

# AN EMPIRICAL STUDY ON CUSTOMER SATISFACTION AND RETENTION IN PRINTING PRESS, CHENNAI

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## ABSTRACT

The study entitles an Empirical study on Customer satisfaction and retention in Printing press. The objective is to study the impact of Customer Satisfaction on Customer Retention and to determine the influence of demographic profile on customer satisfaction and customer retention in Printing Press. Research design used in this study is Descriptive in nature. Primary data is collected from structured Questionnaire with 50 respondents. The respondents were selected by using Convenience sampling technique. The collected data were classified tabulated and analyzed using the tools Regression, independent samples t-test and anova- one way. From this study it is found that customer satisfaction is influencing the retention of customers and hence these customers are loyal and are frequent towards the printing press. There is a significant difference among the age level with respect to product and purchase satisfaction. The product has a liking towards the customers of age level between 36 to 45. The frequent customers have an annual income of 4 lakhs and above. To target the customers of the low income group the printing press has to spread a positive word of mouth and has to provide a price discount. From this study it has shown that the printing has a regular base for invitation cards compared to the other purposes such as visiting cards and letter heads.

**Key Words:** Customer Satisfaction, Customer Retention.

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## INTRODUCTION

Customer satisfaction, a term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals." Customer retention refers to the activities and actions companies and organizations take to reduce the number of customer defections. The goal of customer retention programs is to help companies retain as many customers as possible, often through customer loyalty and brand loyalty initiatives. It is important to remember that customer retention begins with the first contact a customer has with a company and continues throughout the entire lifetime of the relationship.

## OBJECTIVE OF STUDY

- To study the influence of Customer Satisfaction on Customer Retention in Printing Press
- To study the influence of demographic profile on customer satisfaction and customer retention in Printing Press.

## Review of Literature

Hennig-Thurau, T., & Klee, A. (1997) developed use of a conceptual foundation for investigating, with the use of customer satisfaction and relationship study. It involves the examination of satisfaction and retention relationship and the development of a more comprehensive view of the customer's quality perception. Anderson Eugene W (1994) recognized the data provided through the funding of the Swedish Post Office and the support of the National Quality Research Center at the University of Michigan Business School. This research has benefitted from the comments of Claes Fornell, Michael D. Johnson, Donald R. Lehmann, Mary Sullivan, and participants in the Customer Satisfaction Workshop at the University of Michigan Business School.

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. Goff, B. G., Boles, J. S., Bellenger, D. N., & Stojack, C. (1997) The influence of selling behaviours on product satisfaction has significant implications for manufacturers in their efforts to enhance market acceptance. Strategies to enhance product satisfaction via salesperson behaviours are discussed.

Churchill Gilbert A., Jr. and Surprenan Carol (1982) The authors investigate whether it is necessary to include disconfirmation as an intervening variable affecting satisfaction as is commonly argued, or whether the effect of disconfirmation is adequately captured by expectation and perceived performance. Michael D. Johnson. (1991) The framework lays the foundation for the development of a national index for customer satisfaction that is now in place in Sweden. An important property of any such index is that it allows for comparisons across customers, firms, and industries. A number of propositions are forwarded regarding potentially systematic differences in satisfaction across people and products.

Homburg, C., & Giering, A. (2001) In a consumer-durables context the authors analyze the moderating effect of selected personal characteristics on the satisfaction-loyalty link. The empirical findings, which are based on multiple-group causal analysis, show that the strength of the relationship between customer satisfaction and loyalty is strongly influenced by characteristics of the customer. Shankar, V., Smith, A. K., & Rangaswamy, A. (2003) a conceptual framework and develop hypotheses about the effects of the online medium on customer satisfaction and loyalty and on the relationships between satisfaction and loyalty. The results are somewhat counterintuitive in that they show that whereas the levels of customer satisfaction for a service chosen online is the same as when it is chosen offline, loyalty to the service provider is higher when the service is chosen online than offline.

Deng, Z., Lu, Y., Wei, K. K., & Zhang, J. (2010) In this study, they examine the determinants of customer satisfaction and loyalty. The findings confirm that trust, perceived service quality, perceived customer value, including functional value and emotional value, contribute to generating customer satisfaction with MIM. Lee, J., Lee, J., & Feick, L. (2001) The main objective of customer satisfaction programs is to increase customer retention rates. In explaining the link between customer satisfaction and loyalty, switching costs play an important role and provide useful insight. The purposes of this paper are: to examine the moderating role of switching costs in the customer satisfaction-loyalty link; and to identify customer segments and then analyse the heterogeneity in the satisfaction-loyalty link among the different segments.

Keiningham, T. L., Cooil, B., Aksoy, L., Andreassen, T. W., & Weiner, J. (2007) The purpose of this research is to examine different customer satisfaction and loyalty metrics and test their relationship to customer retention, recommendation and share of wallet using micro (customer) level data. Contrary to Reichheld's assertions, the results indicate that recommend intention alone will not suffice as a single predictor of customers' future loyalty behaviour. Fornell, C. (1992) The author reports the results of a large-scale Swedish effort to measure quality of the total consumption process as customer satisfaction. The significance of customer satisfaction and its place within the overall strategy of the firm are discussed. An implication from examining the relationship between market share and customer satisfaction by a location model is that satisfaction should be lower in industries where supply is homogeneous and demand heterogeneous.

## RESERCH METHODOLOGY

Research Design adopted is descriptive research because as descriptive explains the study and aims at finding the Customer Satisfaction and Customer Retention in Printing Press. Structured Questionnaires is used to collect the data from the 50 respondents based on Convenience method. The tools used for analysis Regression, independent samples t-test and one-way ANOVA.

**TABLE 1 DEMOGRAPHIC PROFILE OF CUSTOMER**

Age Level	Frequency	Percent	Income Level	Frequency	Percent
26-35	4	8.0	200001-400000	13	26.0
36-45	30	60.0	400001 and above	37	74.0

46 and above	16	32.0	Total	50	100.0
Total	50	100.0			
<b>Occupation Level</b>	<b>Frequency</b>	<b>Percent</b>	<b>Education level of Customer</b>	<b>Frequency</b>	<b>Percent</b>
Public	5	10.0	SCHOOL	5	10.0
Private	21	42.0	UG	21	42.0
Business	24	48.0	PG	24	48.0
Total	50	100.0	Total	50	100.0
<b>Purpose of the customer</b>	<b>Frequency</b>	<b>Percent</b>			
Invitation	21	42.0			
Visiting Card	15	30.0			
Letter Heads	14	28.0			
Total	50	100.0			

From the table 1 it is found that most of the majority customer's age level is 36-45, income level is above 4 lakhs, Occupation is Business, Education Level is PG and Purpose is for printing Invitation card.

**TABLE 2 MEAN ANALYSIS**

	<b>Mean</b>	<b>Rank</b>
Purchase Satisfaction of Printing Press	3.5214	7
Product Satisfaction of Printing Press	3.7114	6
Customer Satisfaction of Printing Press	4.4760	2
Non Complaining Returners of Printing Press	4.4000	5
Word Of Mouth of Printing Press	4.4720	3
Price Insensitivity of Printing Press	4.4840	1
Customer Retention of Printing Press	4.4520	4
Valid N (listwise)		

From the table 2 it is found that the customers preferring rank 1 as price insensitivity followed by customer satisfaction, word of mouth, customer retention, non-complaining returns, product satisfaction, and purchase satisfaction.

### REGRESSION ANALYSIS

**TABLE 3 MEASURE OF CUSTOMER RETENTION WITH RESPECT TO THE FACTOR CUSTOMER SATISFACTION**

<b>S. No</b>	<b>Customer Retention</b>	<b>Regression Co-efficient</b>	<b>Standard Error</b>	<b>T-Statistics</b>	<b>P-Value</b>
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1	Customer Satisfaction	.311	.067	2.266	.028
	Constant	3.768	.303	12.452	.000
	R <sup>2</sup>	.621			
	Adjusted R <sup>2</sup>	.583			
	F-Statistics	5.133			0.028

From the Table 3 it is found that significantly influencing Customer retention among the customer is 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 0.311

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 9.7% i.e. R<sup>2</sup>=0.097

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

#### ANNOVA

**TABLE 4 ANALYSIS OF AGE LEVEL AND PRODUCT SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	1.189	2	.595	4.117	.023
<b>Within Groups</b>	6.790	47	.144		
<b>Total</b>	7.979	49			

**TABLE 4.1 DUNCAN**

DUNCAN	1	2
<b>46&amp; Above</b>	3.6071	
<b>36- 45</b>	3.7	
<b>26-35</b>		4.2143

From the Table 4 it is found that the significant value is less than 0.05 there is a significant difference among the age level with regard to Product Satisfaction of Printing Press.

From the table 4.1 it is clear that

- There is a significant difference between the 36-45 & 46 & above age level and other groups
- There is no significant difference between the 36-45 & 46 & above age level
- There is a significant difference between 26-35 age level & other groups.

**TABLE 5 ANALYSIS OF AGE LEVEL AND PURCHASE SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.393	2	.197	7.379	.002
Within Groups	1.252	47	.027		
Total	1.645	49			

**TABLE 5.1 DUNCAN**

DUNCAN	1	2
<b>46&amp; Above</b>	3.4866	
<b>36- 45</b>	3.5	
<b>26-35</b>		3.8214

From the Table 5 it is found that the significant value is less than 0.05 there is a significant difference among the age level with regard to Purchase Satisfaction of Printing Press.

From the table 5.1 it is clear that

- There is a significant difference between the 36-45 & above 46 age level and other groups
- There is no significant difference between the 36-45& above 46 age level.
- There is a significant difference between 26-35 age level & other groups.

**TABLE 6 ANALYSIS OF AGE LEVEL AND CUSTOMER SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.069	2	.035	.533	.590
<b>Within Groups</b>	3.042	47	.065		
<b>Total</b>	3.111	49			

From the Table 6 it is found that the significant value is more than 0.05 there is no significant difference among the age level with regard to Customer Satisfaction of Printing Press.

**TABLE 7 ANALYSIS OF AGE LEVEL AND CUSTOMER RETENTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.043	2	.022	1.433	.249
<b>Within Groups</b>	.710	47	.015		
<b>Total</b>	.753	49			

From the Table 7 it is found that the significant value is more than 0.05 there is no significant difference among the age level with regard to Customer Retention of Printing Press.

**TABLE 8 ANALYSIS OF PURPOSE OF THE CUSTOMER AND PRODUCT SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.372	2	.186	1.149	.326
<b>Within Groups</b>	7.607	47	.162		
<b>Total</b>	7.979	49			

From the Table 8 it is found that the significant value is more than 0.05 there is no significant difference among the Purpose with regard to Product Satisfaction of Printing Press.

**TABLE 9 ANALYSIS OF PURPOSE OF THE CUSTOMER AND PURCHASE SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.012	2	.006	.170	.844
<b>Within Groups</b>	1.634	47	.035		
<b>Total</b>	1.645	49			

From the Table 9 it is found that the significant value is more than 0.05 there is no significant difference among the Purpose with regard to Purchase Satisfaction of Printing Press.



**TABLE 10 ANALYSIS OF PURPOSE OF THE CUSTOMER AND CUSTOMER SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.030	2	.015	.229	.796
<b>Within Groups</b>	3.081	47	.066		
<b>Total</b>	3.111	49			

From the Table 10 it is found that the significant value is more than 0.05 there is no significant difference among the Purpose with regard to Customer Satisfaction of Printing Press.

**TABLE 11 ANALYSIS OF PURPOSE OF THE CUSTOMER AND CUSTOMER RETENTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.007	2	.003	.213	.809
<b>Within Groups</b>	.746	47	.016		
<b>Total</b>	.753	49			

From the Table 11 it is found that the significant value is more than 0.05 there is no significant difference among the Purpose with regard to Customer Retention of Printing Press.

**TABLE 12 ANALYSIS OF EDUCATION OF THE CUSTOMER AND PRODUCT SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	1.049	2	.525	3.558	.036
<b>Within Groups</b>	6.930	47	.147		
<b>Total</b>	7.979	49			

From the Table 12 it is found that the significant value is less than 0.05 there is a significant difference among the Education level with regard to Product Satisfaction of Printing Press.

**TABLE 13 ANALYSIS OF EDUCATION OF THE CUSTOMER AND PURCHASE SATISFACTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.111	2	.055	1.693	.195
<b>Within Groups</b>	1.535	47	.033		
<b>Total</b>	1.645	49			

From the Table 13 it is found that the significant value is more than 0.05 there is no significant difference among the Education level with regard to Purchase Satisfaction of Printing Press.

**Table 14 ANALYSIS OF EDUCATION LEVEL AND CUSTOMER SATISFACTION OF PRINTING PRESS**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.000	2	.000	.001	.999
<b>Within Groups</b>	3.111	47	.066		
<b>Total</b>	3.111	49			

From the Table 14 it is found that the significant value is more than 0.05 there is no significant difference among the Education level with regard to Customer Satisfaction of Printing Press.

**Table 15 ANALYSIS OF EDUCATION OF THE CUSTOMER AND CUSTOMER RETENTION**

	Sum of Squares	Df	Mean Square	F	Sig.
<b>Between Groups</b>	.003	2	.002	.094	.910
<b>Within Groups</b>	.750	47	.016		
<b>Total</b>	.753	49			

From the Table 15 it is found that the significant value is more than 0.05 there is no significant difference among the Education level with regard to Customer Retention of Printing Press.

**TABLE 16 ANALYSIS OF INCOME OF THE CUSTOMER AND PRODUCT SATISFACTION, PURCHASE SATISFACTION, CUSTOMER SATISFACTION AND CUSTOMER RETENTION**

FACTOR	T	Significant
Product Satisfaction	15.478	0.233
Purchase Satisfaction	18.311	0.119
Customer Satisfaction	14.215	0.142
Customer Retention	18.767	0.765

From the Table 16 it is found that significant value is more than 0.05 there is no significant difference between the Income level with regard to Product Satisfaction, Purchase Satisfaction, Customer Satisfaction, and Customer Retention of Printing Press.

## SUGGESTIONS

Majority of the customer's age level is between 36-45 than other age. Hence other age groups have to be targeted so that they will be visiting the printing press. The Income level of the customers between 400001 and above are very high compare to other income groups and below 200000 income customer is less. So emphasise has to be made for low income level group. The customers are mostly Business and private and public are very less in numbers. They must target more on public. Customers working in public sectors have to be reached about the printing press in the locality. The customer education level PG and UG is more compare to the other groups. The customers uneducated are very less visiting printing press. The low educated people can be targeted through word of mouth from public. The purpose of the customer is very high for invitation compare to the visiting cards and letter heads the customers are to be made to utilise other purpose in the printing press and the customers are to be known about the other products in the printing press. The customer of age level between 36-45 & 46 & above is product satisfied mostly than other age groups. The customers below 36 of age are less satisfied. The customers below age group of 36 are to be targeted more to attract the customer to get the benefit of the printing press. The customer of age level between 36-45 and 46 & above is purchase satisfied mostly than other age groups. The customers 35 and below age group are very less satisfied compared to other age groups. The Satisfied customers of the company stay loyal to the company and are retained to the company as well which has created a positive impact for the company.

## CONCLUSION

From this study it is found that customer satisfaction is influencing the retention of customers and hence these customers are loyal and are frequent towards the printing press. There is a significant difference among the age level with respect to product and purchase satisfaction. The product has a liking towards the customers of age level between 36 to 45. The frequent customers have an annual income of 4 lakhs and above. To target the customers of the low income group the printing press has to spread a positive word of mouth and has to provide a price discount. From this study it has shown that the printing has a regular base for invitation cards compared to the other purposes such as visiting cards and letter heads.

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