A REVIEW OF CUSTOMER SATISFACTION FOR INDIAN POSTAL SERVICES

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ABSTRACT

The customer or client is an asset to every organization which is to be maintained carefully. Today’s marketing is a customer oriented. Hence the customer is treated as profit centre of the organization. All the employees including management must be involved in providing quality services to the customers. Providing the quality services is the key for satisfying and retaining the customers. The concept of quality is supposed to be antecedent of customer satisfaction. Customer satisfaction is the most widely used tool for measuring the performance of the business. Customer satisfaction is the judgement made by the customer after receiving the services. The complexity of the concept of customer satisfaction is motivating researchers and professionals since so many years for innovating new ideas to enhance customer satisfaction. The private sector companies as well as government owned organizations are keen about satisfying the needs of their customers. Indian Post office is one of the oldest and renowned governments owned institution with strong customer base. It is having a brand image and trust in the minds of customers. Due to globalisation India Post is facing the acute competition from other strong competitors. The conscious efforts need to be made by India post for improving the overall quality of services. The department of post is trying to make necessary improvements in service delivery process.

Key words: Customer satisfaction, Service Quality, India Post.


1. INTRODUCTION

Indian Department of Post is the oldest and apex government institution in the Indian service sector. It is considered as a backbone in the communication sector. History of the Indian post offices is traced back to the British rule. India was the most important colony for the British rulers. Once the East India Company established its rule on the entire Indian Territory the need was felt by the British rulers to have a government owned institution for delivering the royal mails. In 19th century Lord Dalhousie played an important role in starting the postal services in India. The Post Office Act was enacted in 1854 and first post office was established in Mumbai. The act was promulgated as per which the department of post with
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652 post offices and four postmasters general were placed under central organization. It was headed by Director General. Gradually the number of post offices increased to 12970 by the end of 1900. At the time of independence the total numbers of post offices were 23,334. Today India is the country with maximum number of post offices all over the world. There are 1, 55,335 post offices today in India. Out of which 1,35,00 post offices are in the rural area.

2. SERVICES OFFERED BY DEPARTMENT OF POST

The post office was incepted as a medium of transferring a written communication between the people all over the country. The department of post is an integral part of lives of every citizen since last 150 years. The department of post has made conscious efforts to spread these postal services to all parts of the country. The India Post is offering variety of services to its citizens.

1. Mailing Services- The primary function of post offices is to collect, receive, transfer and deliver letters to the respective communication address all over the country. There are various kinds of mailing services provided by the India post.
   A. Speed Post- The speed post was introduced in 1986 to provide mailing services within the country and to 97 other countries. The mail is delivered in less time compared to ordinary post.
   B. Business Post- This facility was launched in 1994 for meeting the needs of bulk customers for premailing activities.
   C. Express Parcel Post- It is a door to door delivery of parcel and Value Payable Post. It is preferred by the companies who sale the goods based on cash on delivery. It is reliable and time bound parcel service.
   D. Media Post- This facility was initiated to help corporate and government organizations for approaching their potential customers. The postal stationery is used for advertising the products.
   E. E-Post- This service was initiated from 30 Jan 2004. The aim of launching this service was to enable customers to send and receive message or images through email in all the country wide post.

2. Financial Services- It is one of the major and key function offered to the customers as agency services for Ministry of Finance Government of India. The major source of revenue for department of post is various schemes of postal banking. The services offered to the customers are Public Provident Fund, Postal Savings Bank Account, Monthly Income Scheme, Recurring Deposit Account, National savings Certificate, Post office Time Deposit etc. These services are indispensable for many citizens of the country.

3. Postal Life Insurance- The postal life insurance was launched in 1884 for the benefits of postal and telegraphs employees. Later the facility was extended to other central and state government employees.

4. Retail Services- These are the crucial services offered by the India post to the customers. They are the utility services offered to the common man to bring convenience and affordability to their door services. Range of services are offered under retail post like payment of electricity bills, telephone bills, e-ticketing, sale of gold coins, sale of UPSC forms, passport application forms etc.

Thus the India Post is offering variety of services in key areas of public sectors. These services have penetrated to the large population of the country and they have become the part of their lives. The department of post has to manage these services through its huge infrastructure. Every day department of post has to deal with large number of customers. Hence its a customer centric business. Due the evolution in telecommunication business as well as globalization of business many new players have entered globally.
Today India Post is facing acute competition from technologically advanced competitors. The big challenge today for India Post is to sustain in this market and retain the existing customers by delivering high level of satisfaction through its services. In this modern era the customer expectations as well as their preferences have changed. The customers have plenty of other alternatives at click of mouse. So the India Post has to adopt the necessary changes to become a leader in the current market.

3. CUSTOMER SATISFACTION

The concepts of marketing have changed over the period of time. Due to the evolution of information technology, modernization and globalization of business, the marketing today has become more customer centric. The customer is the king of the market hence it is really indispensable for the companies to recognise the value of the customers. The customer is considered as the most valuable asset of the company which needs to be maintained properly for raising the market share. Hence it is crucial to meet the necessary expectations of the customers and keep them happy. Thus the customer satisfaction is a critical factor in the marketing philosophy. The customer satisfaction is an abstract and ambiguous concept. It is a psychological phenomenon. It is a feeling or expression which an individual derive after using a product or service. It is an attitude of a customer which depicts what the customer feel about the organization. When the product or service supplied by an organization meets or exceeds the expectations of the customers the customer is said to be satisfied.

Marketing Guru Philip Kotler (1999) defines the term customer satisfaction as,” If the product matches the expectations, the customer is satisfied if it exceeds them the customer is highly satisfied and if it falls short customer is dissatisfied.”

Oliver (1992) defines the customer satisfaction as, “Satisfaction is consumer’s fulfillment response. It is a judgement that product or service feature or product or service itself provided a pleasurable level of consumption related fulfillment, including levels of under or over fulfillment.”

The satisfaction is the customers emotional outcome or response to the experience associated with particular product or service. The customer satisfaction is a perception of the customer about the product or service. So it defers from person to person. Hence the customer satisfaction is the lead indicator of future behaviour of the customers. In the modern business it is very important to manage the customers for getting the success in this competitive business environment. The strong bonds of relationship with the customers can be created only by keeping consistency in providing timely and quality services. Today the customer satisfaction is the area with fast growth prospects. The companies are striving to raise the level of customer satisfaction for capturing the maximum market share. The measurement of customer satisfaction will facilitate the organizations to analyse the overall performance of the product or service. The organizations must succeed in tapping the pulse of the customer by studying their needs, expectations and requirements. There are various factors which influence the customer satisfaction like price, service quality, knowledge and attitudes of the employees, complaint management, timeliness in the services, convenience etc.

The customer satisfaction is a lead indicator of repurchase intentions of the customer. Even the higher customer satisfaction gives the financial benefits to the company which is reflected through the financial statements of the organization. The customer satisfaction is a continuous process with certain phases-

1. Presales- To grab the market share and to win the trust and confidence of the customers the organization must take certain steps before actually selling the product in the market. Through the attractive advertisements of the product or service the customers can have an idea about the product. Positive word of mouth is really boosting the sales to rise.

2. During sales- The customers can get an opportunity to look and inspect your product. They can verify the claims which a marketer is making in the advertisement about the features of the product. Give chance to the customers to clarify the doubts. Skillful sales staff can handle the customers very well.
3. After sales - After actually selling the product when the customer uses it, at that point of time he will compare his expectations and the actual performance of the product or service.

It is very important to keep regular track of the satisfaction level of the customers. The customer satisfaction is a feeling which can be enhanced by consistently fulling the requirements of the customers. The actual performance of the product or service must give the feeling of contentment to the customer when compared with the expectations.

Customer satisfaction evaluation is critical in nature so the marketers have to make persistent efforts to deliver good experiences to the customers every time after the consumption of product or service. He has not just to make the customers happy but delighted. Satisfied customers can be retained in the business which will assist to raise the profit margins of the concern. The satisfied customers spread positive word of mouth which gives more financial benefits intem of increased sales compared to even the planned advertising campaign. Thus the higher customer satisfaction is important for attarcting the investors as well as different stake holders.

3.1. Service Quality

Quality is one of the vital concepts which influence the customer satisfaction. Quality means fitness for use. Quality is a feature or characteristic which is very difficult to measure. Service quality is one of the major strategic tools for measuring the performance of the product or service. All the business organizations take efforts to maintain and enhance quality to survive in the market. Hence service quality is a critical business requirement for the growth of the organization. Consistency in providing good quality product or service leads to more profits every year. The good quality products or services aids in raising the level of customer satisfaction and thereby retaining the customers. Many industrialists, academicians as well as researchers have put their efforts to understand the concept of quality. There are many innovations in quality improvement field like SERVQUAL, TQM, Six Sigma, Kaizen etc. In the opinion of Parasuraman at al (1985) service quality has three features intangibility, heterogeneous and inseparability. Services donot have physical form. They are intangible and they are produced and consumed simultaneously. Hence the organizations are realising the importance of measuring the quality of services. It is an important tool of understanding whether the product or service meets the expectations of the customers. Gronroos (1992) defines the service quality as, “Difference between the customer expectations of what they want and their perception of what they get.” Thus service quality measurement is necessary to understand whether the actual performance of the product or service meets the expectations of the customers. If the actual performance of the product or service do not meet the expectations of customers the service gap arises which leads to dissatisfaction of the customers. (Parasuraman et al, 1985)

Today service sector is a fast growing sector. The service sector has flourished globally due changing life style, ever changing demand as well as habits of customers. The globalisation and liberalisation policies adopted by many countries internationally is the cause for increasing demand for innovative services by the customers. So the organizations are striving hard to grow and remain competitive by providing the high quality services. In the concept of services quality it is very difficult to set the exact standard for quality as services are intangible. Service quality is mainly dependent on the perceptions of the customers and their expectations. If the services offered by the service provider meet the expectations of the customers, the customer derives pleasure as the quality of service is high. But it is very difficult for any service sector organization to maintain the level of satisfaction because the customer may not feel the same level of pleasure everytime after availing service. Hence it is critical to keep a track of customer perception after each service delivery. The customer perception normally varies. Hence the perceived quality is essential dimension for measuring customer satisfaction. But the continuous improvement in the quality of services is vital as well as essential. Along with the continuous improvement in service quality the other elements of services need to be improved simultaneously. The marketer needs to locate the service gaps between the customer expectations and perceptions. Necessary steps must be taken to meet such service gap.
3.2. Relationship between Service Quality and Customer Satisfaction

For every service sector organization their focus should be on the existing as well as potential customers. The needs of the customers should be tapped properly and necessary marketing strategies should be adopted for the fulfillment of those needs. It will add value to the customers and will assist to keep the satisfaction level of existing customers high. The satisfied customers are the valuable financial asset for the organization. They are the major source of bringing additional cash inflows by introducing your product or service to the new clients. Hence the concept of customer satisfaction is always a major attribute for considering any organization as market leader. Service quality is generally viewed as antecedent to customer satisfaction. (Robinson, 1999, Voss et al 2004) In service sector the excellent service quality is indispensable for the survival of the organization. It is a competitive weapon for raising the level of satisfaction and grabbing the market share. The customer relationship management of every service provider has to frame the service improvement policies. The quality evaluations are not based on the outcomes of services but other dimensions of service quality like functional and technical service quality. (Gronroos, 1984) Thus the importance of service quality enhancement is a focal point for every firm to satisfy and retain the customers. This inturn will assist to raise the loyalty of the customers.

In the present study the researcher has considered certain quality dimensions like reliability, responsiveness, service efficiency, competency of staff, ease of using services, safety in transactions, complaint handling, and post office layout.

4. STATEMENT OF PROBLEM

The India post is one of the most trusted government organizations from last 150 years. It is facing the acute competition from other competitors. To become the leader in the mailing and financial services the department of post need to adopt certain important changes in its services and technology. The ease and convenience of the customer with timeliness in service delivery must be the utmost priority. The India post has a brand image but to make their services indispensable the service quality and other dimensions of satisfaction need to be focused. The India post has to concentrate on balanced growth in all its services for retaining the existing customers and attracting new one.

5. NEED AND IMPORTANCE OF THE STUDY

The Department of Post is one of the leading and renowned government agencies in the service industry many people are availing the services offered by India Post. Hence to become a leader it is important to understand the weaknesses and strengths of the department. It can assist to improvise the service delivery process which leads to increased customer satisfaction.

6. OBJECTIVE OF THE STUDY-

1. To study the present level of customer satisfaction for postal services.
2. To study the issues of the customers with different postal services.
3. To suggest the measures to improve the postal services.

6.1. Statement of Hypothesis

There is a significant influence of quality of services on customer satisfaction.

7. RESEARCH METHODOLOGY

1. The data is collected by adopting primary data collection method. The responses of the customers are collected through the questionnaire. As the universe is infinite the Simple Random Sampling method is used to calculate the sample. The responses of 50 customers are analysed. The questionnaires were distributed to 75 customers but 50 responded. The responses from the
customers of Dombivali region are considered. The questionnaires are distributed to different customers and responses of them are analysed.

2. The secondary sources of data collection are also adopted like books, journals, web sites etc.

3. The research aims at finding the impact of quality of services on customer satisfaction.

8. REVIEW OF LITERATURE

A project report is prepared by R. Jain, S. Morris and G. Raghuram of IIM Ahemedabad on 24th August 2001 on the India Post generating financial resources for the country. They have tried to analyse the structural issues in the operations of India Post. The actions which can be taken to make the India post activities commercially viable are mentioned. The case study of Indonesia is considered for suggesting the postal reforms.

Dr Satendra Thakur and Dr A.P. Singh have published a paper in ELK Asia Journal of Marketing and Retail Management titled A study of employee empowerment, service quality and customer satisfaction with reference to India Post. As per their views the customer satisfaction can be raised by providing quality services and then employees play a very important role in delivering the good services. They have underlined the necessity of good staff for raising the overall customer satisfaction.

Planning Commission vide its letter No.F.No M 13040/26/2011 CIT and WG (Post) dated 20th June 2011 had constituted working group on the postal sector to make recommendations on different policy matters. The report was published by Department of Post and Ministry of Communication and Information Technology Goverment of India. They have emphasised the need of the modernization of India Post. The improvement areas in the functioning of the India Post are analysed and recommendations are given by the experts.

Ritika Aggarwal has published a research article in International Journal of Management and Technology Vol 2 ISSN 2249-9563 on 6th December 2012 on the topic Factors Influencing Customer Preferences towards Postal Saving Schemes. As per the views of the researcher even though there is a global revolution in financial sector India Post is still a reliable government agency. There is diversity in the postal services but awareness and overall improvement in the services is the challenge faced by the India Post.

Chattopadhyas Subatra and Das Plaban have published a paper in IJMS in 2014 on the key decision making factors in the domestic services in the post offices. According to their analysis customer satisfaction depends on the quality of services. The skillful and sufficient numbers of staff members are required for delivering the good services.

9. DATA ANALYSIS AND INTERPRETATION

The responses of the customers are collected and analysed with tabular and graphical presentation. The opinions of customers regarding various postal services are analysed. The effort was taken to study the present level of customer satisfaction for postal services. After interacting with the customers it was analysed that the customers are facing various issues whenever they are availing the postal services.

The study focuses on quality of services which are provided by India post to its customers. The quality is very critical to satisfaction in service sector organizations. As it is very difficult to measure and quantify the level of quality, certain dimensions need to be considered as a base for measuring the quality. The researcher has considered certain dimensions of quality of services like timeliness, reliability, responsiveness, ease of using services, competency of staff members, safety in dealings, complaint handling, layout etc. The customers were asked to evaluate the various quality dimensions. It is presented in the following table.
A Review of Customer Satisfaction for Indian Postal Services

<table>
<thead>
<tr>
<th>Service Quality Dimensions</th>
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<tr>
<td><strong>Reliability</strong> - The postal services are dependable, reassuring and the records are properly maintained by post offices.</td>
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<tr>
<td><strong>Responsiveness</strong> - The services provided by the department are always prompt, the responses are quick and employees are willing to help the customers.</td>
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<tr>
<td><strong>Service Efficiency</strong> - There is always a delay in services delivery and customers cannot avoid the big queues in front of every counter.</td>
</tr>
<tr>
<td><strong>Competency of Staff</strong> - The staff is friendly, knowledgeable, polite and always willing to help the customers.</td>
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<tr>
<td><strong>Ease of using services</strong> - The information of all the postal services is available in every post office.</td>
</tr>
<tr>
<td><strong>Safety in transactions</strong> - The proper safety is maintained in delivering the transactions. There is a safety in cash transactions.</td>
</tr>
<tr>
<td><strong>Complaint handling</strong> - The customer complaints are handled promptly and issues are addressed immediately.</td>
</tr>
<tr>
<td><strong>Post office layout</strong> - The cleanliness is maintained in post offices and overall ambience is pleasant, the equipments used in post offices are in good condition.</td>
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Out of total respondents 65% are of opinion that postal services are reliable and provide necessary safety in the transactions. According to 25% of customers there is no reliability and safety in post offices. 10% customers did not express any views. Hence it can be concluded that the India Post is a reliable organization which takes necessary precautions while handling variety of transactions.

The customer responses about the knowledge, behaviour and efficiency of the staff members were collected and analysed. 30% customers are of the opinion that the staff is excellent in terms of knowledge of variety of postal services. 20% customers said that employees are excellent in behaviour with customers.
and 25% customers are of opinion that employees are efficient in the work assigned to them. Out of total respondents 40% are of view that employees are good knowledgewise and 30% are attributed for behaviour and efficiency of the employees. But according to 30% customers knowledgeable improvement is necessary and 35% customers expressed the need to improve efficiency. But out of total respondents 50% customers were of opinion that the behavioural issue of the employees need to be addressed properly by India Post. Thus it can be concluded that necessary training need to be imparted to the staff members for improving the overall skills and knowledge.

![Service Efficiency Graph](image)

After analysing the customer responses it is found that the service efficiency of the postal services needs to be improved. 50% respondents are of the opinion that there is no delay in mail services like speed post, express post etc. 20% customers are of the opinion that there is a delay in delivery of mails for 2 to 4 days but 10% customers have experienced the delay by 4 days or more. But for other services the 40% customers are experiencing the delay in services for 2 to 4 days. Even 25% customers have experienced delay in other services for more than 4 days. 20% are of opinion that there is no delay in other postal services. Hence it can be concluded that the overall service efficiency of the customers need to be improved and services must reach to the customers in proper time. It will assist to enhance the level of customer satisfaction and for retaining the customers.

![Complaint Handling Graph](image)

The customers have expressed their views regarding complaint handling only 25% are of opinion that complaints are handled promptly. But 45% customers are of opinion that the customers complaints are not handled promptly. Hence emphasis should be given to improve the process of the customer complaint handling.
A Review of Customer Satisfaction for Indian Postal Services

The lot of improvement and changes in the overall ambience of the post offices are essential. 70% customers expressed the need for improving the overall ambience like cleanliness, layout, and parking space as well as using the modern equipments for customer service delivery. The overall environment need to be improved.

After analysing the opinions of the customers it was found that the customers who are very much satisfied with existing postal services are nil. 36.67% customers fall under the category of satisfied as well as neutral. 26.67% customers are not satisfied with the present postal services.

10. HYPOTHESIS TESTING
The above study is conducted with an objective to measure the current level of customer satisfaction. The researcher has tried to find out the issues faced by the customers while availing the postal services. The quality is considered as vital factor in measuring the customer satisfaction. From the customer responses the hypothesis is proved that quality of services has significant impact on customer satisfaction.

11. RESEARCH FINDINGS
After interacting with the customers it was analysed that the customer satisfaction level for the existing postal services need to be improved. The study points out the importance of maintaining the service quality for increased customer satisfaction. Thus it shows the positive relationship between service quality and customer satisfaction to prove the hypothesis. The customers still have a trust and faith in the Department of Post as it offers the security to them mainly in case of financial services. Variety of services is offered at less cost but the quality of services needs to be improved. The waiting time, complaint handling, staff

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cooperation and delay in the service delivery are the major concerns of the customers. The overall ambience of the India Post is also a concern for many customers. The cleanliness, proper parking space and overall layout of the post offices must be pleasant. The customers’ should feel to visit the post offices willingly. Proper training need to be imparted to the staff members and human resource planning must be done to avoid the inconvenience of the customers.

The shortage of the staff members sometimes puts a pressure on the existing staff members. Such issues need to be taken into account immediately. The modernisation of the post offices is vital for sustaining in the present market conditions. The customers have many other alternatives available in the market so the India Post is losing its customers even if the services are cost effective. The customers’ donot hesitate to pay more prices for qualitative services. The emphasis should be given on the service quality improvement and urgent measures need to be implemented for process improvements. The Department of Post is not even recovering the costs it is incurring for providing the postal services. The financial deficit is rising every year. The department needs to analyse thoroughly which services are profitable and which are sustaining losses. The postal reforms are essential as the reputation and goodwill of the India Post is eroding day by day. The startegies need to be designed and implemented to retain existing customers as well as attracting new one. The improvement of overall customer satisfaction level is essential. In todays competitive business environment it is not sufficient to have just satisfied customers but highly satisfied customers. It will aid to raise the level of revenue of Department of Post. Even though the customers have many concerns about the services of India Post still today many are availing the variety of services offered by the post offices.

12. OBSERVATION

1. Even though the customers are not highly satisfied with the existing postal services still India Post is having a brand equity and image in the minds of customers.
2. The big merit of India Post is its huge customer base. Since last many years it is successfully providing the variety of services to the citizens of India.
3. Still people have great faith in the postal services. The perceptions of the customers regarding India Post are clear even though there is lack of professional culture, due to the reasons like rare cases of frauds and malpractices as well as government support.
4. The small investors get good returns in case of financial services offered by the department of post.
5. The wide spread network of post offices and its brand equity are the major strengths of the India Post. The people find it safer compared to other alternatives for financial transactions.
6. The India Post can be the leader in the market if appropriate measures are taken to improve the operations and efficiency.

13. SUGGESTION

1. The India Post can leverage its big strength of government support, wide coverage of geographic area and huge customer base.
2. The postal services are economic compared to other competitors. There is lack of professional attitude and competitive foresight. With the adoption of modern methods of providing services more customers can be attracted. It will aid to raise revenue generation capacity. The prices should be competitive.
3. The India Post offers variety of services to the customers at reasonable prices. But the customers are not aware of such services. The proper advertisements need to be made by Department of Post.
4. The training should be imparted to the staff members to tackle the behavioural issues of the staff members. The training for communication and soft skills need to be imparted.
5. Proper customer complaint handling machinery need to be installed. The customer care services need to be provided by the department of post.
6. The marketing strategies need to be implemented for retaining the existing customers and attracting the new one.
7. The improvement in the overall ambience of post offices is necessary.
8. The revolution in IT can assist the India Post to provide the services with ease and accuracy.
9. The Department of post need to compare their performance with the competitors and accordingly adopt certain changes.
10. The revolutionary decisions need to be implemented promptly to bring back the glory of the India Post and to become a market leader.

14. LIMITATIONS OF THE STUDY
The responses of the customers in Dombivali region are considered. Hence it may not be applicable to other parts of the country.

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