

Volume 1

FBM INSIGHTS

UNIVERSITI TEKNOLOGI MARA CAWANGAN KEDAH

e-ISSN 2716-599X

2020



FACTORS OF CUSTOMER SATISFACTION IN DIFFERENT SERVICE INDUSTRIES

Sarah Sabir Ahmad sarah342@uitm.edu.my Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kedah

Azfahanee Zakaria azfa292@uitm.edu.my Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kedah

Mhd Azmin Mat Seman
Mhdazmin_76@yahoo.com
Politeknik Sultan Abdul Halim Muad'zam Shah

Introduction

Roberts-Lombard and Petzer (2017) declared that customer satisfaction is a way a product or service can meet or surpass the expectation of customers. Exceeding customer expectations by improving product and service quality and delivery can be a value-adding tool to customer satisfaction. Therefore, if an organization can provide value to the customers and meeting their needs, it is likely to be more effective in achieving or surpassing their expectations (Yeh, 2016).

Telecommunication Industry

Shobod, Saha, and Hossain (2015) in their research studied on factors of satisfaction level among Samsung mobile users. The study was conducted to assist marketing managers in the telecommunication service industry to understand what were the key drivers to generate and sustain customer satisfaction. Finding from this article revealed that two factors namely technical services and value-added services contribute to customer satisfaction using smartphones (Shobod et.al., 2015). Technical services were the talk time, functions and roaming lead to the customer being satisfied with their purchase. Whereas, value-added services like the quality for the price they are paying, and the services provided by the salesperson also leads to the customer being happy (Shobod et.al., 2015). In addition, the findings also positively demonstrated that satisfied customers will then become a loyal customer which will lower the switching cost.

Banking Industry

Moving from the telecommunication to the banking industry, an article written by Sabir, Ghafoor, Akhtar, Hafeez, and Rehman (2014) highlighted that customer satisfaction is the real diamond and competitive advantage over other companies. They adopted four out of the five SERVQUAL

dimensions as the factors of service quality that affect customers in the banking industry in Pakistan. From the findings, all four attributes; tangibility, reliability, responsiveness, and assurance had provided a significant impact on customer satisfaction. With the help of the findings, the research concluded that good service quality including the products and services are given to the customers leads to them being satisfied which then lead to loyalty.

Insurance Industry

According to the research, trust was identified as the most important success factors contributing to customer satisfaction which indicates that insurance companies need to adhere to the obligation set (Sabir Ahmad, S. & Wan Omar, M., 2019). Besides, other factors that were also identified as contributing to customer satisfaction were behaviour and dealing effectively with the insured, accurate information provided and the long-term relationship between the insurer and the insured. This information clearly indicates that customers want to trust and good relationship in order for them to secure the deal with the dealing insurer (Vazifehdust & Farokhian, 2013).

Food And Beverage Industry

Another industry that depends highly upon customer satisfaction is the food and beverage industry. Since the food and beverage industry has expanded globally in the recent years as eating out habit have increased, family-owned business to multinational companies is being operated worldwide for that purpose. Thus, Ho, Yang and Hung (2015) decided to embark on a research aimed to total the factors that would impact the success of customer relationship management (CRM) implementation. The finding identified reducing barriers in communication, service quality improvement, availability of technology requirement, organization commitment and operation benefits have a significant impact on the implementation of CRM in this industry.

Conclusion

Thus, industry players need to take into consideration the above factors in fulfilling these needs to maintain their customers' satisfaction level. Seeking guidance to enhance their service and product quality in order to gain competitive advantage from their satisfied customers is a vital move by businesses to embark. Besides, organization must continuously identify what are the needs of their customer and to prioritize the most important factors of customer satisfaction because determining what customer needs and fulfilling them will not only provide satisfaction to them but also create a long-term relationship which will benefit the organization and industries.

References

- Ho, C.-T. B., Yang, J.-M. D., & Hung, C.-S. V. (2015). The Factor of Information System Succes: An Example of Customer Relationship Management Implementation in Food & Beverage Industry. *International Journal of e-Education, e-Business, e-Management and e-Learning, 5*(3), 114-125.
- Roberts-Lombard, M., & Petzer, D. J. (2017). Customer satisfaction/delight and behavioral intentions of cell phone network customers an emerging market perspective. *European Business Review, 30*(4), 427 445.
- Sabir, R. I., Ghafoor, O., Akhtar, N., Hafeez, I., & Rehman, A. U. (2014). Factors Affecting Customer Satisfaction in Banking Sector of Pakistan. *International Review of Management and Business Research*, *3*(2), 1014-1025.
- Sabir Ahmad, S. & Wan Omar, M. (2019). The Influence of Cognitive Factors on Customer Satisfaction, International Journal of Modern Trends in Business Research (IJMTBR), e-ISSN: 2600-8742.
- Shobod, D. N., Saha, A. K., & Hossain, M. A. (2015). Identification and Measurement of the Factors Affecting Satisfaction Level of Smart Phone Users: Empirical Evidence from Bangladesh. *International Journal of Business and Management*, 10(4), 166-177.
- Vazifehdust, H., & Farokhian, S. (2013). Factors Influencing Customer Satisfaction with the Success Factors Identified in the Insurance Industry. *African Journal of Business Management*, 7(21), 2026-2032.
- Yeh, Y. P. (2016). Market orientation and service innovation on customer perceived value. *Management Research Review*, *39*(4), 449 467.