefulness should then be taken when estimating it. Competitors that are prospering in the new global economy recognize that

measuring consumer satisfaction is a key. This is the result of doing as such, industries can hold on to the consumers they have and understand how to better attract new consumers.

**Gustafsson (2005)** defines consumer satisfaction as a consumer's general assessment of the performance of an offering to date. This overall satisfaction has a strong positive effect on consumer faithfulness expectations across a wide range of product and service categories.

**Kristensen. K (2000)** defined customer satisfaction as 'perception of customers' towards products or services. Customer satisfaction is measured as the number of customers, or percentage of total customers, which reported an experience with a firm, its products, or its services exceed specified satisfaction goals.

**Daniel (2001)** consumer satisfaction was defined by many researchers and scholars sees that satisfaction is the impression of reward received by the consumer after making the sacrifice of purchasing a product.

**Belin (2002)** finds that satisfaction is a psychological state following the purchase of a product or trying a service translated by a temporary feeling resulting from the difference between the consumer expectations and the actual realization. Being parallel with the pervious time with the service.

**Kotler (2003)** satisfactions are a person's feeling of delight or disillusionment resulting from comparing a product's apparent performance in relation to his or her desires. The fulfillment judgment is related to all the experiences made with a specific business concerning its given products, the sales procedure, and the after-sale service. Whether the customer is satisfied after the purchase also depends on the offer's performance in relation to the customer's expectation. Customers form their expectation of past buying experience, friends' and associates' advice, and marketers' and competitors' information and promises.

### **Objectives of the study:**

- > To find out the consumer satisfaction through scientific tools like Questionnaire and Interviews.
- > To identify the satisfaction factors of cement users.

### Scope of the study:

This study is of importance to the company which will know the following factors.

- Quality
- Setting time
- Value for money
- Availability
- Packing
- Promotional tools

So, the scope of this study is to achieve consumer satisfaction because 'Consumer satisfaction and Quality maintenance' is Cement Company's primary objective.

#### Limitations of the study:

- The area of the study is limited to Kadapa district only. Hence the results may not be true for other geographical areas.
- > Validity & reliability of the data obtained depends on the responses from the respondent.
- > The time at the disposal of the researcher was limited.

#### **Research Methodology**

The Research methodology is a way to systematically solve the research problems. It includes the overall research design, sampling procedure, data collection method and data analysis procedures.

#### **Types of research:**

• The Descriptive research method has been followed to conduct this study.



• The research design includes survey and fault finding enquiries of different kinds, it deals with the state of affairs and is an expert factor research. The researcher does not have any influence on the data being collected.

## Collection of data:

Data collected through the questionnaire is quite popular. It is well designed & structured in order to enable collection of data required.

## Data source:

For this study, the source of data selected was primary data. Primary data are that which is collected for the first time, and those happen to be original in nature. The researcher has collected the data from the respondent through personal contact using the questionnaire. The secondary data were collected from cement companies' records, various magazines, journals and various websites.

## Sampling design:

Convenience sampling method was used to collect the primary data from respondents. 800 Cement consumers were identified as the small sample size for this research study.

## Method for data collection:

'Questionnaire' is the tool used for data collection. The questionnaire is designed by keeping the objectives in mind. For this study, various types of questions were framed. They explicitly ask for the information required. Here both the questions as well as answers are structured and the selected sample area in Kadapa region.

## Tools used for analysis of data:

- i. Simple percentage analysis
- ii. Chi-square analysis.

Simple percentage analysis:

Percentage refers to a special kind of ratio. Percentages are used to describe the relationship.

<u>Chi-square analysis</u>: The Chi-square test is used to find out whether there is relationship among various groups chi-square can be calculated using the formula.

It is defined as: 
$$\chi^2 = \frac{\sum (0-E)^2}{E}$$

Where 'O' refers to the observed frequencies and 'E' refers to expected frequencies.

## Analysis and Interpretation

Analysis is the process of placing the data in an ordered form, combining them with the existing information and extracting meaning from them. In other words, analysis is an answer to the question 'what message is conveyed by each group of data'. Which are otherwise raw facts and are unable to give a meaningful information. The raw data become information only when they are analyzed and put in a meaningful form.

S. No.	Cement Brand	Respondents	Percentage	
1	Dalmia	200	25	
2	Zuari	158	20	
3	Bharathi	176	22	
4	ICL-Sankar	61	07	
5	Coromandel	77	10	
6	Others	128	16	
	Total	800	100	

Source: Primary Data.

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Figure 1: Information regarding to which brand of cement purchased.



#### Interpretation:

From the above table it is found that the respondent's response on the purchasing of cement brand has taken a leading position in the cement market. i.e. none other than Dalmia. Dalmia occupies 25% of the market and it is in leading position and remaining Zuari 20%, Bharathi 22%, ICL 7%, Coromandel 10% and other cement brands 16% occupying one after another respectively in the cement market.

One more thing found that the last three companies ICL, Coromandel and Others when comparatively observed ICL and Coromandel (7%+10%=17%) approximately occupying market with others cement companies (16%). Therefore, can conclude that in the view of consumers or respondents have given unimportance of buying three company's cement than that of the remaining three companies of cement.

S. No.	Factors	Satisfaction respondents with Various Cement Brand Factors in Percentage					
		Dalmia	Zuari	Bharathi	Coromandel	ICL	
1	Quality	82	79	77	75	72	
2	Setting Time	76	75	71	72	65	
3	Value for Money	43	46	38	43	22	
4	Availability	91	88	86	66	64	
5	Packing	79	77	80	70	72	
6	Promotional Tools	57	55	49	14	12	

Table 2: Information regarding to satisfaction with the present brand in various respects:

Source: Primary Data.

Figure 2: Information regarding to satisfaction with the present brand in various respects:



Source: Primary Data.

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#### Interpretation:

**i)**. **Quality:** By analyzing the 'Quality' as the first factor, it can be concluded that Dalmia is in first position with 82%, Zuari 79%, Bharathi 77%, Coromandel 75% and ICL 72% respectively occupying their shares in the cement market. Each and every company which is above said has keeping good quality, so this factor as an important aspect for them. Therefore, 'Quality' is an important icon to each and every cement company.

**ii).** <u>Setting Time</u>: By analyzing the 'Setting Time' factor, it can be concluded that, Dalmia cements are most satisfied with 76% and followed by Zuari 75%, Bharathi 71%, Coromandel 72% users of ICL cements is least satisfied only 65% satisfied with its setting time as compared to other brands.

**iii).** <u>Value for Money</u>: By analyzing the 'Value for money' factor, it can be concluded that Zuari Cements is most satisfied with 46% respondents and followed by Dalmia 43%, Coromandel 43% and Bharathi Cements 38%, users of ICL Cements are least 22% satisfied with 'Value for Money' as compared to other brands.

**iv).** <u>Availability:</u> By analyzing the 'Availability' factor, it can be concluded that Dalmia cements is most satisfied with its availability 91% and followed by Zuari 88%, Bharathi 86%. But users of Coromandel 66%, ICL 64% cements are least satisfied with availability as compared to other brands.

**v)**. <u>Packing</u>: By analyzing the 'Packing' factor, it can be concluded that users of all brands have almost the same response when asked about the satisfaction level about packing. Bharathi cement is most satisfied with it packing 80% and followed by Dalmia 79%, Zuari 77%, ICL 72% and last one Coromandel occupy 70% of respondents.

**vi)**. <u>Promotional Tools</u>: While considering 'Sales promotional tools' factors, 57% of consumers were satisfied with Dalmia cements. Remaining Zuari 55%, Bharathi 49%, Coromandel 14% and the last ICL 12% were satisfied their consumers respectively. When observing this factor seriously, Coromandel and ICL cement companies have to concentrate on their factor appropriately.

### **Hypothesis - Chi-Square Analysis**

**Null Hypothesis (H**<sub>0</sub>**):** There is no significant relationship between the current market practices and consumer satisfaction.

Alternative Hypothesis (H<sub>1</sub>): There is a significant relationship between the current market practices and consumer satisfaction.

Chi- Square value	P- value	Factors in Percentage					
154.15	11.07	Quality	Setting Time	Value for Money	Availability	Packing	Promotional Tools
Dalmia		82	76	43	91	79	57
Zuari		79	75	46	88	77	55
Bharathi		77	71	38	86	80	49
Coromandel		75	72	43	66	70	14
ICL-Sankar		72	65	22	64	72	12

Table 3: Summary of Chi-Square test based on satisfaction with the present brand in various respects

Source: Primary Data.

#### Interpretation:

From the above table Chi-Square test result revealed that there is a significant relationship between the current market practices and consumer satisfaction in cement industry, since the Chi-Square value (Calculated value) is 154.15, is greater than P-value (Table value) is 11.07 and the corresponding significant level is 0.05. So chi-Square value > P-value, which indicates that the Alternative Hypothesis ( $H_1$ ) is accepted and Null Hypothesis ( $H_0$ ) is rejected, that there is a significant relationship between the current market practices and consumer satisfaction in the cement industry.



#### **Findings:**

- The majority of the consumers haven't any 'Quality' related problems. They were satisfied with the quality of cement which was used by them. Consumers of Dalmia, Zuari, Bharathi cements were happier with the quality of cements when compared with consumers of the other brands of cement.
- 2. So for as 'Setting time' of cement is concerned, it has been observed that consumers of Dalmia and Zuari Cements brand are happier than the consumers of other brands of cement.
- 3. The almost majority of the consumers of all the brands are not satisfied with respect to value for money. The satisfaction level of value for money has been reported lower by consumers of other brands of cements, Zuari, Coromandel and Dalmia cements consumers have reported higher satisfaction for value for money.
- 4. Consumes of Dalmia, Zuari, and Bharathi cements have shown a higher degree of satisfaction level with respect to 'Availability' of product compared to the consumer of the remaining brands of cement.
- 5. The majority of the consumers haven't any 'Packing' related problems. They are satisfied with the packing of present brand cement used by them. Consumers of Bharathi, Dalmia and Zuari cements are happier with the packing of cement compared to consumers of the remaining brands of cement.
- 6. The majority of the consumers of all the brands has shown lower satisfaction with respect to 'Sales promotion tools' which were offered to them by various cement companies. Consumers of ICL and Coromandel brands have shown lowest satisfaction for sales promotion tools which were offered by the companies.
- 7. In all, it is found that consumers of all the brands are more satisfied with the factors like Quality, Availability, Setting time and Packing of the brand compared to other factors like Value for money and Promotional tools.

#### Suggestions:

- There are various factors which play an important role in brand selection and point of purchase is one of them. It is essential for companies to ensure effective and eye catching advertisement of their product.
- Consumers have different perceptions, about the quality of the product as there is no fixed definition of quality of cement in the minds of consumers. So they buy cement as per their perceived image about the quality of various brands. Hence, it is essential for companies to develop a better image with respect to 'quality' in the minds of consumers.
- It is observed that companies haven't possessed much knowledge about the quality of the product as well as grades of cement in the latest construction practices. So cement companies should make efforts to impact such knowledge to their consumers as well as the different grades of cement products for a particular construction purposes.

#### **Conclusion:**

Consumer satisfaction can play a very important role in building the brand image of a cement company. There are various factors which play in important role in brand selection and point of purchase is one of them. Majority of cement buyers have not sufficient knowledge about quality of cement products. So cement companies solve their doubts for that, new activities like mobile testing van should be begun which could increase their satisfaction level in regards to the quality of the cement products. We should profitably achieve our business objectives by retaining current dealers, consumers and increasing new ones by continually meeting and exceeding their needs and desires. So, continuous dealers and consumer satisfaction measurement are essential.



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