

A STUDY OF CUSTOMER SATISFACTION IN NAGERCOIL POSTAL SERVICES

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Postal services face many challenges, issues including competition, privatization, deregulation, liberalization, technology and substitution from electronic and digital services. In particular deregulation and the economic crisis in Nagercoil make it important for postal service providers to take steps to maintain revenues and market presence. Customer satisfaction becomes critical in that respect. This paper investigates customer buying behavior, priorities and preferences with regard to postal services available in the Nagercoil market. In particular, it investigates the extent to which customers are aware of different types of postal services available in the Nagercoil market and identifies the type of services which are more appealing to them. It also measures the extent to which customers are satisfied by the postal services they use, as well as, post-buying attitudes and complaints. A semi-structured questionnaire will be employed to collect the data, which will be analyzed statistically to achieve highly significant conclusions where possible. Section one reviews the relevant literature and develops the hypotheses. Section two sets out the methodology. Section three analyses the data collected. Section four presents concluding remarks, implications for management and suggestions for further research.

Keywords: Services, Postal Services, Customer Satisfaction.

1. INTRODUCTION

The growth of services over the past decade has been remarkable. Services are increasingly attracting attention from many authors. Nowadays in competitive service environment people who have the role of marketer in businesses are seeking customer satisfaction in order to create and improve relationships between businesses and new or existing customers (Webster and Sundaram, 2009, p.105). Customers are seen as the basis of a company's profitability (Pishgar, Dezhkam, Ghanbarpoor, Shabani & Ashoori, 2013, p.135).

Customer satisfaction

Customer satisfaction is the fundamental to the marketing concept (Kurniawan, 2010, p. 83). Customer satisfaction is a business term, which identify that the product or service which supplied to customers how much satisfying them (Naveed, Akhtar, Rehman Cheema, 2012, p.64). Different authors use different criteria, elements, characteristics when discussing about customer satisfaction. For example authors examine factors that people consider when they buy something. Generally, customer satisfaction, by a definition is a positive feeling experienced by an individual after using a good or a service (Delafrooz, Taleghani, Taghineghad, Nademi, 2013, p.115). Moreover customer satisfaction is an important factor in future tendency to make a purchase, also sometimes satisfied customers talks probably enthusiastically about their positive experience, or their buying, or use of a particular service with other people, this will lead to positive advertising (Delafrooz, Taleghani, Taghineghad, Nademi, 2013, p.115), (Mistry, 2013, p. 133). Customer satisfaction provides a link between purchase and post-purchase phenomena in terms of attitude change and repeat purchase (Lau, Cheung, Lam, Chu, 2013, p. 268). On the other hand businesses if they want to protect or gain market shares, they will need to overcome competitors by offering high quality product or service to ensure customer satisfaction, furthermore customer's feelings and beliefs affect their satisfaction level. Finally if customers are satisfied by services, the result is that, they will be loyal on business and it could also mean higher profits and higher market share for business (Al Karim, Chowdhury, 2014, p. 3, 4).

Postal services

Generally postal services are related to delivery of parcels, letters, documents and packages. Also postal transportation process consists following activities, (collection, input sorting, transportation, output sorting & distribution). (Noordin, Hasnan & Osman, 2012, p.205). Postal industry used of physical communication in the past or transportation process. Postal services face many challenges in the past decade, specifically: Threat from electronic communication, the competition from express

and parcel carriers with the use of electronic communication seem to be a major challenge for the postal services (Mohan, Maheswara Reddy, 2012, p.122), the rapid growing of the e-commerce, the growth of e- services, the introduction of the digital services, the change in post offices operations hours, the economy crisis during the 2010's. New postal service has substituted traditional post. The conceptual framework of postal services from literature reviewed to the following definition.

Services related to letters	Services consisting of pick-up, transport and delivery services of letters, newspapers, journals, periodicals, brochures, leaflets and similar printed matters, whether for domestic or foreign destinations, as rendered by the national postal administration.
Services related to parcels	Services consisting of pick-up, transport and delivery services of parcels and packages, whether for domestic or foreign destinations, as rendered by the national postal administration.
Counter services (in post office)	Services rendered at post office counters, e.g. sales of postage stamps, handling of certified or registered letters and packets, and other post office counter services.
Other services	Poste restante services, E- services, digital services, mailbox rental services & postal services not elsewhere classified.

Research Methodology

In this section of research data collection methods and respondents are described.

Research design and sample

The methodology used in obtaining information about customer satisfaction in postal services conducted at a sample of the general consumer population. The survey questionnaire is design and distributed to target respondent randomly. The target population for this study is the local postal services customers in Nagercoil Town. In this study participated people who have use Nagercoil postal services. Questionnaire is design to apply to a sample of population which answered in general questions about (e.g. Gender, Age group, Education level, Occupation, Location) and postal service characteristics specifically. Questions were either multiple choice or answerable on a 5- point scale

(from 1 to 5).

Data collection

Data was collected with the help of questionnaire as a tool. There were 80 questionnaires that were distributed. Total 60 questionnaires were received. The response rate was 75 percent. The survey questionnaires were conducted via face to face interviews. Other incomplete questionnaires were discarded.

Statistical analysis

Statistical package (SPSS) was used to analyze the data collection in this study. Frequency and percentage are the type of analysis that being used in this research. For data processing, statistical techniques were used for different purposes.

Data analysis

Collected data was analyzed to determine how the sample of the research responds to the items under investigation. The demographic characteristics of respondents on the various parameters like Gender, Age, Education level, Occupation, Location are represented as follows:

Table1: Demographical analysis

Characteristics		Frequencies	%
Gender	Male	24	40
	Female	36	60
Age group	Under 20	7	11.7
	21-30	14	23.3
	31-40	16	26.7
	41-50	15	25
	Over 50	8	13.3

Education level	Primary education	0	0
	Secondary education	16	26.7
	Bachelor degree	32	53.3
	Master/ Doctoral	12	20
Occupation	Public services	24	40
	Private sector	7	11.7
	Military (Army, Navy, Air force, Police)	6	10
	Student	7	11.7
	Independent business	7	11.7
	Farmer	1	1.7
	Other	8	13.3

Approximately 40% of the occupied in public services and 60% were female. Furthermore, majority of the respondents hold bachelor degree. Moreover, majority of the respondents used post office for their transactions and preferred safety as 1st priority 83.3%.

Table 2: Customer behavior and economic crisis

Attitudes/ Priorities/ Preferences		Frequencies	%
Postal services (which have used)	Letter	57	95
	Newspapers or flyers distribution	52	86.7
	Parcels	59	98.3
	Post office counter services	48	80
	Other postal services	23	38.3
Buying behavior (importance of factor)	Reputation	13	21.7
	Safety	43	71.7
	Timeline (reliability)	41	68.3
	Open Hours	16	26.7
	Service inside post office	27	45
	Service outside post office	17	28.3
	Price	38	63.3
	Environmental protection	15	25
Transaction (place)	Post office	29	48.3
	Internet	19	31.7
	Both	12	20
Priorities (very important)	Access	0	0
	Ownership	2	3.3
	Innovation	1	1.7
	Price	7	11.7
	Safety	50	83.3
Contact	Post office	10	16.7

information	Electronic website	46	76.7
	Catalogue	4	6.7
Frequency of Problems	Access	8	13.3
	Staff	8	13.3
	Website	6	10
	Postman	15	25
	Call center	9	15
How to make complaints	Oral in Post office	29	48.3
	By phone	24	40
	Complaint form	7	11.7
	I don't say	12	20
	I don't have	5	8.3
Attitude about during economic crisis (Agree & Strongly agree)	Less Transactions	22	36.7
	I search more in order to find cheaper prices between companies	38	63.3
	I prefer more electronic website transactions	32	53.3
Future use	More	10	16.7
	Less	4	6.7
	Same as today	46	76.7
Recommendation to others	Yes	55	91.7
	No	5	8.3

It appears in the table 2 above, minority of respondents (38.3%) have used other postal services (e.g. post restante, digital services, E services, mailbox rental services). Safety, timeline (reliability) and prices are more important factors. Additionally, safety is the first priority for customers (83.3%) and majority of sample (76.7%) prefers website contact information. On the other hand there is a balance between factors about frequency of problems. The best way for making complaints is oral in post office that which is adequately explained because majority of the respondents want transactions by post office (48.3%). Moreover, the result of economic crisis is that majority of respondents search more in order to find cheaper prices between companies and also prefer more electronic website transactions. Finally, customers will want to use postal services in the future (same as today 76.7%) and they recommend it to the others (91.7%).

Findings and Analysis

This section provides the analysis of the results. The analysis is conducted using statistical tools and instruments. The techniques used in the paper include Reliability assessment, Descriptive statistics, ranking of factors affect satisfaction, correlation analysis, regression analysis, chi-square test.

Reliability assessment

In order to prove the internal reliability of this research, this study has performed Cronbach’s Alpha Test of Reliability using questionnaire variables. According to (Al Karim & Chowdhury, 2014, p.5), Cronbach’s alpha should be 0.700 or above to be acceptable. In this study, the value of Cronbach’s Alpha is 0,800 > 0.700 (greater than standard value), so it can be conducted that the measures used in this study are valid and highly reliable.

Table 3: Reliability Statistics

Cronbach's	Cronbach's	
h's	Alpha Based	
	on	
	Standardized	

Alpha	Items	N of Items
,800	,689	57

Descriptive statistics analysis

Table 4 has shown that the statistical description of dimensions where it has found that postal services customers perceived. Reliability (with the highest mean scores M=16.2000) to be the most dominant dimension. On the other hand complaints handling (with the lowest mean scores M=5.5833) was perceived on the overall as least dimension in Nagercoil postal services.

Table 4: Descriptive Statistics

	N	Mean	Std. Deviation
Tangible	60	8,6167	2,06744
Reliability	60	16,2000	2,88068
Assurance	60	13,6167	2,96929
Empathy	60	15,3667	3,00827
Responsiveness	60	11,9167	3,17454
Complaintshandling	60	5,5833	1,82536
Access	60	7,1667	2,60486
Comfort	60	6,0000	1,77554
Valid N (listwise)	60		

Customer Satisfaction from postal services

Table 5: Ranking of factors affecting satisfaction

	N	Mean	Std. Deviation
Delivery time	60	3,38	,846
Delivery frequency	60	3,18	,748
Range of products/ services	60	3,13	,791
Problems handling	60	3,02	,911
Waiting time	60	2,93	,972
Services informations	60	2,85	1,005
Prices	60	2,58	1,013
Valid N (listwise)	60		

Table 5 calculates the Median and the standard deviation for several factors affecting customer satisfaction in nagercoil postal services. It shows the results of individual items in a multiple item scale. Order the variables in the table (display order) from highest to lowest. The most important factor is delivery time and the least important factor is prices.

Cross tabulation analysis

Cross tabulation shows if there is an association between two variables. Chi square test shows if any association is statistically significant.

Table 7. Cross tabulations

	Chi- Square Test	Value	df	Asymp. Sig. (2-sided)
Reliability* Occupation	Pearson Chi-square	119,978	72	,000
Assurance* Gender	Pearson Chi-square	20,774	11	0,036
Empathy* Occupation	Pearson Chi-square	113,155	72	0,01

Complaints handling* Occupation	Pearson Chi- square	63,529	42	0,018
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From association between demographical and independent variables only these are statistically significant ($p < 0.05$) and χ^2 has very high score.

Correlation analysis

This analysis shows if there is a correlation between two metric variables. Correlation can be weak (close to 0) or strong (close to 1), also can be positive (variables move in the same direction) or negative (variables move in opposite directions).

Table 8. Correlations

Assurance* Reliability	Pearson correlation	0,792	Strong
Responsiveness* Empathy	Pearson correlation	0,752	Strong
Complaints handling * Empathy	Pearson correlation	0,714	Strong
Responsiveness* Complaints handling	Pearson correlation	0,705	Strong
Economic crisis (more electronic transactions)* Assurance	Pearson correlation	0,293	Weak
Economic crisis (more electronic transactions)* Reliability	Pearson correlation	0,243	Weak

From the correlations analysis, Table 8 shows strongest correlations. Table 8 presents highest positive strong correlations.

Regression analysis

Regressions will determine the significant relationship between dependent (customer satisfaction) and independent variables (Tangible, Reliability, Assurance, Empathy, Responsiveness, Complaints handling, and Access) and strength of the relationship

Table 9. Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	,678 ^a	,460	,450	11,39101	TANGIBLE
1	,826 ^a	,682	,676	8,74077	RELIABILITY
1	,803 ^a	,645	,639	9,23392	ASSURANSE
1	,860 ^a	,740	,735	7,90396	EMPATHY
1	,853 ^a	,727	,723	8,09202	RESPONSIVENE SS
1	,821 ^a	,674	,669	8,84604	COMPLAI NTS HANDLI NG
1	,604 ^a	,364	,353	12,35553	ACCESS

Table10. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	41,048	6,353		6,461	,000
	Tangible	5,039	,717	,678	7,025	,000

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	13,115	6,498		2,018	,048
	Reliability	4,404	,395	,826	11,150	,000

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	27,880	5,640		4,943	,000
	Assurance	4,156	,405	,803	10,264	,000

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16,956	5,354		3,167	,002
	Empathy	4,393	,342	,860	12,844	,000

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	35,277	4,090		8,625	,000
	Responsiveness	4,128	,332	,853	12,439	,000

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	45,878	3,703		12,389	,000
	Complaintshandling	6,911	,631	,821	10,954	,000

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	58,951	4,704		12,531	,000
	Access	3,560	,618		5,766	,000

The correlation analysis is showing that customer satisfaction is correlated with each variable and has a positive and highly significant relationship (R values Table 9). These relationships are describing that each variable is affected by other variables that show the acceptance of hypotheses by the respondents. Table 10 shows coefficient of seven variables and customer satisfaction. Beta value is describing that if seven independent variables change one unit, dependent variable will change as shown in Table. In the last column of table 10, the standard Error (0,000) is showing high significance of each independent variable on customer satisfaction. From tables 9, 10 above resulting seven hypotheses become accepted.

CONCLUSIONS

This study was conducted with purpose of measuring customer satisfaction in Nagercoil postal services. It is tried to investigate the relationship how postal services characteristics affect customer satisfaction. The primary objective of this research was to analyze consumer views about postal services provided. Seven hypotheses were developed on the bases of literature review. The sample size and the number of definite customers are limited. The data was collected through convenience sampling method. For getting data, questionnaire was used. The responses were analyzed through Excel & SPSS software by using Pearson's correlation, cross tabulations, Reliability assessment and regression method.

Firstly, frequencies of demography are normalized. Furthermore, safety, timeline (reliability) and prices affect customer behavior. Big percent of customers use Nagercoil post offices. Safety is priority for customers. Delivery time, delivery frequencies and services availability have important role in customer decisions. The research study has shown that independent variables have a very important role in making customersatisfied.

This research highlights the existence of relationship between independent and dependent variable, should be noted that the study helps postal operators to choose properly the elements of services. The valueaddition in this kind of study is that Tangible and Complaints handling influence more than the othervariables customer satisfaction in Nagercoil postal services. These results indicate a need for the postal operators to concentrate their efforts on improving factors in order to raise the level of customer satisfaction.