A STUDY ON DEALERS SATISFACTION TOWARDS CONSTRUCTION CHEMICAL PRODUCTS OF NEWAY PAINTS

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ABSTRACT

The purpose of this study is to identify the dealer's satisfaction level of the construction chemical products in western Tamil Nadu. The study has been done in seven districts namely Erode, Coimbatore, Salem, Ooty, Dindigul, Theni and Tirupur covering a sample size of 122. After the data collection, researcher has identified the quality of the Neway products need to be improved and also satisfaction level of dealer's perspective about the business relationship building, marketing support and credit policy. The result of data analysis shows that most of the respondents are men and very few women only. The analysis is done with six parameters includes Quality condition, Supply chain performance, Credit policy, Business relationship building and perception on new product launch. The company is suggested to attend the needs of the rural customers who are in need of the medium priced products for their construction purposes as observed.

KEYWORDS: Satisfaction level, Construction chemical, Business relationship building, Supply chain performance, Credit policy, adhesives.

INTRODUCTION

Neway products are widely covered in northern districts of Tamil Nadu and very few areas in other districts in Tamil Nadu. Neway product is not established well in the area assigned by the company. In recent years, many numbers of products have been introduced by the other market players but the awareness of such products still remains very low.

In the present study it is established that the Neway products and their new dealers in western Tamil Nadu that comprising of seven district namely Erode, Coimbatore, Salem, Ooty, Dindigul, Theni and Tirupur. Hence it is an analysis of the dealer satisfaction of Neway products in the existing area and to suggest the dealers, sales mediator like Builders & across identified cities to fine tune the product launch strategy.

STATEMENT OF THE PROBLEM

In construction chemical and adhesives brands like Fevicol, Dr.Fixit has high market share, thus posing a huge risk for new entrants. To build the Neway brand, more focus should be given for product testing, and promotional activities. By this way we can achieve market penetration. Before the satisfaction of the customers the dealers must be satisfied on the four major factors, i.e. product, place, price, promotion. Hence the Neway company and its' marketing manager has suggested to study the level of satisfaction of the dealers of their products and instructed to give them the quantified data related to it. Hence the research study is expected to be of the dealer satisfaction to the extent possible to draw the estimated conclusion positively and to be suggested to the company for the prospects.

OBJECTIVES OF THE STUDY

- To understand the demographic profile of selected dealers located in western districts of Tamil Nadu.

- To identify the factors that influences the dealer's satisfaction.

- To suggest the strategies to Neway paints to improve their level of satisfaction through this research results.

PROBLEM IDENTIFICATION

- Lack of knowledge about the products in the particular area.
- Advertisement is required for brand to increase sales.
- Less number of customer priorities in the market due to new product.
- Should increase trust about the product in the market.
- Continuously should track and monitor the sales in each shop.

SCOPE OF THE STUDY

- Identified the area which is needed to be improved in construction chemical products.
- Know the product awareness in the market.
- Know the dealer delight of the construction chemical product.

LIMITATIONS OF THE STUDY

- Validity and reliability of the data are obtained depends on the resonance from the customer.

- Time constraint.

- The study results are applicable to western Tamil Nadu and specifically applicable to the selected districts alone.

RESEARCH METHODOLOGY

The process used to collect the information and data for the purpose of making business decisions is known as research methodology. The methodology will include the publication research, surveys and other research technique and include both present and historical information. The questionnaire was constructed to study the dealer's satisfaction towards the construction chemical products of Neway. Simple random sampling method is used to select the respondents which involve the sample being drawn from that part of the population which is close to hand. The data were analyzed using percentage method, ANOVA, correlation and regression.

LITERATURE REVIEW

Katrin Talke and Erik Jan Hultink (2010) have said that decisions made during the launch phase are recognized as important drivers of the new-product performance and also a new-product launch is often the single most costly step in the new-product development process.

lvain Lenfle and Christophe Midler (2015) have said that the new product development is most existing studies on the end of the design process concentrate on managing ramp-up in the field of manufactured products.

Gilbert Ngarih Nyaga (2006) reveals that this research investigates how the firms' logistics and launch strategies impact new product performance under different competitive, demand, product, and firms characteristics.

Vavra, T.G. (1997) defines as a satisfactory post-purchase experience with a product or service given an existing purchase expectation.

Howard and Sheth (1969) said that satisfaction as the buyer's cognitive state of being sufficient or insufficient rewarded for the sacrifices he has undergone.

Oliver (1981) pointed out that as the summary psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumers' prior feelings about the consumption experience.

Schiffman and Kanuk (2004) reveal that customer satisfaction as the individual's perception of the performance of the product or service in relation to his or her expectations.

Oliver (1977) said that the satisfaction is the consumer's fulfillment response. It is a judgment that a product or service feature, or the product of service itself, provided a pleasurable level of consumption- related fulfillment, including levels of under- or over-fulfillment.

Tse and Wilton (1988) said that the consumer's response to the evaluation of the perceived discrepancy between prior expectations and the actual performance of the product/service as perceived after its consumption.

Paul S. Goldner (2006) said that a customer is any organization or individual with which you have done business over the past twelve months.

DATA ANALYSIS AND INTERPRETATION

Table 1

Frequency analysis for the Demographic Variables

Variables	Category	Frequency	Percentage
Age	26 to 40	56	45.9
	More than 40	66	54.1
Gender	Male	106	86.9
	Female	16	13.1
Type of outlets	Wholesale store	42	34.4
	Retail store	80	65.6
Educational Qualifications	Schooling	71	58.2
	UG	26	21.3
	PG	25	20.5
Type of markets	Rural	26	21.3
	Semi-urban	8	6.6
	Urban	88	72.1

(**Source: Primary data**)

The table shows that 86.89% of the respondents are male and 13.11% of the respondents are female. Out of 122 respondents, 45.9% of the respondents fall under the age group of 26 to 40, 54.1% fall in the age group of above 40. This study has the predominant views of the age group of above 40 years of dealers.   34.4% are wholesale stores and 65.6% are retail stores in this study. From the analysis, it is found that 58.2% of the respondents are educated at school level, 21.31% of the respondents are UGs and remaining 20.49% are PGs. The rural markets are 21.3%, the semi urban markets are 6.6% and remaining are 72.1% of urban markets.

Table 2

ANOVA for Type of markets and Quality Aspects

		Sum of Squares	Df	Mean Square	F	Sig.
Quality Satisfaction	Between Groups	.900	2	.450	.811	.447
	Within Groups	66.059	119	.555		
	Total	66.959	121			
Quality aspect	Between Groups	24.007	2	12.004	3.639	.029
	Within Groups	392.517	119	3.298		
	Total	416.525	121			
Quality consistent	Between Groups	6.858	2	3.429	2.276	.107
	Within Groups	179.273	119	1.506		
	Total	186.131	121			

(*H_0 accepted at 5%)

Hypothesis 1: **H_0:** The opinion regarding the Quality of the Neway products is satisfying the consumer needs and demands do not vary with the type of market of the respondents at 5%

The ANOVA table shows that the significance of 'F' value is more than 0.05, so it is concluded that the opinion regarding the Neway products is satisfying the consumer needs and demands do not vary with the type of market at 5% level.

Table 3

ANOVA for Age of the respondents and Quality Aspects

		Sum of Squares	Df	Mean Square	F	Sig.
Quality Satisfaction	Between Groups	.284	1	.284	.512	.476
	Within Groups	66.675	120	.556		
	Total	66.959	121			
Quality aspect	Between Groups	2.913	1	2.913	.845	.360
	Within Groups	413.612	120	3.447		
	Total	416.525	121			
Quality consistent	Between Groups	3.172	1	3.172	2.081	.152
	Within Groups	182.959	120	1.525		
	Total	186.131	121			

(*H_0 accepted at 5%)

Hypothesis 2: **H₀:** The opinion regarding the Quality of the Neway products is satisfying the consumer needs and demands do not vary with the age of the respondents at 5%.

The ANOVA table shows that the significance of 'F' value is more than 0.05, so it is concluded that the opinion regarding the Neway products is satisfying the consumer needs and demands do not vary with the age of the respondent at 5% level.

Table 4

ANOVA for Educational Qualifications and Quality Aspects

		Sum of Squares	Df	Mean Square	F	Sig.
Quality Satisfaction	Between Groups	3.189	2	1.594	2.975	.055
	Within Groups	63.770	119	.536		
	Total	66.959	121			

Quality aspect	Between Groups	23.045	2	11.522	3.485	.034
	Within Groups	393.480	119	3.307		
	Total	416.525	121			
Quality consistent	Between Groups	5.373	2	2.686	1.769	.175
	Within Groups	180.758	119	1.519		
	Total	186.131	121			

(*H$_0$ accepted at 5%)

Hypothesis 3: **H$_0$:** The opinion regarding the Quality of the Neway products is satisfying the consumer needs and demands do not vary with the education qualification of the respondents at 5%

The ANOVA table shows that the significance of 'F' value is more than 0.05, so it is concluded that the opinion regarding the Neway products is satisfying the consumer needs and demands do not vary with the education qualification at 5% level.

CORRELATION ANALYSIS

Table 5

Relationship between quality aspects and supply chain performance

S.NO	Factors	R value	Result
1	supply chain performance	.002	Negative correlation

(Source: Primary data)

The table shows the quality aspects and supply chain performance are negative correlated (r value is .002). So, there is low relationship existing between quality aspects and supply chain performance.

Table 6

Relationship between quality aspects and business relationship building

S.NO	Factors	R value	Result
1	Business relationship building	.012	Positive correlation

(Source: Primary data)

The table shows the quality aspects and business relationship building are positive correlated (r value is .012). So, there is strong relationship existing between quality aspects and business relationship building.

Table 7

Relationship between quality aspects and credit policy

S.NO	Factors	R value	Result
1	Credit policy	.00	Negative correlation

(Source: Primary data)

The table shows the quality aspects and credit policy are negative correlated (r value is .00). So, there is low relationship existing between quality aspects and credit policy.

Table 8

Relationship between quality aspects and marketing support

S.NO	Factors	R value	Result
1	Marketing Support	.088	Positive correlation

(Source: Primary data)

The table shows the quality aspects and marketing support are positive correlated (r value is .088). So, there is strong relationship existing between quality aspects and marketing support.

Table 9

Relationship between quality aspects and perception on new product launch

S.NO	Factors	R value	Result
1	New Product Launch	.882	Positive correlation

(Source: Primary data)

The table shows the quality aspects and perception on new product launch are positive correlated (r value is .882). So, there is a strong relationship existing between quality aspects and perception on new product.

REGRESSION

The business relationship building aspects was built from 5 aspects namely Quality aspect, Supply chain, Policy credit, marketing and new product launch.

The table above shows that R square value is 0.521, this shows that the independent variables are able to explain 52.1% of the variance on the estimate or dependent variable and the significance of F being less than 0.05 signify that the model is a good fit.

$$\text{Business relationship building} = a + b_1x_1 + b_2x_2 + \ldots\ldots + b_5x_5$$

Table 10 (a)

Model summary for business relationship building

r^2	Source of variation	Sum of Squares	df	Mean Square	F	Sig.
.521	Regression	271.391	5	54.278		
	Residual	249.568	116	2.151	25.229	.000(a)
	Total	520.959	121			

(Source: Primary data)

Table 10 (b)

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.806	1.363		2.059	.042
	Quality aspect	-.019	.047	-.029	-.391	.697
	Supply chain	.237	.068	.343	3.503	.001
	Credit policy	.187	.047	.362	3.953	.000
	Marketing support	.154	.074	.198	2.072	.041
	New product launch	.153	.084	.156	1.831	.070

* Significant at 5% level

(Source: Primary data)

The table shows that the Credit policy and Supply chain are significant whereas marketing support, new product launch, Quality aspect, are insignificant in the estimation of business relationship building.

Credit policy and Supply chain are directly proportional in varying degrees with the estimation of business relationship building and on the other hand marketing support, New product launch, Quality aspect are inversely proportional in varying degrees with the estimation of business relationship building.

FINDINGS, RECOMMENDATIONS AND CONCLUSION

From the study it is found that majority of the shop owner are in the age group of more than 40 and most of the Neway dealers have retail store. The maximum shop owners are completed only schooling and very few have industrial experience. The more number of outlets in urban market when compare rural and semi-urban. The quality aspects of the company were poor according to dealers' perspective and it should be improved.

On the basis of data analysis and interpretations, the following suggestions can be made.

The advertisement should be made through television and it should be in local vernacular language by touching rural and urban viewers thus it can reach it bottom of the pyramid to enhance sales percentage and provide the brand inclusion. The offer and discounts for retail are low, especially for large volume purchase dealers, so if there is price discounts it can give little benefit to dealers. The dealers are mostly switching to other popularity brand product like Dr. Fixit because of high price, so company can take some steps in pricing strategy. Tools and machine using at work space needs to be updated concerning the present trend in technology. The company must also attend the needs of the rural customers who are in need of the medium priced products for their construction purposes as observed.

In construction chemical, very few ISO brands are available in our country. There are differences in opinion in different age group of respondents. The top factors which influence the dealers in purchase of Neway products are price of the product, quality of the product, credit policy, market support and regular service. The satisfaction level with quality depends on the product and values. Therefore, the company should make efforts to ensure that the image and quality are always maintained at dealers and at customer end. This will improve the dealers and customer experience of the products at satisfactory level in services.

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