A STUDY ON THE CUSTOMER DELIGHT TOWARDS HONDA CARS

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Abstract

Customer Delight is the concept related to satisfaction and loyalty. It directly influences the profitability and the sales of the organization and even helps in competition by differentiating the products and the services with the other organizations. The present study is undertaken to analyze the perception of the customer towards the Honda Cars, to analyze the most influencing factors that cause Brand Loyalty towards Honda Cars, to know the how delighted customer will act as Brand Promoters of Honda Cars and to know the influencing factors to promote customer delight towards Honda Cars. The study concludes that improvement in the services leads to customer delight which directly influences in creating the brand loyalty and enhances the sales of the company.

Key Words: Customer delight, sales, profitability, brand loyalty

Introduction

Customer Delight is the concept related to satisfaction and loyalty. It directly influences the profitability and the sales of the organization and even helps in competition by differentiating the products and the services with the other organizations. In olden days customer satisfaction is measured through KPI (Key Performance Indicator). It is the measurement that compares the exact expectations of a customer are met. It was found that customer satisfaction does not create brand loyalty and even it does not encourage word of mouth. Customer delight is created by product itself, by providing standard service, direct interaction with people. Direct interaction is the wonderful opportunity to create delight because it is impersonal and customized as per the specific needs and the wish of the customer. During the interaction we can deliver just more than the customer service. The front-line employees can surprise the customers by spending some personal interest that may please him and find the solution of his specific need. Those people can develop a strong relationship between the customer and the brand.

The effect of achieving those objectives, according to Reich held as described in the ultimate question 2.0, only 9% of the world's major firms achieve real sustainable profit and growth over 10- year period from 1999 to 2009. Customer delight is the only kind of growth that can be sustained over the long term according to Reich held and Markey. The authors mention that their company Bain & company have researched and concluded that a 5% increase in customer retention could yield anywhere between 25% to 100% increase in profits. The book explains the net promoter score; a system which measures what customers are feeling and thus creating accountability for the customer experience.

In order to consistently deliver customer delight at all customer touch points throughout the company, a customer-centric corporate culture is key. With this corporate culture all processes, systems, people and leadership are aligned: everyone in the organization shares the same set of values, attitudes and practices. Developing the culture is a continuous exercise of

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innovation and improvement, involving every employee of the company. A necessary step is linking customer delight behaviour to the core values of the brand. Core values are operating principles that guide an organization's internal conduct as well as its relationship with customers, partners and shareholders. Once core values are clearly outlined it is critical to incorporate them into every process, from hiring, to employee appraisals and decision making.

The loyalty business model is a business model used in strategic management in which company resources are employed so as to increase the loyalty of customers and other stakeholders in the expectation that corporate objectives will be met or surpassed. A typical example of this type of model is: quality of product or service leads to customer satisfaction, which leads to customer loyalty, which leads to profitability.

Review of literature

Florian Pallas, Christopher Grosening, Vikas Mittal, (2014) has done a study on Allocation of Resources to Customer Satisfaction and Delight Based on Utilitarian and Hedonic Benefits. In their study a strategic typology is introduced to improve a firm's return on investment (ROI) based on understanding whether to devote additional resources to improve customer satisfaction and increase delight.

John C. Crotts, Vincent P. Magnini, (2011) has done study on the customer delight construct Is surprise essential? In their study they tried to state that Customer delight can be defined as the reaction that customers have when they experience a product or service that not only satisfies but provides an unanticipated level of value or satisfaction.

Roland T. Rust and Richard L. Oliver (2012) has done study on Should We Delight the Customer. In their study they try to find weather the customer needs to be delighted more than satisfaction.

Adam Finn (2005) has done the study on reassessing the Foundations of Customer Delight. In their study he stated that Achieving customer satisfaction has long been identified as at the heart of the marketing concept.

Donald C. Barnes, Joel E. Collier, Nicole Ponder, and Zachary Williams (2013) has done study on investigating the employee's perspective of customer delight. In their study they stated that by examining the positive emotions derived from delighting customers, sales managers can assess the role that affect plays in selling effectiveness.

Donald C. Barnes, Nicole Ponder, and Kranti Dugar (2011) has done study on investigating the Key Routes to Customer Delight. In this study they tried to find the variables that helps to achieve the customer delight.

Donald C. Barnes, Nicole Ponder, Christopher D. Hopkins (2015) has done study on the impact of perceived customer delight on the frontline employee. In that study they have investigated the impact of the frontline employee on the customer, with the consensus that employees can have a tremendous impact on the customer.

Sandra Maria Correia Loureiro, Elisabeth Kastenholz (2011) has done study on corporate reputation, satisfaction, delight, and loyalty towards rural lodging units in Portugal. In that study they stated causal relationship between disconfirmation and arousal and the introduction of two new variables: the lodging unit's corporate reputation and perceived quality.

Mark J. Arnold, Kristy E. Reynoldsb, Nicole Ponder, Jason E. Lueg (2004) has done study on Customer delight in a retail context: investigating delightful and terrible shopping experiences. In that study they stated that the concept of delight is of great interest to practitioners who understand that to keep customers loyal, a firm must go beyond merely Satisfying to truly delighting them

Paul-Valentin Ngobo (1999), has done study on Decreasing Returns in Customer Loyalty: Does It Really Matter to Delight the Customers. In this study he stated that the contradicting results between customer satisfaction and loyalty, practitioners and researchers alike are now arguing that firms should take quality beyond customer satisfaction to customer delight or 100% satisfaction.

Edwin N. Torres, Xiaoxiao Fu, Xinran Lehto (2014), has done study on examining key drivers of customer delight in a hotel experience: A cross-cultural perspective. In this study they stated that welcoming all guests is the calling shared by those who work in the hotel industry. Everyday hoteliers strive to provide a service of excellence to all of those who visit.

Donald C. Barnes Joel E. Collier Stacey Robinson, (2014), has done study on Customer delight and work engagement. The purpose of the research is to evaluate how customer contact level and customer service-based role conflict influence the relationship between customer emotions and work engagement, while simultaneously evaluating psychological capital as an outcome of work engagement.

Min Gyung Kim, Anna S. Mattila (2015) has done study on Does a surprise strategy need words? The effect of explanations for a surprise strategy on customer delight and expectations. In that study they stated that Delighting customers by pleasant surprises is a common strategy, yet the potential downside of such a strategy (i.e. raising customer expectations) has received scant attention.

Syed Akif hasan, Saquib Raheem, Muhammad Imtiaz Subhani (2011) has done study on measuring customer delight: A model for banking industry. In this study they stated that customer satisfaction has been generally researched and is being used to attain competitive advantage.

Jianyu Ma, Jun Gao, Noel Scott, Peiyi Ding (2013) has done study on customer delight from theme Park experiences. This study empirically tests the ability of cognitive appraisal theory (CAT) to explain the antecedents of emotions from tourism experiences.

Benjamin Schneider, David E. Bowen (1999) has done study on Understanding Customer Delight and Outrage. In this study they stated that Delivering quality to customer in a competitive Marketplace dictates the need to continually enhance a customer's experience and satisfaction.

Chris Wilson, Joan Leckman, Kahlil Cappucino and Wim Pullen (2001) has done study on towards customer delight: Added value in public sector corporate real estate. This paper explores the findings emerging from the inaugural conference of a new network called the World-Wide Workplace Web, an international forum for future real property leaders mainly within public sector real estate organisations.

Vincent P. Magnini, John C. Crotts and Anita Zehrer (2011) has done study on Understanding Customer Delight: An Application of Travel Blog Analysis. In this study they stated that Distinct from satisfaction, delight occurs when a customer receives a positive surprise beyond his or her expectation.

Research Methodology

Objective of the Study

- To analyze the perception of the customer towards the Honda Cars
- To analyze the most influencing factors that cause Brand Loyalty towards Honda Cars
- To know the how delighted customer will act as Brand Promoters of Honda Cars
- To know the influencing factors to promote customer delight towards Honda Cars

Sampling Technique and Size

Convenient Sampling Method has been taken for the study and 70 Honda Cars selected Customers are taken for the study.

Hypothesis

H0: There is no significance between (Age, Income and Gender) and Delight.

H1: There is no significant relationship between service provided by the company and Customer delight.

Data Result and Analysis

Hypothesis-1
H0: There is no significance between (Age, Income, Gender) and Delight.
Ha: There is significance between (Age, Income, Gender) and Delight.

Insert table 1, 2 and 3

As the variables of Delight are computed as DEL and compared with Income, Age, Gender for significance it shown significant values. Significant value for delight and Income is 0.480, Significant value for delight and Age is 0.415, Significant value for delight and Gender is 0.383. Hence alternative hypothesis is accepted. So, Customer Delight is influenced by the Income, Age, Gender.

Hypothesis-2
H1: There is no significant relationship between service provided by the company and Customer delight.
Ha: There is significant relationship between service provided by the company and Customer delight.

Insert table 4

As both the variables of delight and the service provided by the company are computed as DEL and SER. Then correlation is done for the both to know the significance. As of the result they both have significance of 93%. Hence delight and the service provided by the company are interdependent. So, customer delight is influenced by service provided by the company. Hence, alternative hypothesis is accepted

Findings

- Overall store comfortability is rated high by most of the customers whereas in case of neutral they are not able to decide and not able to compare with other stores.
- The approach of the marketing executives is good as most of the customers rated good. Even we got neutral here as their experience may not be great.
- Elate is the feeling of great satisfaction of the customer impersonally. Most of the customers rated as Neutral as they may be satisfied with the approach, treatment and the respect but not up to the level that to elated.
- The statement Honda Cars has experiences/services which were unexpected, and they delighted me has been agreed by 28 respondents i.e. 40% of the total size. 31 respondents rated as Neutral 44.3 % of the total responses. 2 respondents strongly agreed the statement. 4 respondents disagreed, and 5 respondents strongly disagreed the statement.
- The statement "I believe Honda Cars provides more benefits than other stores of its type" is strongly agreed by 12.9 % of the respondents. 40% of the respondents agreed the statement. Whereas 37.1% responded Neutrally. 5.7% respondents disagreed and 4.3% respondents strongly disagreed the statement.
- The statement "I made the right choice of store with Honda Cars" is strongly agreed by 21.4% of the respondents. 37.1% of the respondents agreed the statement. Whereas 28.6% responded Neutrally. 7.1% respondents disagreed and 5.7% respondents strongly disagreed the statement.

- The statement "The service facilities are visually more appealing compared to other services of its type" is strongly agreed by 8.6 % of the respondents. 34.3% of the respondents agreed the statement. Whereas 41.4% responded Neutrally. 15.7% respondents disagreed and None of the respondents strongly disagreed the statement.

- The statement "Honda Cars Provides better value for my money compared to other stores" is strongly agreed by 7.1 % of the respondents. 22.9% of the respondents agreed the statement. Whereas 54.3% responded Neutrally. 8.6% respondents disagreed and 7.1% respondents strongly disagreed the statement.

- The statement "Honda Cars provides me superior service quality compared to other service centers of its type" is strongly agreed by 8.6% of the respondents. 22.9% of the respondents agreed the statement. Whereas 52.9% responded Neutrally. 11.4% respondents disagreed and 4.3% respondents strongly disagreed the statement.

- The statement "I feel happy when I get my car service at Honda Cars" is strongly agreed by 17.1 % of the respondents. 41.4% of the respondents agreed the statement. Whereas 30% responded Neutrally. 4.3% respondents disagreed and 7.1% respondents strongly disagreed the statement.

- The statement "I consider myself to be highly loyal to this store" is strongly agreed by 12.9 % of the respondents. 34.3% of the respondents agreed the statement. Whereas 37.1% responded Neutrally. None of the respondents disagreed and 15.7% respondents strongly disagreed the statement.

- The statement "I will recommend Honda Cars to other" is strongly agreed by 17.1 % of the respondents. 32.9% of the respondents agreed the statement. Whereas 32.9% responded Neutrally. None of the respondents disagreed and 17.1% respondents strongly disagreed the statement.

- Among the respondents 71.4 are male, 22.9 are female and 5.7% are other those are other than the persons i.e. Companies who got from Honda Cars.

- Here there are different aged customers we have grouped them based on age. The customers between the age group 18-25 years are 21.4%, 25-35 years are 31.4%, 35-45 years are 25.7% and age group above 45 years are 15.7%. 5.7% of the customers are corporate companies of Honda Cars.

Recommendations

After analyzing the customer data, it is discovered that customer delight is most important to gain more customer retention and many factors are influencing it.

- It is suggested that to create customer delight more wow factors must be present in the services whereas premium services as per customer interest.

- The services must be tailored as per the specific need of the customer because customer delight is strongly influenced by the services provided by the company.

- They must differentiate the products/services form the other competitors.

Conclusion

The present study is about the customer delight towards Honda Cars. The customer responses have been analyzed to find the customer delight and the influences factors. It is suggested to concentrate on the factors

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that can obtain customer delight more than customer satisfaction. The study concludes that improvement in the services leads to customer delight which directly influences in creating the brand loyalty and enhances the sales of the company.

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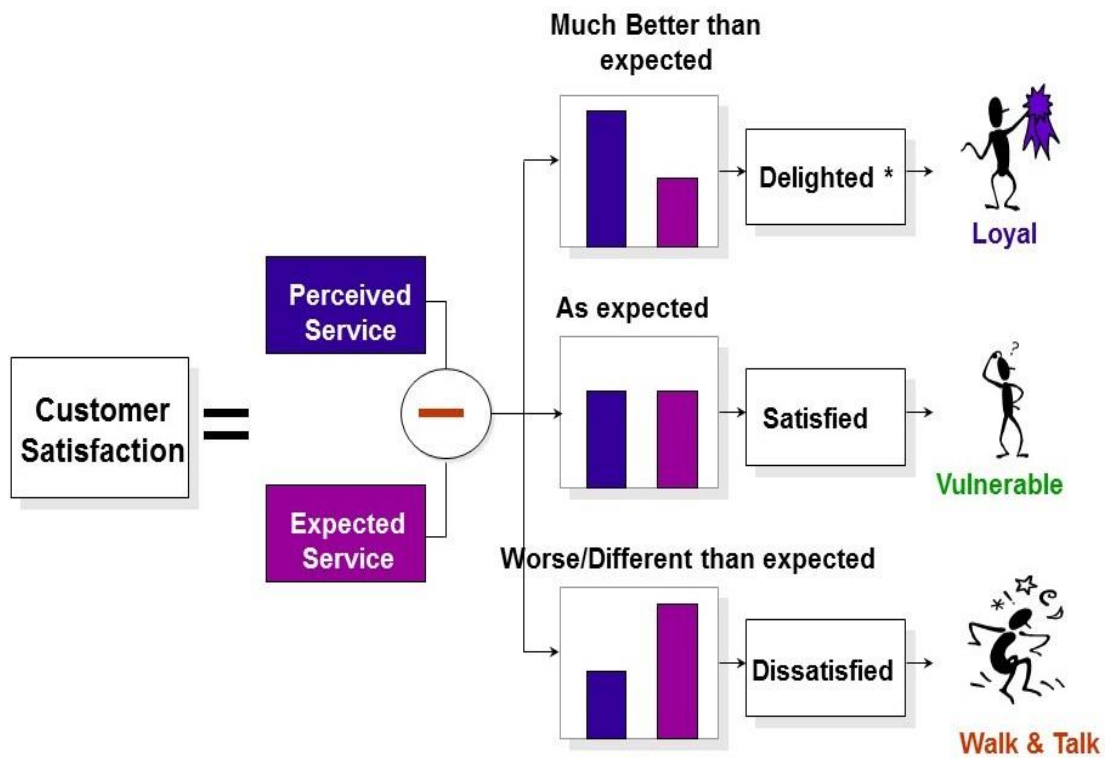
Figure: 1 Levels of Customer Satisfaction

Table 1 : ANOVA Delight by Income

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	43.175	3	14.392	.834	.480
Within Groups	1138.768	66	17.254		
Total	1181.943	69			

Table 2: ANOVA Delight by Age

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	68.441	4	17.110	.999	.415
Within Groups	1113.502	65	17.131		
Total	1181.943	69			

Table 3: ANOVA Delight by Gender

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	32.535	2	16.268	.948	.393
Within Groups	1149.408	67	17.155		
Total	1181.943	69			

Table 4: Correlations

		DEL	SER
DEL	Pearson Correlation	1	.931[**]
	Sig. (2-tailed)		.000
	N	70	70
SER	Pearson Correlation	.931[**]	1
	Sig. (2-tailed)	.000	
	N	70	70

**. Correlation is significant at the 0.01 level (2-tailed).