

“A STUDY ON DETERMINANTS OF CUSTOMER SATISFACTION WITH REFERENCE TO DTH SERVICE PROVIDERS”

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Abstract: DTH is one of the fastest growing industries in India. Which includes many big Players like; Tata sky, Sun Direct, Airtel Digital TV, Videocon d2h, Dish TV, DD direct, Reliance Digital TV etc. The main objective of this study is to identify the determinants of customer satisfaction. Here, customer satisfaction as an independent factor while service quality, price, brand image, convenience as a dependent factor. For this study the primary data collected from the 300 users of DTH services at different area of north Gujarat through questionnaire as an instrument to collect the primary data. The result of the study indicates that price and brand image is significant variable of customer satisfaction. It was also found that the other two variables i.e. service quality and convenience were non-significant determinant of customer satisfactory for DTH services

Keywords: DTH Services, Entertainment Industry and determinants of customer satisfaction, etc.

1. Introduction

The Direct-to-home (DTH) industry growth in India has surpassed all expectations by growing at an unprecedented pace, recently. The market has outpaced the analogue cables market in the country due to a soaring number of televisions in households, introduction of high definition (HD) services and various government interventions. This recent momentum has made way for a possibility that Indian DTH industry may supersede other global DTH markets in terms of the number of subscribers in near future. On the backdrop of all the above factors, the Indian DTH market is expected to grow with a CAGR of around 16% during the forecast period of 2016 to 2020. According to the “Indian DTH Market Outlook 2020”, report, rising competition amongst various players in Indian DTH market has led to a fall in installation prices and availability of a wide range of channel subscription options for users. The reduction in prices of Set-Top Box (STB) has also made DTH services more viable for the Indian users.

2. Literature Review

Customer Satisfaction:

Customer satisfaction is generally conceptualized and focus on the customer experience on a particular service encounter, (Cronin Taylor, 1992) and also some think that customer satisfaction is cumulative based on over all evaluation of service experience (John and Suh, 2000). According to Kotler et al. (1999), marketing

is a process of profitably distributing customer satisfaction. Ahmed and Amir (2011) indicate customer satisfaction as a measure of supplying products and services by a company to match or surplus customer expectation. Therefore customer satisfaction is the key differentiator as well as the key to compete the strategy of the competitors. The main objective of service is to increase positive consumer outcomes, where satisfaction is one outcome also (Voss and Parasuraman, 1995; and Grace and o'Cass, 2004). A positive relation was found between consumer satisfaction and behavioral intentions, including loyalty and repurchase intentions (Cronin et al., 2000; Wong, 2004; Mason et al. 2006; and Zboja and Voorhees 2006). Zeithaml and Bitner (2003) argue that satisfying customer in service organizations leads to re-purchase, improving customer loyalty, and also helps to retention of customer as a result it helps to gaining profit and leads revenue growth. In a service organization, 7P's of Service Marketing Mix- product, price, place, promotion, people, process and physical evidence can satisfy Customer (Zeithaml and Bitner 2003; and Neilson and Chadha, 2008); and Various dimension of service quality viz., reliability, responsiveness, assurance, assurance, empathy and tangibility (Levesque and Mc Dougall, 1996; Yavas et al., 1997; Bloemer et al., 1999 Wang et al., 2003; Zethamal and Bitner, 2003; Arasli et al., 2005; Cristobal et al., 2007). The customer satisfaction strategies of the service organization focus on the perception of the customer regarding the service quality (Saravanan and Rao, 2007). According to Gummesson (1994) the service industry has been change the attributes from the focus on goods without much more importance on services to a focus on services while paying attention to goods. Akbar and Parvez (2009) indicate that customer satisfaction is one of the key element plays a vital role not only in marketing but also in other fields like consumer research and economics. Zeithaml and Bitner (2003) considering satisfaction as an evaluation by customer of a product or services in relation that up to what extent the product or service meets their needs and expectation. Addition to that, the emotional reaction to a product service experience (Oliver 1980) Bitner (1990) focus on physical evidence and participants as important factors of customer satisfaction. Satisfaction is defined as "a cognitive and effective reaction to a service incident" (Oliver, 1980). Transaction specific satisfaction as well as cumulative satisfaction are the two conceptualization of the customer satisfaction (Jones and Suh, 2000; Yi and La, 2004). The transaction-specific satisfaction is concern to the customer's evaluation of his or her experience as well as reactions toward a service (Boshoff and Gray, 2004), while the cumulative satisfaction focused to the customer's overall evaluation of the consumption experience (Cook, 2008). Overall customer satisfaction is therefore not only a static process but keeps on changing when the customer gets an experience with the service provider, (Jamal and Nazer, 2002; Veloutsou et al., 2005). Abdulla and Rozario (2009) also consider that the level of customer satisfaction may also influenced by various internal and external factors. This suggests that the determination of satisfaction is very toughest task; yet a customer's satisfaction toward company's products or services is often seen as the key element to a company's success and long-term competitiveness.

Rust and Oliver (1994) have conducted a research on “Service quality insights and managerial implication from the frontier,” the finding of the study stated three different dimensions of service quality such as service product, service delivery and service environment. Organizations have to focus on all the determinants to deliver service quality. So, DTH companies have to employed their maximum efforts to enhance all the three variables i.e., product offered, delivery system as well as service environment to meet future challenges.

Mittle and Lassar (1998) carried out a study on “Why Do customers Switch? The Dynamics of Satisfaction versus Loyalty”. The study was concluded that there is a non linear positive relationship exists between customer satisfaction and loyalty. Service quality found as a one of the significant driver of customer retention but relationship depends upon various other variables like price. The analysis of the study shows that customers are highly sensitive to price, which is also appears as an important determinant of customer satisfaction. Thus, DTH service providers should have to focus upon not only on price but service quality also to satisfy their subscribers.

Jayashree and Sivakumar (2013) in their research “A study on customer perception towards DTH services in Coimbatore city”. They used convenient random sampling technique to collect data from 300 DTH subscribers in Coimbatore city. They have studied the satisfaction level, the source of customers’ awareness and factors that motivate users to buy DTH service. The Result of the study shows that majority of the users are satisfied with the DTH services. The study also found that best picture quality, reasonable price and well designed packages are the most important factors to buy DTH service. Results of the study supported the role of better picture quality, reasonable price and highly responsive customer care department to increase satisfaction of DTH users. Furthermore, service providers have to give individual attention to each customer by meeting their specific needs.

Reddy (2013) selected 500 respondents on the basis of convenient random sampling in Andhra Pradesh to conducted a research “Factors motivating customers towards DTH services in Andhra Pradesh” and studied customer perception towards DTH services. The study find out that superior picture quality, well organized service packages and more channels option at reasonable price are the main deciding factors while people selects a DTH operator. It was also found that there exist a positive relationship between the advertisement and customer attitude towards DTH services. So we can say that DTH service providers can use advertisement as an effective tool to form supportive customers’ attitude formation towards DTH services.

Sutha and Jayanthi (2013) in their research “A comparative study on the various Direct To Homes (DTH) Service providers in Chennai” on 300 respondents selected by convenient random sampling. They have

found non-significant difference between the various attributes of customer satisfaction, while significant difference was found as customer preference is concerned. It was also resulted that superior audio-video signals and better quality of DTH service are making DTH services people first choice. Study further suggested to offering quality service at better price to convert non users into users. In last they recommended that the service providers to concentrate on price and network quality especially during rainy season.

Srikant & Pannaga (2013) conducted a study on "A Study on Customers Perception towards DTH Services" and they find out that respondents preferred DTH services as it offers more number of channels in various languages and is ranked first among all other reasons. Picture Clarity is ranked second and is better than cable TV which is followed by Effective Sound which has been ranked the third and Price and Uninterrupted Services hold the fourth and fifth rank respectively. It outcome of the study also enlighten that most of the respondents are highly satisfied with the number of channels offered and picture clarity. The subscribers are satisfied with the sound effect. The study also focus on problems faced by subscribers and found that the respondents are facing Disk Installation Problems, technical issues, Recharge and renewal of subscription fee, face Signal Problems and the poor picture clarity.

Jotheshwari,et al., (2014) in their study "Customer awareness and perception about DTH services in Kanchipuram district Tamil Nadu India". The main purpose of the study is to know the customer beliefs and their perception about DTH brand and services provided. The result revealed that DTH service providers are performing very well in the field of customer awareness, perception, belief and acceptance of services but choice of channels and charges, packages, to provide prompt information to the customers, signal quality, and signal breakage in rainy season etc. are certain areas that require high concerns and improvements. It was also found that advertisement plays an important role in customer awareness followed by the information from friends and relatives. So it can be said that DTH operators have put their efforts to strengthen the various aspects of service and enhance level of customer satisfaction.

Malarvizhi and Geetha (2014) carried out a study "Customer's Satisfaction on DTH and Cable TV Services: A Comparative Study in Coimbatore City". They employed purposive sampling to select 50 DTH users in Coimbatore city. The study reveals that the majority of the respondents prefer DTH services because of superior picture quality, reasonable price, and various kinds of packages and to watch more TV channels. The outcome of the study states that service providers have to focus on these factors to satisfy their customers.

Raj and Shukla (2015) in their research work on “Service Quality and Behaviour Intentions of DTH Users”. The result of the research find out a strongest association between service quality and Network Quality, propensity to recommend and Tangibles, switching intentions and price and customers' complaining behaviour and Service Operations.

3. Research Objectives:

Primary objective:

To identify the determinants of customer satisfaction for DTH Services in North Gujarat Region.

Secondary objectives:

1. To study the relationship of service quality with customer satisfaction.
2. To study the relationship of Price with customer satisfaction.
3. To study the relationship of Brand Image with customer satisfaction.
4. To study the relationship of Convenience with customer satisfaction.
5. To study the relationship between customer satisfaction and loyalty.

4. Research Hypothesis

The Summary of Hypotheses Results

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Hypotheses	Results
H1: There is an association between Service Quality and customer satisfaction of DTH services in North Gujarat.	Rejected
H2: There is an association between Price and customer satisfaction.	Accepted
H3: There is an association between Brand Image and customer satisfaction of DTH services in North Gujarat.	Accepted
H4: There is an association between convenience and customer satisfaction.	Rejected
H5: There is an association between customer satisfaction and loyalty.	Rejected

5. Research Methodology

This Quantitative research design is used for this research work. This study applied the survey research approach. This study was based on two types of data such as primary data and secondary data. Secondary data were collecting from the library research through journal, article, thesis, dissertation, and books. Whereas the primary data were collected from 300 respondents of north Gujarat using dth services through the structured questionnaire. The Non-probability sampling technique convenience sampling is used.

Table: 1 Reliability statistics of study variables

Scale	No. of items	Cronbach's Alpha (α)
Service Quality	8	0.869
Price	4	0.659
Brand Image	4	0.691
Convenience	5	0.638
Loyalty	4	0.611

Coefficient alpha was computed to establish internal consistency of the items on the scale after performing item analysis of construct. Total 5 factors extracted from factor analysis (refer table: 1) namely service quality ($\alpha=0.869$), Price ($\alpha=0.659$), Brand Image ($\alpha=0.691$), Convenience ($\alpha=0.638$), Loyalty ($\alpha=0.611$).

Table:2 Model Summary for customer satisfaction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.864 ^a	0.747	0.743	0.494

Note: ^a predictors (Service quality, Price, Brand Image, Convenience)

Table 3: Coefficients^a for customer satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
	B	Std. Error	Beta			VIF
(Constant)	-0.278	0.337		-0.826	0.410	
Service Quality	-0.019	0.044	-0.013	-0.430	0.667	1.011
Price	-0.113	0.040	-0.089	-2.828	0.005*	1.157
Brand Image	1.239	0.044	0.887	28.292	0.000*	1.145
Convenience	-0.034	0.051	-0.020	-0.662	0.509	1.038

Note: ^a Dependent Variable: Customer Satisfaction; * $p < 0.05$ level

The Table: 3 indicated that all the VIF values for each variable were well below 10, which indicates absence of multicollinearity. Going further, it is so important to understand the significance of each variable. Table: 3 shows that price ($t=-2.828$; $p<0.05$) and brand image ($t=28.29$; $p<0.05$) was found to be significant variable of customer satisfaction. It was also found that the other two variables i.e. service quality and convenience were non-significant determinant of customer satisfactory for DTH services. Therefore, hypotheses H_2 and H_3 were supported

Table 4: Coefficients^a for customer Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
	B	Std. Error	Beta			VIF
(Constant)	4.604	0.173		26.559	0.000	
Overall Satisfaction	-0.332	0.041	-0.424	-8.081	0.000	1.000
Note: ^a Dependent Variable: Loyalty; * $p<0.05$ level						

Above table indicated that the VIF values for each variable were well below 10, which indicates absence of multicollinearity. Going further, it is so important to understand the significance of each variable. Table 4 shows that overall satisfaction ($t=-8.081$; $p<0.05$) was found to be significant variable of customer satisfaction. Therefore, hypotheses H_4 supported.

6. Summary and Conclusion

This study has drawn several interesting findings thru factor analysis and respondents profile analysis. The determinants of customer satisfaction has been investigated thru 5 factors/variables namely Service quality, Price, Brand Image, Convenience and Loyalty. From the multiple regressions it can be concluded that there is a positive and significant relationship between price and customer satisfaction. It indicate that price is an important variable which has a directly affect to the customer satisfaction. If price will increase then the satisfaction level of the customer will decrease and price will decrease than the satisfaction level of the customer will increase. Another variable Brand image also has a positive significant relation with the customer satisfaction. It indicates that customer has good brand image regarding their service provider will affect positively on their level of satisfaction.

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