

# A Review on the Relationship Variables to Customer Satisfaction

Thusyanthy Vadivelu<sup>1</sup> and Anne Suhaniya Joseph Karunakaran<sup>2</sup>

<sup>1</sup> University of Jaffna

*Received: 12 December 2015 Accepted: 3 January 2016 Published: 15 January 2016*

---

## Abstract

Customer satisfaction is a primary marketing construct in the last three decades. In the past, it was unpopular and unaccepted concept because companies thought it was more important to gain new customers than retain the existing once. However, in this present decade, companies have gained better understanding of the importance of customer satisfaction (especially service producing companies) and adopted it as a high priority operational goal. This review examines with the variety of literature support the relationship of variables with respect to customer satisfaction. To broaden and make possible further studies contextually and empirically, a mind-map is presented to show how these relationship variables relate to customers satisfaction. This would improve the studies related to customer satisfaction in particular.

---

**Index terms**— customer satisfaction, relationship, variables, comprehensive model.

## 1 Introduction

Customer satisfaction, as a construct, has been fundamental to marketing for over three decades. As early Keith (1960) defined marketing as satisfying the needs and desires of the consumer. Hunt (1982) reported that by the 1970s, interest in customer satisfaction had increase to such an extent that over 500 studies were published. This trend continued and Peterson and Wilson (1992) estimated the amount of academic and trade article on customer satisfaction to be over 15,000. Further, customer satisfaction is vital for every organization to make customer profitability, customer retention and for customer loyalty (Hallowell, 1996; Soderlund & Vilgon, 1999; Khan, 2012; Srivastava, 2015).

According to the above statement, the researcher aimed to investigate about the relationship variables of customer satisfaction, which mean there are several factors impact on customer satisfaction, those are stated by numerous authors. In fact, based on those articles the researcher finds several factors and made a mind map of a review on the relationship variables to customer satisfaction. Here the researcher didn't consider about the categories of organization and the sector of that, only considered the factors of customer satisfaction whether that is service or product organization. Importantly this study assists future researchers who are doing customer satisfaction related studies.

The rest of the study is organized as follows: the next section gives the definitions and variables related to customer satisfaction. The final section offers the conclusion.

## 2 II.

## 3 Customer Satisfaction a) Definitions of Customer Satisfaction

Satisfaction is the customer's fulfillment response. It is a judgmental that a product or service feature, or the product or service itself, provides a pleasurable level of consumption related fulfillment (Oliver, 1981). According to Gustafsson (2005) customer satisfaction is defined as a customer's overall evaluation of the performance of an offering to date. Hayes (2008) defined the terms of customer satisfaction and perceptions of quality are labels we use to summarize a set of observable actions related to the product or service. Another author Hunt (1977)

defines customer satisfaction as a process of evaluation rendered that the experience was at least as good as it was supposed to be. More precisely, consumer satisfaction definitions have either emphasized an evaluation process (e.g., Hunt, 1977; Oliver, 1981, Fornell, 1992) or a response to an evaluation process (e.g., Howard & Sheth, 1969; Oliver, 1981; Oliver, 1997; Westbrook & Reilly, 1983; Tse & Wilton, 1988; Halstead, Hartman & Schmidt, 1994).

Even though many authors define customer satisfaction in different way, this study uses Oliver (1981) whose definition is cited by many studies. (e.g.,acobucci A Review on the Relationship Variables to Customer Satisfaction factors (Tamrakar, 2014), SERFPERF dimensions (Habtie, 2015) and 7Ps marketing mix elements (Mohammad, 2015). Parasuraman et al. (1988) identify five dimensions of service quality (SERVQUAL) that must be present in any service delivery. SERVQUAL helps to identify clearly the impact of quality dimensions on the development of customer perceptions and the resulting customer satisfaction. SERVQUAL include reliability, responsiveness, assurance, empathy and tangibles.

Abdullah and Rozario (2009) study the influence of service and product quality towards customer satisfaction, a case study at the staff cafeteria in the hotel industry. This research posits a customer's overall satisfaction with a transaction to be a function of his or her assessment of service quality, product quality and price. They suggested that service quality to be positively correlated with customer satisfaction. Therefore, when perception of service quality is high, customer satisfaction is high and vice versa.

Hwang and Zhao (2010), investigate the factors influencing customer satisfaction or dissatisfaction in the restaurant business. The study argues which perceived quality factors more strongly affect customer satisfaction or dissatisfaction. Study results indicated three perceived quality factors (good value, tasty food, and restaurant cleanness) most affected satisfied customers. On the other hand, three perceived quality factors (good value, tasty food, and employee's knowledge of menu) most affected dissatisfied customers.

Hanif, Hafeez and Riaz (2010) examine the factors affecting customer satisfaction. The study finds customer satisfaction is established when brand fulfills the needs and desires of customers. In this research study, the subscribers of telecom sector in Pakistan were targeted as the population while price, fairness and customer services were the taken as predicting variables towards customer satisfaction as criterion variable. The results further reveal that both the factors significantly contributed to explain customer satisfaction but comparatively price fairness had the larger impact on customer satisfaction than customer services.

Nasser, Salleh and Gelaidan (2012) aim to find out the customer's satisfaction with Yemeni Mobile service providers. This study examined the relationship between perceived quality, perceived value, customer expectation, and corporate image with customer satisfaction. The study found that the relationship between perceived value, perceived quality and corporate image have a significant positive influence on customer satisfaction, whereas customer expectation has positive but without statistical significance.

Anand and Selvaraj (2012) examine an empirical study regarding the impact of demographic variables on customer satisfaction in banking sector. For every organization, customer satisfaction plays vital roles that enhance loyalty and profit. The purpose of this paper was to evaluate the impact of demographic variables on customer satisfaction in public sector bank. The result revealed that there is negative relationship between the demographic variables and customer satisfaction except the choice of the bank and the status of residential area.

Tamrakar (2014) study the factors affecting customer satisfaction in telecommunication sector in Nepal; they indicate that socioeconomic factors such as allowances, expenses and mobile expenses of students has strong relationship with customer satisfaction.

Habtie (2015) analyzes about the impact of service performance dimensions modified by postal service enterprise on the customers in Addis Ababa, Ethiopia, The main purpose of this study was to empirically examine the modified SERFPERF dimensions or model that affect service quality in Ethiopian postal service enterprise and its impact on the customer satisfaction on the services of Ethiopian postal service enterprise. Recovery, reliability, tangibility, assurance, responsiveness and empathy have been the dominant influences evaluated in bringing customer satisfaction where the organization may invest more on these dominant dimensions. Based on the study reliability, assurance, responsiveness, and recovery have strong association with customer satisfaction while the moderate association is with tangibility and empathy respectively and their level of significance is vary among dimensions in the sector. Mohammad (2015) analyzes customer satisfaction using 7Ps marketing mix elements to retail bank customers in North east Nigeria. Objectives include examining product, price, place, promotion, people, process and physical evidence as drivers of retail bank customer satisfaction. The results found that product, process and physical evidence were significantly related to customer satisfaction while price, promotion, place and people negatively related.

Many scholars have implied that several variables impact on customer satisfaction. This comprehensive review explores with the various literature supports for the relationship variables to customer satisfaction. To extend and facilitate further studies contextually and empirically, a comprehensive model is presented. III.

## 4 Conclusion

The preceding mind review gives descriptions from previous literatures on customer satisfaction with its related variables and dimensions. This is very important to every organization to achieve their target and make sure the survival in the industry. Therefore, the researcher carrying out this mind map to overcome those issues regarding the customer satisfaction. In every organization they has different types of need and want, but they expect to

satisfy it's through their goods and services. Hence they have the responsibility to identify the tools that are impact on customer satisfaction especially in their organization's products and services.

For the above stated substances, researcher wills to give a genuine answer to all products and services organizations. This model is exhibited to demonstrate the relationship variables to customer satisfaction with the support of previous literatures (see figure 1). Therefore, this study will assist the customer satisfaction related future studies. In fact, this study can further extended by considering other relevant variables and dimensions other than the constructs and dimensions, which are considered for this study.

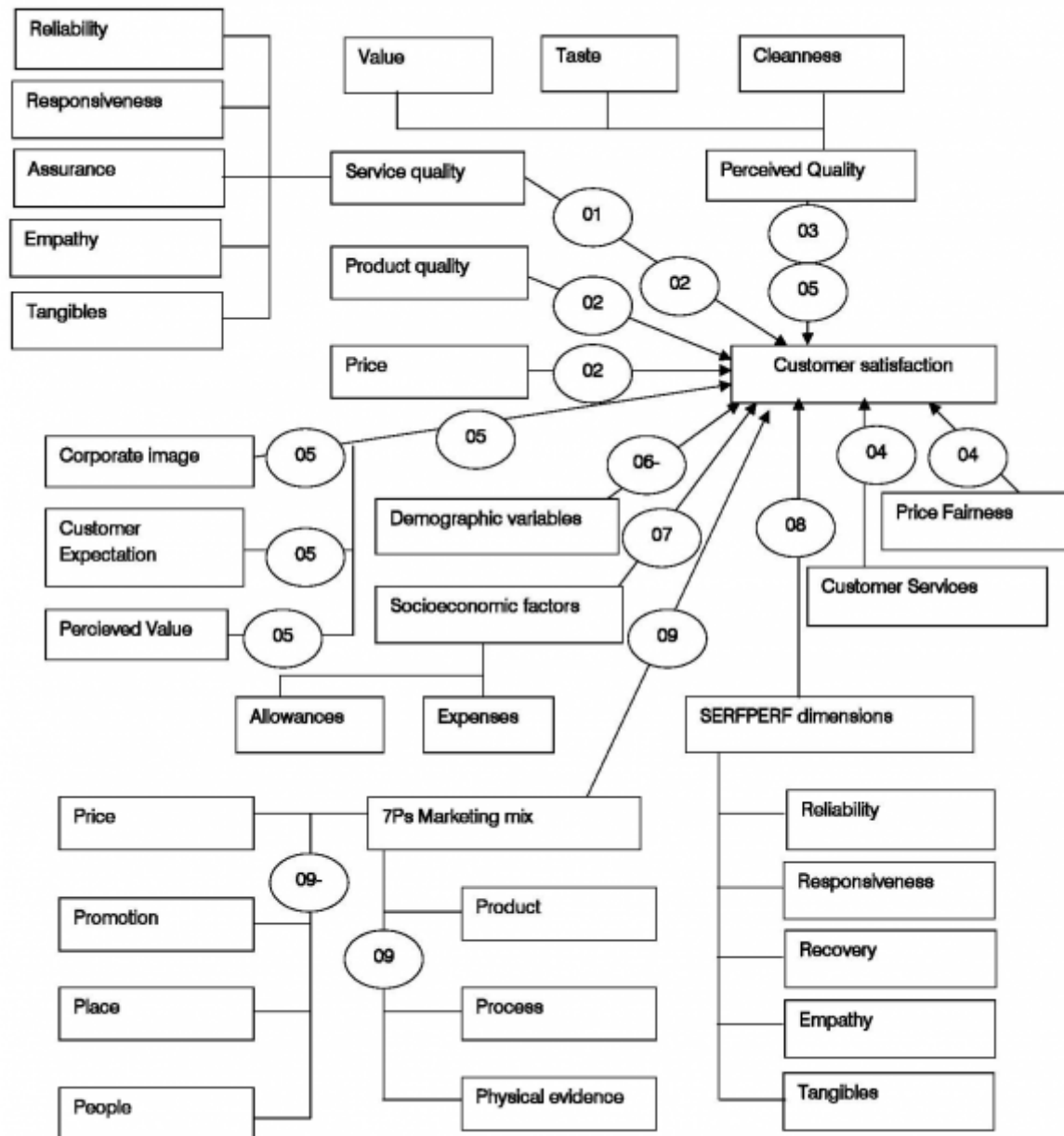


Figure 1: Fig. 1 :

<sup>1</sup>© 2016 Global Journals Inc. (US) 1

<sup>2</sup>© 2016 Global Journals Inc. (US)

Year  
Volume  
XVI Issue  
V Version I  
( )  
Global , Ostrom & Grayson, 1995; Hom, 2000; Giese & Cote, 2002;  
Journal of Cengiz, 2010; Gandhi & Kang, 2011; Angelova & Zekiri, 2011)  
Management b) Variables Associated with Customer Satisfaction Many authors  
and Business have carried out several studies regarding the factors impact on  
Research customer satisfaction; selected customer perceptions (Parasura-  
man et al.,  
1988), service quality, product quality and price

*[Note: (Abdullah & Rozario, 2009), perceived quality factors(Hwang & Zhao, 2010), price, fairness and customer services(Hanif, Hafeez & Riaz, 2010), perceived quality, perceived value, customer expectation, and corporate (Nasser, Salleh & Gelaidan, 2012), demographic variables (Anand & Selvaraj, 2012), socioeconomic C ? Author ? : Department of Economics and Management, Faculty of business Studies, Vavuniya Campus of the University of Jaffna, Vavuniya, Sri Lanka. Author ? : Department of Economics and Management, Faculty of business Studies, Vavuniya Campus of the University of Jaffna, Vavuniya, Sri Lanka. e-mail: thusi86@yahoo.com 2016 E © 2016 Global Journals Inc. (US) 1]*

Figure 2:

- 
- [Mohammad ()] '7PS marketing mix and retail bank customer satisfaction in northeast Nigeria'. H I Mohammad . *British Journal of Marketing Studies* 2015. 3 (3) p. .
- [Hunt (1982)] 'A "10" based on expectations, but normatively a 3.6371'. H K Hunt . *Proceedings of the 7th Annual Conference on Consumer Satisfaction, Dissatisfaction and Complaining Behaviour*, R L Day, H K Hunt (ed.) (the 7th Annual Conference on Consumer Satisfaction, Dissatisfaction and Complaining Behaviour Knoxville, TN) 1982. October. p. . University of Tennessee
- [Fornell ()] 'A National Customer Satisfaction Barometer: The Swedish Experience'. C Fornell . *Journal of Marketing* 1992. 56 p. .
- [Hom ()] *An Overview of Customer Satisfaction Models*, W Hom . 2000. p. . RP Group Proceedings
- [Soderlund and Vilgon ()] *Customer Satisfaction and Links to Customer Profitability, An Empirical Examination of the Association Between Attitudes and Behavior*, M Soderlund , M Vilgon . 1999. p. .
- [Gandhi ()] 'Customer satisfaction, its antecedents and linkage between employee satisfaction and customer satisfaction: A study'. Kang S L S Gandhi . *Asian Journal of Business and Management Sciences* 2011. (1) p. .
- [Giese and Cote ()] 'Defining Consumer Satisfaction'. J L Giese , J A Cote . *Academy of Marketing Science Review* 2002. 1 (1) p. .
- [Iacobucci et al. ()] 'Distinguishing service quality and customer satisfaction: The voice of the customer'. D Iacobucci , A Ostrom , K Grayson . *Journal of Customer Psychology* 1995. 4 (3) p. .
- [Nasser et al. ()] 'Factors Affecting Customer Satisfaction of Mobile Services in Yemen'. H A Nasser , S Salleh , H M Gelaidan . *American Journal of Economics* 2012. 2 (7) p. .
- [Hanif et al. ()] *Factors affecting customer satisfaction. International research journal of finance and economics*, M Hanif , S Hafeez , A Riaz . 2010.
- [Tamrakar ()] *Factors influencing customer satisfaction in mobile telecommunications industry of Nepal*, A M Tamrakar . 2014.
- [Hwang and Zhao ()] 'Factors Influencing Customer Satisfaction or Dissatisfaction in the Restaurant Business'. J Hwang , J Zhao . *Journal of Quality Assurance in Hospitality and Tourism* 2010. 11 (2) .
- [Khan ()] 'Impact of customers satisfaction and customers retention on customer loyalty'. I Khan . *International Journal of Scientific & Technology Research* 2012. 1 (2) p. .
- [Anand and Selvaraj ()] 'Impact of demographic variables on customer satisfaction in banking sector, An Empirical Study'. S V Anand , M Selvaraj . *International journal of scientific and research* 2012. (2) .
- [Abdullah and Rozario ()] 'Influence of service and product quality towards customer satisfaction. A case study at the staff cafeteria in the hotel industry'. D N M A Abdullah , F Rozario . *International journal of social* 2009. (3) p. 15478.
- [Srivastava ()] 'Influencers of Customer Satisfaction-Customer Loyalty Relationship: A Conceptual Research Model'. M Srivastava . *International Management Journal* 2015. 7 (1) p. .
- [Oliver ()] 'Measurement and Evaluation of Satisfaction Process in Retail Setting'. R Oliver . *Journal of Retailing* 1981. 57 p. .
- [Peterson and Wilson ()] 'Measuring consumer satisfaction: fact and artifact'. R A Peterson , W R Wilson . *Journal of the Academy of Marketing Science* 1992. 20 p. .
- [Hayes ()] *Measuring Customer Satisfaction and Loyalty*, B E Hayes . 2008. ASQ Quality Press.
- [Angelova ()] 'Measuring Customer Satisfaction with Service Quality Using American Customer Satisfaction Model (ACSI Model)'. Zekiri B J Angelova . *International Journal of Academic Research in Business and Social Sciences* 2011. (3) p. .
- [Cengiz ()] 'Measuring customer satisfaction: must or not?'. E Cengiz . *Journal of Naval Science and Engineering* 2010. 6 (2) p. .
- [Tse and Wilton ()] 'Models of consumer satisfaction formation: An extension'. D K Tse , P C Wilton . *Journal of marketing Research* 1988. 25 p. .
- [Halstead et al. ()] 'Multisource Effects on the Satisfaction Formation Process'. D Halstead , D Hartman , S L Schmidt . *Journal of the Academy of Marketing Science* 1994. 22 p. .
- [Hunt (ed.) ()] *Overview and Future Research Directions, in Conceptualization and Measurement of Consumer Satisfaction and Dissatisfaction*, H K Hunt . H. Keith Hunt (ed.) 1977. Cambridge, MA: Marketing Science Institute. p. .
- [Oliver ()] *Satisfaction: A Behavioural Perspective on the Consumer*, R Oliver . 1997. New York, McGraw Hill.
- [Parasuraman et al. ()] 'SERVQUAL, A multiple-item scale for measuring consumer perceptions of service quality'. A Parasuraman , V A Zeithaml , L L Berry . *Journal of Retailing* 1988. p. .

## 4 CONCLUSION

---

- [Gustafsson ()] *The effect of customer satisfaction, relationship commitment dimension and triggers on customer retention*, A Gustafsson . 2005. American marketing association. p. . (electronic)
- [Habtie ()] 'The impact of service performance dimensions modified by postal service enterprise on the customers in Addis Ababa'. H D Habtie . *Ethiopia. Pacific business review international* 2015. 7 (9) p. .
- [Keith (1960)] 'The marketing revolution'. R J Keith . *Journal of Marketing* 1960. January. 24 p. .
- [Hallowell ()] 'The relationships of customer satisfaction, customer loyalty, and profitability: an empirical study'. Hallowell . *International Journal of Service Industry Management* 1996. 7 (4) p. .
- [Howard and Sheth ()] *The Theory of Buyer Behavior*, J A Howard , J N Sheth . 1969. New York: John Wiley and Sons.
- [Westbrook and Reilly ()] 'Value-Percept Disparity: An Alternative to the Disconfirmation of Expectations Theory of Consumer Satisfaction'. Robert Westbrook , Michael D Reilly . *Advances in Consumer Research*, P Richard, Alice M Bagozzi, Tybout (ed.) (Ann Arbor, MI) 1983. Association for Consumer Research.