

A Study on Customer Satisfaction of Chettinad Cements in Chennai

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ABSTRACT - Cement industry plays a vital role in the people's life in the modern world today, because of its use in the construction of their houses, offices etc. The customers want lower price, good quality of cement and durability of cement. Satisfaction is more important to the customer because it reflects a positive outcome from the outlay of scarce resources and the fulfillment of unmet needs. The brand of CHETTINAD cement that is more popular in Tamil Nadu. Though much research has already been conducted, this area requires further attention and care. Purchase of cement done by customers considering various factors. The CHETTINAD cement can use any kind of marketing strategy but such kind of strategy should fulfill their satisfaction for CHETTINAD cement. The study concedes that the Almost all the companies understood customers insipid for quality. The need of the hours is to have an effective distribution network, so that supplies reach the dealers had in time to customers.

Key words: Customer Satisfaction, Price, Quality of Cement, Buying and Distribution.

INTRODUCTION

Cement is an essential product, crucial to all the sectors of our economy such as agriculture, industry, defense, civil authorities and households. The production and consumption of cement in a country is considered as an index of its industrial prosperity. The ancient Romans made pozzolana cement by mixing slaked lime with volcanic ash. People forgot about the cement during the middle ages. However, in the later decades much development has taken place in the cement technology and the industry has flourished better than any other industry.

In the present age of liberalization and market economy, the management process need apt and appropriate market information to spear head the marketing operations such as introduction of new products and penetration of new markets and also to retain the customer base. For customer-centered companies, customer satisfaction is both a goal and marketing tool. It is not only a decisive component in framing the marketing strategy, but also an inseparable part of the industry as far as its existence is concerned.

PROFILE OF CHETTINAD CEMENTS:

Chettinad Group is an Indian business conglomerate headquartered in Chennai. It was founded as the Annamalai Chettiar Group by Annamalai Chettiar. Chettinad Cement Corporation Private Limited is a Private company incorporated on 11 December 1962. It is classified as Non-Government Company and is registered at Registrar of Companies, Chennai. Its authorized share capital is Rs. 5,000,000,000 and its paid up capital is Rs. 440,800,000. It is involved in other service activities. Chettinad Cement Corporation

Limited engages in the manufacture and sale of cement in India. The company's products include Pavithram cement for special concrete applications; grade 43 and 53 cement; PPC; and sulphur resistant cement. The company was founded in 1962 and is based in Chennai, India while its cement plants are located in Karikkali and Puliur.

IMPORTANCE OF CUSTOMER SATISFACTION

Satisfaction is more important to the customer because it reflects a positive outcome from the outlay of scarce resources and the fulfillment of unmet needs. High consumer satisfaction should lower the costs of transactions in the future. If a firm has high customer retention it does not need to spend as much more to acquire new customer each period. Satisfied customers are likely to buy more frequently and in greater volume and purchase other goods and services offered by the firm. An increase in customer satisfaction should also enhance the overall reputation of the firm. An enhanced reputation can aid in introducing new products by providing instant awareness and lowering the buyer's risk of trial. Reputation can also be beneficial in establishing and maintaining relationships with key suppliers and distributors.

STATEMENT OF THE PROBLEM

Cement industry plays a vital role in the people's life in the modern world today, because of its use in the construction of their houses, offices etc. The customers want lower price, good quality of cement and durability of cement. There are various brands of cements available in the market. But customers choose particular brand of cement because they want quality of cement. In the sense the researcher chooses CHETTINAD cement. Purchase of

cement done by customers considering various factors. The CHETTINAD cement can use any kind of marketing strategy but such kind of strategy should fulfill their satisfaction for CHETTINAD cement is relevant to the study in the context of the above.

OBJECTIVES OF THE STUDY

- To study the importance of customer satisfaction towards CHETTINAD cement.
- To analyse the customers awareness, knowledge, opinions and satisfaction about the CHETTINAD cement
- To analyse the demographic factor and level of satisfaction of customer about the CHETTINAD cement.

HYPOTHESES

Having identified the objectives of this study, the following hypotheses have been formulated and tested during the period of study:

1. There is no significant relationship between age of the respondents and sources of knowledge about CHETTINAD cement.
2. There is no relationship between age of the respondents and purpose of buying the CHETTINAD cement.
3. There is no significant relationship between the occupation of the respondents and satisfaction level about CHETTINAD cement.

SCOPE OF THE STUDY

Taking into consideration all the theoretical cum practical concepts about the customer satisfaction. This study extends only to Chennai, The brand of CHETTINAD cement, the study attempts to limelight a pattern of marketing and consumer behaviour in brand of CHETTINAD cement that are more popular in Tamil Nadu.

METHODOLOGY

The study has been undertaken by survey method. 100 respondents were selected by using convenient sampling method, customers of CHETTINAD cement in Chennai. Both primary and secondary sources of data were used. Well structured interview schedule was designed to elicit necessary data and details from the customers of Chennai. The secondary data was collected from the books, journals, web portals and various unpublished records of the company. For this researcher selected statistical tools

namely the chi-square test, co-efficient of correlation, one way analysis of variance and t-tests are used.

REVIEW OF LITERATURE

Research works in this area gave an outstanding view about the exploration of this topic in different dimensions.

Burnpur Cement Limited (2006) reported, the Company is exposed to the risk of its dealers/distributors/C&F agents failing to adhere to the standards set for them in respect of sales and after-sales service, which in turn could affect customer's perception of the Company's brand and products. To promote the Company's products and the brand with dealers who are the customers of the Company, the Company organizes meetings with its dealers/customers. Direct promotional efforts to reach out to contractors and builders would also be done.

Indian Cement Industry (2008) reported the Cement is a bulky commodity and cannot be easily transported over long distances making it a regional market place, with the nation being divided into five region is characterized by its own demand-supply dynamics. The southern region dominated the cement consumption at 44.5million tones in 2007, accounting for about 30 % of total domestic cement consumption. During 2003-2007, southern region has witnessed highest CAGR of cement demand at 10.4 % followed by northern and eastern regions at 8.9 % and 9 % respectively.. Over the past five years, cost of cement production has grown at a CAGR of 8.4 %. The producers have been able to pass on the hike in the consumers on the back of increased demand.

Richards & Jones (2010) discussed the customer service functions are on the frontline of an organization, providing an important source of contact with customers. CRM initiatives designed to provide support for customer service personnel should improve the knowledge available to these representatives and reduce the time required to resolve disputes. In addition, a customer's value emphasis, the extent to which quality, price and convenience are prioritized by the customer, may also moderate propositions impacting value equity.

RESULTS AND DISCUSSIONS:

In order to fulfill the above objectives, and to analyse the customers awareness, ideas, opinions and satisfaction about the CHETTINAD cement and also analyse the demographic factor and level of satisfaction of customer of CHETTINAD cement.

Table 1 Cross Tabulation for age and sources of the knowledge about CHETTINAD cement

Period (year)	Source of knowledge				
	Advertisement	Agent	Sales Rep.	Friends & relatives	Total
Up to 25	2 (50.0)	1 (25.0)	-	1 (25.0)	4 (100.0)
26-35	8	2	1	4	15

	(53.3)	(13.3)	(6.7)	(26.7)	(100.0)
36-45	14 (33.3)	11 (26.2)	11 (26.2)	6 (14.3)	42 (100.0)
46-55	9 (26.5)	11 (32.4)	-	14 (41.2)	34 (100.0)
Above 55	2 (40.0)	1 (20.0)	-	2 (40.05)	5 (100.0)
Total	35 (35.0)	26 (26.0)	12 (12.0)	27 (27.0)	100 (100.0)

The above table found that, the sources of the knowledge about CHETTINAD cement based on the age group. Among the 4 respondents represented the age group on up to 25 years, 15 respondents represented the age group of 25-35 years, 42 respondents represented the age group of 35-45 years, 34 respondents represented the age group of 45-55 years and only 5 respondents represented the age group of above 55 years.

Chi-square test

	Value	df	Asymp. Sig. (2-sided)
Person	21.927 ^a	12	.038
Chi-square			
Likelihood ratio	25.494	12	.013
Linear-by-linear Association			
N of valid Cases	2.027	1	.154
	100		

Table 2 Cross Tabulation for age and purpose of buying the cement

Age	Purpose			Total
	House construction	Office construction	Other purpose	
Up to 25	3 (75.0)	-	1 (25.0)	4 (100.0)
26-35	12 (80.0)	-	3 (20.0)	15 (100.0)
36-45	23 (54.8)	6 (14.3)	13 (31.0)	42 (100.0)
46-55	29 (85.3)	2 (5.9)	3 (8.8)	34 (100.0)
Above 55	3 (60.0)	2 (40.0)	-	5 (100.0)
Total	70 (70.0)	10 (10.0)	20 (20.0)	100 (100.0)
	Cases		100	

The above table revealed that, the purpose of buying the CHETTINAD cement based on the age group. Among the 100 respondents selected, 4 respondents represented the age group of up to 25 years, 15 respondents represented the age group of 25-35 years, 42 respondents represented the age group of 35-45 year, 34 respondents represented the age group of 45-55 years and only 5 respondents represented the age group of above 55 years.

Chi-square test

	value	df	Asymp. Sig. (2-sided)
Person	16.270 ^a	8	.039
Chi-square			
Likelihood ratio	17.456	8	.026
Linear-by-linear Association			
N of valid	1.365	1	.243

Table 3 Cross tabulation occupation and satisfaction level of CHETTINAD cement

- a. 12 cells (60.0%) have expected count less than 5. the minimum expected count is .48

From the chi-square test, the significance value 0.038 which is less than 0.05, there is significant association between age and source of the knowledge about the CHETTINAD cement hence the hypotheses rejected. In advertisement about 53.3% of the respondents know CHETTINAD cement through advertisement, in age group 25 to 35 years, about 32.4% know it through agents in age group 45 to 55 years, about 26.2% know it through sales representatives in age group 35 to 45 years and about 41.2 % know it through friend and relatives in age group 45 to 55 years.

- a. 10 cells (66.7%) have expected count less than 5. the minimum expected count is .40

From the chi-square test, the significance value 0.039 which is less than 0.05, there is significant association between age and purpose of buying the CHETTINAD cement hence the hypotheses rejected. In house construction about 85.5 % of the respondents are used CHETTINAD cement for House construction, in age group 45 to 55 years, about 40.0% of the respondents are used CHETTINAD cement for office construction, in age group above 55 years and about 31.0% of the respondents used CHETTINAD cement for other purpose, in age group 35 to 45 years.

Occupation	Satisfaction levels			
	Just satisfied	Partly satisfied	Fully satisfied	Total
Agriculture	5 (23.8)	7 (33.3)	9 (42.9)	21 (100.0)
Private sector	4 (14.3)	12 (42.9)	12 (42.9)	28 (100.0)
Government servant	5 (17.9)	6 (21.4)	17 (60.7)	28 (100.0)
Business/professional	2 (8.7)	5 (21.7)	16 (69.6)	23 (100.0)
Total	16 (16.0)	30 (30.0)	54 (54.0)	100 (100.0)

The above table clears that, the satisfaction level of CHETTINAD cement based on the occupational status. Among the 100 respondents selected, 54 respondents have fully satisfaction level. Out of the 54 respondents, 17 respondents fall in the government service and followed by professional and private sector by 16 respondents and 12 respondents respectively and 9 respondents are agriculture.

Out of the 100 respondents, 30 respondents satisfaction have partly satisfied. Out of 30 respondents, 12 respondents and 7 respondents belonged to the private sector and agricultures are respectively. Out of 100 respondents, 16 respondents satisfaction level have just satisfied. Of 5 respondents belonged to the government service and agriculture are respectively. From this, it was concluded that the private respondents in the government service and private sector are fully satisfied of the CHETTINAD cement.

Co-efficient of correlation (Symmetric Measures)

	Value	Asymp. a Std.	Approx. b	Approx. Sig.
Interval by Person'	.200	.097	2.023	.046 ^o
Ordinal R By Spearman	.211	.097	2.138	.035 ^o
Correlation N of Valid	100			

a. Not assuming the null, b. Using the asymptotic standard error assuming the null

c. Based on normal

From correlation, the significance value 0.046 which is less than 0.05, there is significant relationship between the occupation of the respondents and satisfaction level of CHETTINAD cement, hence the hypotheses rejected.

ANOVA:

One-way ANOVA (Analysis of variance) is used to test the equality of three or more averages. Here it is used for testing the average percentage opinion score about

CHETTINAD cement, among the various educational level of the respondents. The results of one-way ANOVA is given below.

ANOVA

	Sum of squares	df	Mean square	F	Sig.
Between Groups	1177.329	3	329.443	3.110	.030
Within Groups	12113.671	96	126.184		
Total	13291.000	99			

From the ANOVA table, the significance value 0.030 which is less than 0.05, the level of significance we conclude that there is significant difference in the average score among the various educational levels of the respondents.

FINDINGS

- ★ Occupational status of the respondents shows that out of the total respondents taken for the study. Majority of the respondent belong to the government service and private sector.
- ★ Income level of the respondents shows that out of the total respondents taken for the study, 46 % of the respondents income level which is less than Rs.5,000
- ★ Source of awareness about CHETTINAD cement shows that out of the total respondents taken for the study, Majority (35%) of the respondents are aware of CHETTINAD cement through advertisements.
- ★ Majority of the respondents are aware of CHETTINAD cement through newspapers and magazines.
- ★ Factors influenced to choose the CHETTINAD cement shows out of total respondents taken for the study, 47 percent of the respondents to have influenced by quality, 34 percent of the respondents to have influenced by price, 10 percent of the respondents to have influenced by prompt delivery and another 9 percent of the respondents to have influenced by durability of the CHETTINAD cement.

- ★ Purpose of using cement shows that out of the total respondents taken for the study, Majority (70%) of the respondents have used CHETTINAD cement for house construction.
- ★ Duration of using the brand of CHETTINAD cement shows that out of the total respondents taken for the study, Majority of the respondents are using CHETTINAD cement for a period of above 3 years.
- ★ Whether using CHETTINAD cement for full construction shows clearly reveals that out of the total respondents taken for the study, 70 percent of the respondents have used CHETTINAD cement for full construction.
- ★ Reason for changing the brand shows that those respondents take for the study, 66.7 percent of the respondents stated that it is due to availability problem, 23.3 percent of the respondents stated the reason for price variation and 10 percent of the respondents stated the reason for quality change.
- ★ Whether respondents returned the CHETTINAD cement shows that out of total respondents taken for study, 87 percent of the respondents had not returned the CHETTINAD cement and 13 percent of the respondents returned the CHETTINAD cement. Majority of the respondents had not returned the CHETTINAD cement.
- ★ Reason for returned back of the CHETTINAD cement shows that out of the total respondents who had returned the cement, 84.6 percent of the respondents stated that the reason for returning the cement is due to low quality and another 7.7 percent of the respondents stated that the reason for returning the cement is due to damage/ improper package.
- ★ Satisfaction about the CHETTINAD cement shows that total respondents taken for the study, 100 percent of the respondents are satisfied with the use of CHETTINAD cement.
- ★ Satisfaction level of CHETTINAD cement shows that out of those respondents taken for the study, 54 percent of the respondents have fully satisfied with CHETTINAD cement, 30 percent of the respondents partly satisfied with CHETTINAD cement and 16 percent of the respondents have just satisfied with CHETTINAD cement. Majority of the respondents are fully satisfied with CHETTINAD cement.
- ★ Opinion about the quality of CHETTINAD cement shows out of the total respondents taken for the study, Majority (64 %) of the respondents opined that the quality of CHETTINAD cement is good.
- ★ Opinion about the delivery CHETTINAD cement shows that out of the total respondents taken for the study, 50 percent of the respondents feel that delivery

time of CHETTINAD cement is Quick delivery, 43 percent of the respondents feel that delivery time of CHETTINAD cement is reasonable and another 7 percent of the respondents feel that slow delivery. Majority of the respondents opined that the time taken for delivery of CHETTINAD cement is quick delivery.

SUGGESTIONS

- ❖ The research study has brought sufficient market opportunity for the cement industry in different areas in Tamil Nadu. It has been brought out in the report that. Almost all the companies understood customers insipid for quality. The need of the hours is to have an effective distribution network, so that supplies reach the dealers had in time to customers.
- ❖ The CHETTINAD cement is having a very high market share, because of the product awareness affected through publicity. The publicity of advertisement can not be reached to the all areas. So the advertisement can be improved for CHETTINAD Cement.
- ❖ The customers are stated the colour of cement will be changed and improved to the quality of CHETTINAD Cement.
- ❖ The brand of CHETTINAD cement is in great demand at Tiruchirapalli district. The delay in the delivery of cement the customer's to go in for other brand of cement. If the delivery position is further improved and if the buyer can take the CHETTINAD cement from the dealer, there will be substantial increase in sales.

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