

# A STUDY ON CUSTOMER SATISFACTION AND RETENTION TOWARDS KELLOGG'S FOOD PRODUCTS AT VELLORE

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## ABSTRACT

*The examination inspects the consumer loyalties and maintenance towards the Kellogg's nourishment items in Vellore Tamil Nadu. The overview relates the clients are happy with the present level of administrations and scope of items and review what Kellogg's need to enhance its items and administrations. As to social occasion of data, the review is utilized as an examination apparatus with 80 inspecting populace, working individuals in Vellore were overviewed with outlined poll as Close-finished and Open-finished inquiries. This testing of populace finished a review intended to quantify reaction to an extensive variety of consumer loyalty factors in light of their item involvement with Kellogg's*

**Keywords:** *Customer satisfaction, Customer retention.*

**Disciplines:** *Marketing*

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## INTRODUCTION

Business dependably begins and finishes with clients, subsequently they should be dealt with as the King of the market. All the business enhancements, benefit, status, picture of the Firm/association relies upon clients. So it's essential for every one of the associations/Companies to meet all the client expectations& fulfill them. Consumer loyalty is the measure of how the necessities and reactions are worked together and conveyed to exceed expectations client desire. It must be picked up if the client has a general decent association with the provider. In the present focused business commercial center, consumer loyalty is an essential execution example and fundamental differentiator of business methodologies. Henceforth, the more is consumer loyalty, more is the business and the holding with client.

## CUSTOMER SATISFACTION

Consumer loyalty is a piece of client's experience that uncovered a provider's conduct on client's desire. It likewise relies upon how productively it is overseen and how expeditiously benefits are given. This fulfilment could be identified with different business perspectives like advertising, item fabricating, building, nature of items and administrations, reactions client's issues and questions, culmination of venture, post conveyance administrations, objection administration and so on. Consumer loyalty is the general embodiment of the impression about the provider by the clients. This impression which a client makes with respect to provider is the entirety of all the procedure he experiences, appropriate from imparting provider before doing any advertising to post conveyance alternatives and benefits and overseeing inquiries or protests post-conveyance. Amid this procedure the client runs over workplace of different divisions and the sort of systems engaged with the association.

## CUSTOMER RETENTION

An essential definition could be 'client maintenance is the procedure when clients keep on buying items and administrations inside a decide era'. However this definition is not relevant for the vast majority of the top of the line and low buy recurrence items as every single item is not bought by the client. Client maintenance is a vital procedure to keep or hold the current clients and not letting them to wander or imperfection to different providers or association for business and this is just conceivable when there is a quality connection amongst client and provider. Generally a client is tended towards adhering to a specific brand or item to the extent his fundamental needs are kept on being legitimately satisfied. He doesn't select going out on a limb in going for another item. More is the likelihood to hold clients the more is the likelihood of net development of business.

## REVIEW OF LITERATURE

Hennig-Thurau, T., & Klee, A. (1997) Customer satisfaction with a company's products or services is often seen as the key to a company's success and long-term competitiveness. However, the few empirical investigations in this area indicate that a direct relationship between these constructs is weak or even non-existent. The aim of this study is to develop a conceptual foundation for investigating the customer retention process, with the use of the concepts of customer satisfaction and relationship quality. The article involves a critical examination of the satisfaction-retention relationship, and the development of a more comprehensive view of the customer's quality perception. Tariq, M. I., Nawaz, M. R., Nawaz, M. M., & Butt, H. A. (2013) this study involves a sample size of 362 individuals was conducted to explore the factors affecting purchase intentions among FMCG consumers of Pakistan. Variables namely brand image, product quality, product knowledge, product involvement, product attributes and brand loyalty were studied as determinants of consumers' purchase intentions and were found to have a positive association with purchase intentions. Implications for these results for marketers are discussed in the final section and recommendations are proposed as well. Fandos & Flavian, 2006; Halim & Hameed, (2005) Purchase intention is the implied promise to one's self to buy the product again whenever one makes next trip to the market. There are certain functions of the brand which have a strong influence on the purchase intention of the customer's i.e. brand image, product quality, product knowledge, product involvement, product attributes and brand loyalty. This study will show the purchase behaviour of the customers that how general public attract to make purchase of the branded product and also reveal the important aspects which are quite necessary to capture the purchase intention of the customers.

Shukla, P. (2004) has studied the effect of product usage, satisfaction derived out of the same and the brand switching behaviour in several product categories while looking at the product involvement level in the Indian marketplace. The study attempts to understand the brand switching behaviour of the customers and its relation not with just satisfaction derived out of the product but also connects to the usage pattern of the customers and product involvement. It was observed that product usage and related level of satisfaction fail to explain the brand switching behaviour. The study emphasises that marketers will have to keep a constant eye to understand the usage pattern associated with their products and the satisfaction derived out of it and

also at how customers involve themselves with the product to lessen the brand switching behaviour among their customers. Lemon, K. N., White, T. B., & Winer, R. S. (2002) have examined the influence of customer future-focused considerations, over and above the effects of satisfaction, on the customer's decision to discontinue a service relationship. The authors find that expected future use and anticipated regret influence this decision. Understanding and managing these future-focused considerations is critical to successful dynamic customer relationship management. Anderson, E. W., & Sullivan, M. W. (1993) investigates the antecedents and consequences of customer satisfaction. They had estimated and tested the model against alternative hypotheses from the satisfaction literature. The author had found the quality which falls short of expectations has a greater impact on satisfaction and repurchase intentions than quality which exceeds expectations. This study shows the disconfirmation is more likely to occur when quality is easy to evaluate. Finally, in terms of systematic variation across firms, they found the elasticity of repurchase intentions with respect to satisfaction to be lower for firms that provide high satisfaction. This implies a long-run reputation effect insulating firms which consistently provide high satisfaction.

Cronin, J. J., Brady, M. K., & Hult, G. T. M. (2000) This study both synthesizes and builds on the efforts to conceptualize the effects of quality, satisfaction, and value on consumers' behavioural intentions. Specifically, it reports an empirical assessment of a model of service encounters that simultaneously considers the direct effects of these variables on behavioural intentions. The study builds on recent advances in services marketing theory and assesses the relationships between the identified constructs across multiple service industries. The results further suggest that the indirect effects of the service quality and value constructs enhanced their impact on behavioural intentions. Matzler, K., & Hinterhuber, H. H. (1998) discussed on the strategic importance of customer satisfaction, the authors propose a methodology, based on Kano's model of customer satisfaction, to explore customers' stated needs and unstated desires and to resolve them into different categories which have different impacts on customer satisfaction. The paper closes with a brief discussion of the managerial implications and the consequences of the application of these tools.

## **OBJECTIVES OF THE STUDY**

### **Primary objective:**

To Study the Customer Satisfaction and Customer Retention in Kellogg's Products with extraordinary reference to Vellore locale.

### **Secondary objective:**

- To ponder the impact of Product fulfilment and Purchase fulfilment on Customer Fulfillment in Kellogg's items with extraordinary reference to Vellore.
- To examine the effect of Customer Satisfaction on Customer Retention in Kellogg's items with exceptional reference to Vellore.
- To think about the impact of statistic profile on consumer loyalty and client maintenance in Kellogg's items with uncommon reference to Vellore.
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## **SCOPE OF THE STUDY**

The examination helps in gaining the data about country clients and their tasteful level, which helps in creating methodologies for holding them.

## **LIMITATION OF THE STUDY**

- The Study is confined to 2 months.

- It is extremely hard to comprehend the rustic business and comprehend their purchasing conduct and agreeable parameter.
- Most of the clients are not accomplished, so it is exceptionally hard to gather the essential information through poll.

## METHODOLOGY

Kellogg's items with extraordinary reference to Vellore locale .Data was gathered through study survey strategy and gathered examples are 80, the respondents were chosen by utilizing Convenience testing systems in the rustic regions of Vellore region. The investigation is improved the situation 2 months from June to August 2017, every one of the information examination techniques like Percentage examination, Regression, ANOVA, and T-test are performed utilizing SPSS programming.

## DATA ANALYSIS & INTERPRETATION

**Table 1: Demographic Analysis**

<b>S.NO</b>	<b>DEMOGRAPHIC FACTORS</b>	<b>PERCENTAGE</b> %
<b>1.</b>	<b>No. of Respondents</b> <input type="checkbox"/> Male <input type="checkbox"/> Female	<b>80</b> 47 33
<b>2.</b>	<b>Age Group of customer</b> • less than 18 • 20-30 • 31-40 <input type="checkbox"/> 41-50 • 50 & above	<b>80</b> 4 53 13 4 6
<b>3.</b>	<b>Marital status</b> • Single • Married	<b>80</b> 46 34
<b>4.</b>	<b>Occupation of the customers</b> • Student • self-employed • professional • service • housewife • Others	<b>80</b> 21 21 28 5 3 2
<b>5.</b>	<b>Income level of the customers</b> • below 10000 • 10000-20000 • 20000-40000 • 40000&above	<b>80</b> 22 16 28 14

## INTERPRETATION

From the Table: 1, it is found that majority of the customers are male (47). The majority of the customers of 35 % are professionals. The majority of the customers of 57.5 % are singles, 42.5 % are Married among 80 respondents. It is clear that majority of the customers with age group of 66.3 % are 20-30 It is clear that majority of the customers of 35 % are from 2000040000 income group.

**Table 2: Product preferences of the customer**

Products	Frequency	Percent
Museli	8	10
Cornflakes	42	52.5
Chocos	26	32.5
Pringles	4	5
Total	80	100

## INTERPRETATION

Table: 2 displays the frequency results of product preference. It is clear that majority of the product preference given to 52.5 % are cornflakes, 32.5 % are Chocos, 10% are Museli, and 5% are Pringles among 80 respondents.

**Table 3: Customers product purchase frequency**

Frequency of purchase	Frequency	Percent
once in a week	9	11.3
once in 15 days	15	18.8
once in a month	26	32.5
once in 2-3 months	30	37.5
Total	80	100

## INTERPRETATION

Table: 3 displays the customer's product purchase frequency. It is clear that majority of the peoples purchase frequency happens once in 2-3 months are 37.5%, once in a month are 32.5%, once in 15 days are 18.8%, once in a week are 11.3% among 80 respondents.

**Table 4: Analysis of Age towards the customer satisfaction**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.349	4	.337	.989	.419
Within Groups	25.588	75	.341		
Total	26.937	79			

**INTERPRETATION**

From the Table: 4, it is found that the significant value is greater than 0.05 there is no significant difference among the age level with regards to Customer Satisfaction towards Kellogg's products.

**Table 5: Analysis of Age towards the customer retention**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.250	4	.812	1.527	.203
Within Groups	39.894	75	.532		
Total	43.144	79			

**INTERPRETATION**

From the Table: 5, it is found that the significant value is greater than 0.05. So there is no significant difference among the age level with regards to customer retention towards Kellogg's products.

**Table 6: Analysis of Monthly income towards the customer satisfaction**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.405	3	.468	.592	.622

<b>Within Groups</b>	<b>60.067</b>	<b>76</b>	<b>.790</b>		
<b>Total</b>	<b>61.472</b>	<b>79</b>			

### INTERPRETATION

From the Table:6, it is found that the significant value is greater than 0.05. So there is no significant difference among the monthly income level with regards to customer Satisfaction towards Kellogg's products.

**Table 7: Analysis of Monthly income towards the customer retention**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>.746</b>	<b>3</b>	<b>.249</b>	<b>.446</b>	<b>.721</b>
<b>Within Groups</b>	<b>42.398</b>	<b>76</b>	<b>.558</b>		
<b>Total</b>	<b>43.144</b>	<b>79</b>			

### INTERPRETATION

From the Table:7, it is found that the significant value is greater than 0.05. So there is no significant difference among the monthly income level with regards to customer retention towards Kellogg's products.

**Table 8: Analysis of Consumption towards the customer satisfaction**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>3.621</b>	<b>4</b>	<b>.905</b>	<b>1.174</b>	<b>.329</b>
<b>Within Groups</b>	<b>57.851</b>	<b>75</b>	<b>.771</b>		
<b>Total</b>	<b>61.472</b>	<b>79</b>			

**INTERPRETATION**

From the Table: 8, it is found that the significant value is greater than 0.05. So there is no significant difference among the consumption level with regards to customer Satisfaction towards Kellogg's products.

**Table 9: Analysis of Consumption towards the customer retention**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>4.145</b>	<b>4</b>	<b>1.036</b>	<b>1.993</b>	<b>.104</b>
<b>Within Groups</b>	<b>38.999</b>	<b>75</b>	<b>.520</b>		
<b>Total</b>	<b>43.144</b>	<b>79</b>			

**INTERPRETATION**

From the Table: 9, it is found that the significant value is greater than 0.05. So there is no significant difference among the consumption level with regards to customer retention towards Kellogg's products.

**ANALYSIS OF PRODUCT AND CUSTOMER SATISFACTION****Table 10: Analysis of Product towards the customer satisfaction**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>3.724</b>	<b>3</b>	<b>1.241</b>	<b>1.634</b>	<b>.189</b>
<b>Within Groups</b>	<b>57.748</b>	<b>76</b>	<b>.760</b>		
<b>Total</b>	<b>61.472</b>	<b>79</b>			

**INTERPRETATION**

From the Table: 10, it is found that the significant value is greater than 0.05. So there is no significant difference among the Products with regards to customer Satisfaction towards Kellogg's.



**Table 11: Analysis of Product towards the customer retention**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>3.393</b>	<b>3</b>	<b>1.131</b>	<b>2.163</b>	<b>.099</b>
<b>Within Groups</b>	<b>39.751</b>	<b>76</b>	<b>.523</b>		
<b>Total</b>	<b>43.144</b>	<b>79</b>			

**INTERPRETATION**

From the Table: 11, it is found that the significant value is greater than 0.05. So there is no significant difference among the product with regards to customer retention towards Kellogg's.

**Table 12: Analysis of Frequency towards the customer satisfaction**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>5.104</b>	<b>3</b>	<b>1.701</b>	<b>2.294</b>	<b>.085</b>
<b>Within Groups</b>	<b>56.368</b>	<b>76</b>	<b>.742</b>		
<b>Total</b>	<b>61.472</b>	<b>79</b>			

**INTERPRETATION**

From the Table: 12, it is found that the significant value is greater than 0.05. So there is no significant difference among the frequency of purchase with regards to customer Satisfaction towards Kellogg's products

**Table 13: Analysis of Frequency towards the customer retention**

	<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Between Groups</b>	<b>7.089</b>	<b>3</b>	<b>2.363</b>	<b>4.981</b>	<b>.003</b>

<b>Within Groups</b>	<b>36.055</b>	<b>76</b>	<b>.474</b>		
<b>Total</b>	<b>43.144</b>	<b>79</b>			

### INTERPRETATION

From the Table: 13, it is found that the significant value is lesser than 0.05. So there is significant difference among the frequency with regards to customer retention towards Kellogg's products

### REGRESSION ANALYSIS

**Table 14: Measure of Customer Satisfaction with respect to the factor Purchase satisfaction and Product satisfaction**

S.No	Customer satisfaction factors	Regression Co-efficient	Standard Error	T-Statistics	P-Value
1	Purchase satisfaction	.816	.174	4.693	.000
2	Product satisfaction	.429	.185	2.328	.023
	Constant	-.563	.408	-1.381	.171
	R <sup>2</sup>	.586			
	F-Statistics	54.535			.000

### Interpretation

From the Table: 14, it is found that significantly influencing customer satisfaction among the

Customers are Purchase satisfaction and Product Satisfaction. Since the value of 'p' (sig) value is less than 0.05.

A unit increase in the Customer satisfaction results in the Purchase satisfaction by 0.816 Similarly for the Product satisfaction.

Coefficient of R<sup>2</sup> infers that the changes in the customer satisfaction is explained by the factors to the extent of 58.6% i.e. R<sup>2</sup> = .586

Significant F-Statistics reveals the validity of the fitness of the regression model.

**Table 15: Measure of Customer Retention with respect to the factor Customer Satisfaction**

S.No	Customer Retention	Regression Co-efficient	Standard Error	T-Statistics	P-Value
1	Customer Satisfaction	.718	.049	14.672	.000
	Constant	.775	.179	4.319	.000
	R <sup>2</sup>	.734			
	Adjusted R <sup>2</sup>	.731			
	F-Statistics	215.270			.000

### Interpretation

From the Table: 15, it is found that significantly influencing Customer retention among the customer are customer satisfaction. Since the value of 'p' (sig) value is less than 0.05.

A unit increase in the Customer retention results in the customer satisfaction by 0.718 Significant constant shows that even in the absence of factors influencing Customer retention Positive impact on the Customer Retention.

Coefficient of R<sup>2</sup> infers that the changes in the Customer Retention is explained by the factors to the extent of 73.4 % i.e. R<sup>2</sup>=0.734

Significant F-Statistics reveals the validity of the fitness of the regression model.

### SUGGESTIONS

- Generation of new thoughts on planning new formulas with Kellogg's items (by the workers)
- Gift combo packs for events
- Awareness about sustenance utilization and its assortments (Digital showcasing)
- Can lead rivalries in schools which enhances institutional deals

### CONCLUSION

As per the venture review, unmistakably the clients in Vellore town who have been fulfilled are faithful to the organization. The clients who are generally fulfilled and held are with the age level between 20-30, Male and Professionals, Income level with Rs.20000-40000 every month. They expend the items in higher range, the most devoured item is Corn drops among different items. Buy recurrence happens for the most part once in 2-3 months or once in a month.

The individuals who buy consistently are the common laborers individuals and they are accomplished. Clients of different gatherings are to be focused keeping in mind the end goal to build the purchasing conduct and deals volume by making more mindfulness. The given recommendations can be consistently followed with a specific end goal to drive general deals.