

A STUDY ON DEALER'S SATISFACTION IN LION DATES IMPEX (P) LTD, TRICHY

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ABSTRACT

Date Production is a world agricultural industry producing about 4,7 million tonnes of fruit in 1997 (FAO, 1998). The date fruit, which is produced largely in the hot arid regions of Southern Asia and North Africa, is marketed all over the world as a high value confectionery or fruit, and remains an extremely important subsistence crop in most of the desert regions. This study entitles with the dealer's satisfaction of Lion Dates Impex (P) Ltd, Trichy. Dealers are "The agent for any company who sells the products to the customer and maintains a good and congenial relationship on behalf of the company and receives the margin for the activity conducted." The objectives of the study is to study the dealers satisfaction towards product quality, price, after sales service of the company, to find the opinion of dealers regarding Lion Dates Impex (P) Ltd., Trichy products and services, to identify the services provided by the company. Descriptive research has been used for this study. Both primary and secondary source has been used for this study. Questionnaires method has been used to collect the data and 120 samples have been collected for this research.

Key Words: Brand, Dealers, Price, Satisfaction, and Service.

INTRODUCTION

Today sales man has looked upon as a necessity. He helps the products and manufactures by familiarizing their goods, distributing and creating new demands. It is key figure in the business world of manufacturer and distribution. Today it is realized that it is the sales man who is responsible for making it possible for us to have more articles for out use. By educating the customers to make the light purchases, the sales man has increased the demand and has made mass production possible with the consequent advantages.

Dates are ambiguous in the sense that, depending on the stage of maturity, they can either be classified as a fruit, comparable to any other fruit consumed between meals, or alternatively, as a food source as part of the daily meal, in particular in the rural areas of the date producing countries. Though not a true staple food by definition like rice, potatoes or cassava, dates, on

occasion, have been forced to play this role for lack of other staples. In recent times, either because of a decreasing demand for table dates or in an effort to make better use of off-grade fruit, there has been a renewed interest in the date as a food source, not necessarily as a staple food, but rather as a component in food preparations like sweets, confectionery, baking products, institutional feeding and health foods.

Lion Dates Impex Pvt Ltd is India's largest date processing and trading company. The company has factories located in the city of Tiruchirapalli and nearby villages in India. The company also markets dates as a product to improve health. The company also manufactures honey, jam and oats. The Lion Dates brand is available across 28 states and 7 union territories in India.

Lion Dates is an ISO 9001:1120 company. The company adheres to principles of corporate social responsibility, and provides employment to rural women and employment to differently-abled people helping them gain socioeconomic mobility in society. Today Lion Dates has close to a monopoly for dates in the Indian market.

REVIEW OF LITERATURE

Philip kotler on marketing successful “go-to-market” strategies require integrating dealer’s wholesalers and logistical organization. Although the overwhelming bulk (97 percent) of goods and services is sold through dealers and wholesalers. The dealer’s product assortment must match the target market’s expectations. The dealer has to decide on product –assortment breadth and depth General Electric Before the late 1990s, GE operated a traditional system of trying to load its dealers with GE applications. Then dealers access GE’s order- processing system 24hours a day, they get GE’s best price, GE financing, and no interest charge for first 90days. In exchange, dealers must commit to selling 9 major GE product categories, generating 65 percent of their sales in GE products. Now GE provides internet content for each of its 1,500 online dealers. Dealers-distributors have faced mounting pressures in recent years from new source of competition. So when that the company provide their service at the satisfaction level of dealers. They are processing successful in the market.

Geoff cousins managing director of Jaguar cars says “dealer’s satisfaction is generating the sales growth and profitability.” In schwacke’s 1207 brand monitoring survey, the jaguar brand in Germany achieved first place for overall dealer satisfaction and improved from last year’s result

by nine places. More than 1,000 dealers were questioned regarding their satisfaction with their brand and Jaguar came first not only in the overall ranking but also in the important category which showed an improvement of eight places. Managing Director of Jaguar cars, commented: “I am delighted that both dealerships have been recognized for the great work that they do. It’s an outstanding achievement to be chosen over the tough competition from our main competitors. The level of satisfaction is measured in six key areas: service initiation, service advisor, in-dealership experience, service delivery, service quality and user-friendly service.

HONDA motorcycle & scooters (HMIS) and Honda siel cars (HSCI) rank highest in dealer satisfaction with their principals in the two-four wheeler industry segments, respectively, according to the findings of the ‘1205 dealer satisfaction study’. The study represents the responses of more than 1,120 two-and four-wheeler dealers to the key areas of product, management relationship, profit margin, order and delivery, after-sales and parts support, warranty. Ranking for the study are done at the industry segments-level to provide comparisons among similar group of dealers. “The industry average score of reflects a relatively low level of dealer commitment and indicates that dealers are vulnerable to defection. It’s a significant increase compared to the 1202 study” The key building partners is to focus on the most critical areas that impact dealer satisfaction and commitment to the manufacturer.

Mr. Lochan the managing director said “It is not surprising that dealers expect their principals to be concerned and supportive of their profitability. However, the study clearly reveals that dealers are equally concerned about other tactical issues such as branding, advertising effectiveness and support in managing warranty claims,” The statement said the dealer satisfaction study conducted from October through December 1205 covering 846 two-wheeler dealers across nine manufacturers and 392 four wheeler dealers across eleven manufactures.

HENRY FORD - 1926 ‘business must be run at a profit; else it will die. But when anyone attempts to run a business solely for profits and thinks not at all of the service to the community, then also the business must die, for it no longer has a reason for existence. Dealers are an important part of our product- led strategy. Our new product introductions will be of mutual benefit to ford and its dealers will help strengthen our relationship.

Ford measure dealer satisfaction with all our brands and regions through various methods. Day-today interactions with our dealer councils and input from third- party surveys. Dealer’s

attitude survey results for 1206 reflect an improving trend for overall dealer satisfaction Ford annually recognizes outstanding dealer contributions to the community through its “salute to dealers” program. The program was established in 1201 to demonstrate our commitment to dealers who provide outstanding products and service and improve the lives of those in need. It represents more than 6,000 dealerships in Ford Motor company.

Dealer satisfaction with IBM solution: Overview: one of the world’s largest agriculture and construction equipment Manufactures, tractors, combines and other types of farm equipment construction machinery. 26-oct-1206 conduct dealer satisfaction study in new Holland. Study conduct through 1800 new dealer. As a result, ‘77% increase in dealer’s satisfaction for whole goods ordering – processing among new Holland agricultural dealers as well as constructions dealers. Thousands of dollars saved by reassigning call center employer to higher value work. Accelerating inventory improves bottom lines receiving order faster improves cash flow for new Holland. Tim Lyon, operating director, New Holland. “We have provided a modern web based order system that makes life easier for our dealers”. We focus mainly on dealer satisfaction because they are most valuable assets of our concern.

NEED OF THE STUDY

The efficiency and success of many organizations may be strongly based on the distribution channels. Therefore, it is obvious to keep the channel members satisfied and motivated to keep the momentum of the business going. Any disturbance on this may cause loss on the sales or even losing the channel member. Considering this fact, the study was pertaining to the satisfaction of the dealers of Lion Dates Impex (P) Ltd, Trichy. In many times the companies fail to give good service to those dealers because of the lack of resources or the reach ability etc. this study is to find out the satisfaction level of these dealers of Lion Dates Company.

OBJECTIVES OF STUDY

- The main objectives of the study are to reveal the dealer’s satisfaction about Lion Dates Impex (P) Ltd., Trichy
- To study the dealer’s satisfaction towards product quality, price, after sales service of the company.
- To study the opinion of dealers regarding Lion Dates Impex (P) Ltd., Trichy products and services.

- To identify the services provided by the company
- To propose recommendations/suggestions for improvement.

SCOPE OF THE STUDY

The dealer occupies a very important and specialized position. He not only assists the manufacturer, he acts as the chain of distribution between the manufacturer and the consumer for which purpose the dealer maintains an efficient and comprehensive organization. The dealer assess the public demand and see that marketable goods are manufactured thus protecting the manufacturer from wasteful and indiscriminate production as well as the consumer against goods which neither satisfactory nor of good value.

The dealers are finding various problems to select the manufacturers among several companies. It is identified that there is a need for research work in the field of dealer satisfaction towards Lion Dates Impex (P) Ltd., Trichy. The research deals with the questions like

LIMITATIONS OF THE STUDY

- The study restricts itself within Trichy.
- The study assumes that the information was given by the customer without any bias.
- The study is done based on the opinions of the sample taken at random, the size of which is 120.
- The researcher found it difficult to collect the questionnaire, since some of the respondents did not give proper response in the sales point.
- The customers did not respond properly during peak hours.

RESEARCH METHODOLOGY

Research Methodology is a systematic way to solve a research problem; It includes various steps that are generally adopted by a researcher in studying the problem along with the logic behind them. The present study was conducted at Lion Dates Impex (P) Ltd., Trichy.

Research Design

“A Research Design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in procedure”. The research design adopted for the studies is descriptive. The researcher has to describe the present situation in order to know the behavior of the consumers. Hence descriptive research study is used. Descriptive research can only report what has happened and what is happening.

Method of Collection

The study basically uses primary and secondary data. Primary data means data which is fresh collected data. Primary data has been collected through questionnaire. Secondary data means the data that are already available. For this study secondary data were collected from the annual reports of the company and from the company website. The study depends mainly on the primary data and secondary data namely the text books, journals, newspapers, magazines and internet.

Population

The aggregate elementary units in the survey are referred to as the population. Here it covers the entire dealers of Lion Dates Impex (P) Ltd., Trichy .

Sample Size

Total number of sample taken for the study is 120 respondents.

SAMPLING UNIT: Sampling unit is in Trichy.

Statistical tools

The commonly used statistical tools for analysis of collected data are:

1. Percentage analysis
2. Chi Square.
3. Correlation

CHI-SQUARE TEST - 1

Number of years of dealership and factor enable to be the dealer

Null Hypothesis (H₀): Number of years of dealership has no significant relationship with factor enable to be the dealer.

Alternative Hypothesis (H_a): Number of years of dealership has significant relationship with factor enable to be the dealer.

O _i	E _i	(O _i -E _i)	(O _i -E _i) ²	(O _i -E _i) ² /E _i
5	5.70	-0.7	0.49	0.09
12	7.60	4.4	19.36	2.55
2	5.70	-3.7	13.69	2.40
5	6.90	-1.9	3.61	0.52

12	9.20	2.8	7.84	0.85
6	6.90	-0.9	0.81	0.12
21	16.20	4.8	23.04	1.42
12	21.60	-9.6	92.16	4.27
21	16.20	4.8	23.04	1.42
5	7.20	-2.2	4.84	0.67
12	9.60	2.4	5.76	0.60
7	7.20	-0.7	0.49	0.09
Total				14.91

Chi – Square $\chi^2 = \sum (O_i - E_i)^2/E_i$

$$= 14.91$$

Degrees of freedom = (r-1) (c-1)

$$= (3) (2)$$

$$= 6$$

Level of significance = 5%

Calculated value = 14.91

Table value = 12.592

Inference: The above table shows that the tabulated value is less than the calculated value. So it is concluded that the alternative hypothesis is accepted and null hypothesis are rejected.

Therefore, it is concluded that there is no significant relationship between Number of trainings attended and improvement level through training.

CHI-SQUORE TEST- 2

No. of years of dealership and mode of payment

Null hypothesis (H₀)

No. of years of dealership has no significant relationship with respondent opinion about mode of payment.

Alternative hypothesis (H_a)

No. of years of dealership has significant relationship with respondent opinion about mode of payment.

O	E	O-E	(O-E) ²	(O-E) ² /E
13	12.6	0.4	0.16	0.01
16	13.4	1.6	2.56	0.18
7	9	-2	4	0.44
16	16.8	-0.8	0.64	0.04
16	19.2	-3.2	10.24	0.53
16	12	4	16	1.33
13	12.6	0.4	0.16	0.01
16	13.4	1.6	2.56	0.18
7	9	-2	4	0.44
		TOTAL		3.17

Degree of freedom : 4
 Level of significance : 5%
 Calculated value : 3.17
 Table value : 9.488

Inference:

The above table shows that the calculated value is less than the table value. So it is concluded that the alternative hypothesis is accepted and null hypothesis are rejected.

No. of years of dealership has significant relationship with respondent opinion about mode of payment.

CORRELATION ANALYSIS-1

CORRELATION BETWEEN FREQUENCY OF PLACING ORDER AND PROVIDING PRICE CONCESSION

S.No	X	Y	X ²	Y ²	XY
1	30	17	900	289	510
2	36	20	1296	400	720
3	19	24	361	576	456
4	17	31	289	961	527
5	18	28	324	784	504
Total	120	120	3170	3010	2717

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

$$\begin{aligned} 5(2717) - 14400 &= \\ 12355.85 - 815 &= 12355.85 \\ &= -0.06 \end{aligned}$$

INTERPRETATION:

The above table shows that co-efficient of correlation between correlation between frequency of placing order and providing price concession is -0.06. It is nearby 0. So interpretation is no linear relationship between these 2 variables.

NOTES:

If the answer +1 to -1: the interpretation is positive relationship between these 2 variables.

If the answer +1: interpretation is perfect positive linear relationship between these 2 variables.

If the answer -1: interpretation is perfect negative linear relationship between these 2 variables.

If the answer 0: interpretation is no linear relationship between these 2 variables.

FINDINGS

- 38% of the respondents come under the age group of 35-45.
- 70% of the respondents are male.
- 64% of the respondents are married
- 40 % of the respondent have dealership 1 Year – 3 Years
- 51% of the respondents have 11-20 retail outlets
- 37% of the respondents have the major customers as retailers
- 30% of the respondent's place orders monthly once
- 28% of the respondent's sale Lion dates more.
- 67% of the respondents are dealing with other companies.
- 45% of the respondents said that margin is the enabling factor to be a dealer of this company.
- 40% of the respondent's mode of payment is credit.
- 29.5% of the respondents are satisfied towards the quality of the product.
- 34% of the respondents are satisfied towards the level of satisfaction about margin.
- 45% of the respondents are highly satisfied towards the level of satisfaction in credit facilities.
- 38% of the respondents are satisfied towards the level of satisfaction in delivery systems.
- 34% of the respondents are dissatisfied towards the level of satisfaction in replacement of the company.
- 50% of the respondents said that profit margin is the motivating factor to sell the particular brand of lion dates to customers.
- 26% of the respondents feel not very often towards the frequency about price concession.
- 27% of the respondents feel sometimes towards the frequency about commission and discount to promote the sales.
- 75% of the respondents are satisfied with the company's services/responses for your trade enquires.

- 46% of the respondents feel high about the level of sales of Lion Dates Company compared with other companies.
- 68% of the respondents said that the company replaces the products.
- There is no significant relationship between frequency of place orders and level of satisfaction in quality of product

SUGGESTIONS

- The company may produce enrich the quality of products further
- Dealers meeting should be organized on regular basis to have interactions about the policies of the organization and to reflect their suggestions.
- Annual target incentives should be introduced, so that the dealer will be motivated.
- The company may provide further price concession, trade discount and cash discount to motivate the bulk buyers of dealers
- The pricing policy of the company may be reviewed by the company to favor the dealers
- The company must provide reasonable credit period to the dealers
- The company may adopt several product lines newly. This will helpful to the dealers to increase profit further
- A special care should be taken to replace damaged papers to reduce dissatisfaction among the dealers.
- The company should try to encourage dealers by offering credit facilities and proper sales calls to motivate the dealers.
- The company may adopt policy of appraising the dealers with highest turnover by providing incentives such as quantity, discounts, gifts etc.
- Annual target incentives should be introduced, so that the dealer will be motivated.

CONCLUSION

The brands of Lion Dates Impex (P) Ltd., Trichy is one of the fast moving brands in Tamil Nadu. The company is holding a good market share which is the result of efforts made by the company management and dealers.

From the market survey we can conclude that:

- The company is having a good dealer network and it is maintaining good relations with them i.e., the service rate of the company is good.

- With the ideal promotional strategies and increasing the satisfactory level of the dealers the company can grow and become a market leader in future.
- Providing high satisfaction leads to high loyalty, many companies today are aiming at total dealer's satisfaction in order to reach the products successfully towards the Consumers. For such companies, dealer satisfaction is both a goal and marketing tool.

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