A STUDY ON SERVICE QUALITY AND CUSTOMER SATISFACTION IN B2B WITH REFERENCE TO GESTAMP AUTOMOTIVE Pvt. Ltd.

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ABSTRACT

The study investigates service quality in Gestamp Automotive by exploring various dimensions of service quality (SERVQUAL) including reliability, responsiveness, assurance, empathy, and tangibility, and their impact on customer satisfaction. By using convenience sampling method to collect the responds form the clients, The sample size of the study is 150, the research design adopted in this study is Descriptive research. Results indicate a prevailing perception of Gestamp's service quality as competitive, with respondents acknowledging its positive influence on company efficiency and performance. Strong agreement is observed regarding the manufacturer's consistent adherence to industry quality standards and reliable order fulfillment. Furthermore, respondents express high levels of satisfaction with product quality, delivery reliability, customer service responsiveness, and alignment with their needs. Significant positive correlations exist between service quality dimensions and customer satisfaction. Null hypotheses regarding differences in service quality perceptions across industry segments and years of operation with Gestamp are accepted. It underscores the critical role of service quality in fostering customer satisfaction and competitive advantage in the automotive industry.

Keywords: Service quality, SERVQUAL model, customer satisfaction, convenience sampling, descriptive research, reliability, responsiveness, assurance, empathy, tangibility, automotive.

INTRODUCTION

The automotive industry stands as one of the most dynamic and competitive sectors globally, characterized by rapid technological advancements, shifting consumer preferences, and stringent regulatory standards. In this environment, ensuring high-quality service delivery has become paramount for automotive companies to sustain a competitive edge, foster customer loyalty, and drive business growth. To address these challenges, the application of robust service quality frameworks is imperative.The SERVQUAL model, developed by Parasuraman, Zeithaml, and Berry in the late 1980s, has emerged as a seminal tool for assessing and managing service quality across various industries. This model, based on the gap analysis theory, identifies five dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. By measuring the perception and expectation gaps across these dimensions, SERVQUAL enables organizations to identify areas for improvement and implement targeted strategies to enhance service quality.In the context of the automotive industry, where service interactions between customers and service providers are frequent and multifaceted, the SERVQUAL model offers a systematic approach to evaluate and elevate service standards. This research paper aims to explore the application of the SERVQUAL model in the automotive sector, focusing on its relevance, effectiveness, and practical implications for service quality enhancement.

The SERVQUAL model serves as a valuable tool for benchmarking and performance measurement within the automotive industry. By establishing baseline metrics and periodically assessing service quality against customer expectations, organizations can track progress, identify trends, and make informed decisions to drive continuous improvement initiatives.

LITERATURE REVIEW

Saman Yapa Rangesh Fernando (March, 2023) "An Assessment of Service Quality in the Automobile Service Industry: A Study of a Developing Country" Proceedings on Engineering Sciences. This paper outlines the findings of a research done to see whether the SERVQUAL model, which was developed for a Western industrialized nation, could be applied to the automobile service industry in Sri Lanka, a developing nation in South

Asia. Only a few studies on the auto service business are found in literature, despite the fact that many studies have been carried out using the SERVQUAL model. Additionally, many scholars have emphasized the need for the development of industry/culture-specific tools to measure service quudity. Both of these needs are met by the current research. According to the investigation, the chosen industry's dimensions of service quality are reliability of work, responsiveness, assurance and tangibles. Except empathy, these dimensions are comparable to the original SERVQUAL model dimensions. The mumugers of auto service centers in nations that are socially and economically similar to Sri Lanka might utilize the modified questionnaire created in the current study to assess the level of customer service provided by those facilities. Additionally, it was discovered that, with the exception of tangibles, customers. were dissatisfied with all dimensions of service quality.

Shilpa Nair, Ms Nisha Tollawala (April, 2022) "A Study on Consumer Review Regarding Quality Service Provided by Automobile Industry" International Journal of Research Publication and Reviews. Service quality is an essential aspect for any service provider and automobile service industry is no exception. Here customers are very much concerned about after sales service. One service quality measurement model that has been extensively applied is the SERVQUAL model developed by Parasuraman et al. Service quality is defined by various researchers in various ways. The technical quality, functional quality and reputational quality are the components of service quality identified by Gronroos and used SERVQUAL as the most often approach for measuring service quality to compare customers' expectations before a service encounter and their perceptions of the actual service delivered. Service quality is defined by various researchers in various ways. This project report aims at measurement of current service quality level of Leela Motors in Valsad. In this project report satisfaction/dissatisfaction of the customer has been measure using standard statistical tool. The data collection method is personal interview with the help of structured questionnaire. Sample size 103 has been taken.

Justine Roy Balinado, Yogi Tri Prasetyo, Michael Nayat Young, Satria Fadil Persada, Bobby Ardiansyah Miraja, Anak Agung Ngurah Perwira Redi (June, 2021) "The Effect of Service Quality on Customer Satisfaction in an Automotive After-Sales Service" Journal of Open Innovation: Technology, Market, and Complexity. Assessment of service quality has been widely utilized in after-sales service, especially in the automotive industry. The purpose of the study was to determine factors affecting customer satisfaction in an automotive after-sales service at Toyota Dasmarinas-Cavite Philippines by utilizing the SERVQUAL approach. Several SERVQUAL dimensions such as tangibles, reliability, responsiveness, assurance, and empathy were analyzed simultaneously to the customer satisfaction. Structural equation modeling (SEM) indicated that among the five SERVQUAL dimensions, reliability and empathy were found to have significant relationships to the satisfaction of customers at Toyota Dasmarinas-Cavite Philippines. Interestingly, tangibles, responsiveness, and assurance were found to have no significant relationships to satisfaction. The servicing dealer must deliver a high quality of service to meet customer expectations and achieve high customer satisfaction, which subsequently builds customer trust towards the company. With these, customer retention and loyalty can be attained by the company that can also increase the company's profit and competitive advantage.

Janet Glory M C (May, 2019) "A Study on Service Quality Evaluation in External and Internal Chains of Automotive Industry in Chennai". Service Quality is the difference between customer expectation and customer perception of service performance. It is also an evaluation of the delivered service and it assess whether it matches with customer expectation. Firms, organizations and businesses evaluate the service quality to identify the problems, causes, ways to improve the service, to bring customer satisfaction and customer loyalty. It also measures the way in which the service is delivered to the customers and also identifying the customers expectation. Organizations that meet the expectations are assumed to have high service quality. There are also firms which exceed the service quality. Service quality is equal to the difference between service perception and service expectation. Service quality = Perception – Expectation.There is a scope and growth of services in developing countries. Services are termed as economic activity which brings value and benefits to customers at specific point of time. Creation of long term relationship with customers is an important aspect in service quality. This is due to the tough competition in the market hence customer loyalty is an important aspect in today's competitive market. Service quality also brings competitive advantage in the organizations.

Zainil Hanim Saidin, Sany Sanuri Mohd.Mokhtar, Rohaizah Saad, Rushami Zien Yusoff (February, 2018) "The Impact of Automotive After-Sales Service Quality and alternative attractiveness on customer Loyalty" International Journal of Supply Chain Management (IJSCM). This study intends to explore the impact of an industry-specific dimension of service quality in automotive after-sales service and how it influences the level of customer loyalty towards Malaysian national carmakers. Each service industry carries different characteristics of consumer behaviour and thus, an industry-specific measure of service quality to capture the uniqueness of different service setting is required. In relation to that, this study has evaluated service quality in automotive after-sales service as a second-order construct which allows for identification of the relative importance of each dimension in influencing the level of customer loyalty. Aside from that, the fierce competition from the non-national brands in Malaysian automotive market and the attractive offers made by the alternative workshops for car service maintenance and repair have motivated this study to empirically examines the competition factor of alternative attractiveness and its influences on customer loyalty. The data collected through the technique of intercept survey in systematic sampling from 312 respondents were analysed using PLS-SEM.

Pichaipat Chaichinarat, Thanin Ratanaolarn, Krissana Kiddee, and Paitoon Pimdee (January, 2018) "Thailand's Automotive Service Quality Customer Satisfaction: A SERVQUAL Model CFA of Suzuki Motor" Asia-Pacific Social Science Review. Thailand's automotive industry is the 12th largest in the world and plays an important role in Thailand's economy. Under the government mandated Thailand 4.0 vision, the

automotive sector has been identified as one of the 10 crucial sectors for future economic growth. Within this sector, service quality has repeatedly been identified as one of the most competitive factors amongst the major dealers. Service quality is a fundamental aspect of service provisioning, which demonstrates excellence and long-term success. The purpose of this paper is, therefore, to investigate service quality within Thailand's Suzuki Motor Company by adopting the five dimensions of the SERVQUAL model (tangibles, reliability, responsiveness, assurance, empathy) for analysis. Additionally, the study also examined the validity of the service quality model and compared service quality satisfaction amongst Thailand's Suzuki Motor Company service staff. By using multi-stage random sampling, 537 customers responded. Using both quantitative and qualitative research methods, the main research instrument was a questionnaire which used a 5-point Likert type agreement scale.

Santosh Kumar Yadav, Dennis joseph, (May, 2017) "After-sales service quality satisfaction in Indian automobile industry" Interscience. In the automobile industry, after-sales service plays an important role whether it is before buying a product or after buying the product. One of the necessary evaluation criteria for customer satisfaction is availability of after-sales service. In today's situation, after-sales service quality can be measured by administering a customer satisfaction survey. This paper focuses on after-sale service quality and customer satisfaction. In this paper SERVQUAL model was applied for measuring quality of service given to the customers and customer satisfaction in an automobile industry. Structural equation modelling (SEM) with partial least squares (PLS) was used to simultaneously evaluate both the measurement and structural models. The analysis of customer satisfaction through after-sales service quality gave the result in which tangibility, reliability, assurance, responsiveness and empathy were seen to have a significant positive effect on customer satisfaction. In light of the SERVQUAL model, this paper discusses practical implications and focuses on recommendations on how to manage and improve service quality in after-sales service in the Indian automobile industry. This study presents a model for improving customer satisfaction in terms of service quality dimensions.

Mohd. Talha Khan, R.S. Jadoun (May, 2015) "Evaluation of Service Quality in Two Wheeler Automobile Industries Using Servqual Model" International Journal of Innovative Research in Science, Engineering and Technology. In this study, the gap between customer expectations and perceptions in Hero, Bajaj and Honda two wheeler automobile service industries is evaluated using SERVQUAL model with the objective of determining how satisfied the customers are with the services being provided by these automobile industries. For this, the data was collected in the form of questionnaire from users of Hero, Bajaj and Honda two wheeler automobile service industries. The hypothesis of the study is analysed using Paired t test, Results of the study show that Bajaj with overall perceived service quality level 2.972 provides the best after sales service followed by Hero with 2.869 and Honda with 2.822. It is also found that there is significant gap between customer expectation and perception in case of Hero and Honda whereas there is no significant gap found in Bajaj service industry.

Minwir Al-Shammari, Ahmad SamerKanina (November, 2014) "The Impact of Automotive After-Sales Service Quality and alternative attractiveness on customer Loyalty" International Journal of Managerial Studies and Research (IJMSR). This study seeks to examine service quality in the context of automobile industry from customer's point of view using SERVQUL model that has five main dimensions, viz., tangibles, responsiveness, reliability, assurance and empathy. A questionnaire was personally distributed to 120 customers selected randomly from three service locations of a Saudi Automotive Company (SAC) from three geographic locations in Saudi Arabia. The study also concludes that the most important quality dimensions from customer's viewpoint was the reliability and assurance followed by tangibility and responsiveness while the empathy dimension was the least important.

Mary Louis Temba (July, 2013) "The assessment of service quality and customer satisfaction using SERVQUAL Model: The Case Study of Tanzania Telecommunications Company Limited (TTCL)". Service quality and customer satisfaction are very important concepts that companies must understand if they are to grow and remain competitive in the business environment. It is very important for companies to know how to measure these constructs from the customers' perspective so as to understand their needs and satisfy them. Service quality is considered to be very critical to any modern business because it contributes higher customer satisfaction, profitability, reduced cost, improved customer loyalty and retention. The main purpose of this study is to assess customer satisfaction and service quality using SERVQUAL model within TTCL working environment. Other purposes include how customers perceive service quality; identify service quality dimensions that contribute to higher satisfaction, factors hindering customer satisfaction and what should be done to improve customer satisfaction for TTCL customers. A questionnaire was designed and distributed to respondents using a convenience sampling technique for TTCL customers. The analysis carried found that, the overall service quality perceived by customers was not satisfactory; means customers expectations exceeded perceptions.

NEED OF THE STUDY

The study aims to identify areas for improvement in service quality dimensions to ensure enhanced customer satisfaction. It seeks to enhance reliability by addressing operational deficiencies and streamlining processes to consistently deliver high-quality car parts promptly and accurately. Furthermore, to improve responsiveness to inquiries and promptly address concerns, thereby fostering a positive customer experience and strengthening brand reputation. To ensure assurance to customers, efforts will be directed towards consistently delivering high-quality car

parts and providing clear product information, thus building trust and loyalty. By demonstrating empathy and understanding towards customer needs and feedback, the study aims to cultivate stronger relationships and foster a customer-centric culture within the organization.

OBJECTIVES OF THE STUDY

Primary objective:
• To identify areas for improvement in service quality dimensions based on customer perceptions and experiences.
Secondary Objectives:
• To enhance reliability in delivering consistently high-quality car parts promptly and accurately.
• To improve responsiveness to inquiries and promptly address concerns for enhanced customer experience.
• To ensure assurance to customers by consistently delivering high-quality car parts and clear product information.
• To demonstrate empathy by understanding and addressing customer needs and feedback.
• To elevate tangibles by providing attractive packaging and utilizing modern technology for high-quality car parts.
• To measure customer satisfaction across service quality dimensions.

SCOPE OF THE STUDY

The scope of the study encompasses a comprehensive examination of service quality dimensions as perceived and experienced by customers, aiming to identify areas for improvement. It seeks to ensure the enhancement of reliability in the timely and accurate delivery of highquality car parts consistently. The study will focus on improving responsiveness to customer inquiries and concerns, thereby enhancing the overall customer experience. It will ensure the assurance of customers by maintaining a consistent delivery of highquality car parts and providing clear product information. The scope of the study will involve demonstrating empathy towards customers by understanding and addressing their needs and feedback effectively.

RESEARCH METHODOLOGY

Descriptive research is a type of research design that focuses on describing and summarizing data or phenomena without seeking to establish causal relationships or make predictions. It is primarily concerned with providing a detailed account of the characteristics of a population, group, event, or phenomenon under study. Descriptive research is often used to gain a better understanding of a subject, to create a profile, or to report on the state of affairs.

SAMPLE SIZE

The total number of clients for Gestamp company is 152. So the total number of responses is 152. The Sampling Method used in this study is convenience sampling method, it comes under non – probability sampling technique.

DATA COLLECTION

Data collection is a systematic approach to gathering information from a variety of sources to get a complete and accurate picture of an area of interest. In this study, responses are collected through Primary data collection.

TEST OF NORMATIVE

From the analysis it is founded that normative test for my raw data that is the data is not normally distributed i..e p value <.05 so I go with Non-parametric test

    a) Percentage analysis
    b) Mann-Whitney U – Test
    c) Kruskal-Wallis H – Test
    d) Multiple correlation

FINDINGS

The largest group of respondents in terms of industry segment falls within the Tier 2 suppliers range. The largest group of respondents in terms of years in operation with Gestamp Automotive falls within the 5-10 year range. The largest group of respondents in terms Annual Revenue falls within the $ 10 million - $100 million range. The majority of respondents perceive Gestamp's service quality to be competitive compared to

industry rivals. The majority of respondents believe that good service quality positively impacts their company's efficiency and performance. The majority of respondents strongly agree that this manufacturer's car parts consistently meet industry quality standards. The majority of respondents strongly agree that orders from this manufacturer are reliably delivered on time. The majority of respondents agree that defective parts from this manufacturer are rare. The majority of respondents strongly agree that this manufacturer accurately fulfills orders without errors. The majority of respondents strongly agree that this manufacturer promptly responds to inquiries and requests. The majority of respondents strongly agree that issues or concerns raised with this manufacturer are quickly addressed. The majority of respondents strongly agree that this manufacturer provides timely updates on orders and shipments. The majority of respondents strongly agree that the customer service team of this manufacturer is readily available. The majority of respondents strongly agree that they are confident in the manufacturer's car parts quality and consistency. The majority of respondents strongly agree that the manufacturer is renowned for high-quality product delivery. The majority of respondents strongly agree that the manufacturer provides clear, accurate product and service information. The majority of respondents strongly agree that they trust the manufacturer for their car part needs. The majority of respondents strongly agree that the manufacturer understands customer needs and challenges. A majority of respondents strongly agree that the manufacturer values and acts on feedback and concerns. The majority of respondents strongly agree that employees show empathy and understanding. The majority of respondents strongly agree that the manufacturer tailors products/services to specific needs. The majority of respondents strongly agree that the manufacturer offers attractive, well-packaged car parts. The majority of respondents strongly agree that products are seen as high-quality based on their appearance. The majority of respondents strongly agree that the manufacturer prioritizes modern equipment and technology for production. The majority of respondents agree that the manufacturer's packaging ensures safe transit and storage. The majority of respondents very satisfied with the manufacturer's car parts quality. The majority of respondents very satisfied with the manufacturer's delivery reliability. The majority of respondents very satisfied with the extent to which their needs and requirements are met by the manufacturer. The majority of respondents very satisfied with the manufacturer's customer service responsiveness. The Significant positive correlations exist between reliability, responsiveness, assurance, empathy, and tangibles with customer satisfaction, indicating their collective influence on satisfaction levels. The acceptance of the null hypothesis suggests no significant difference in mean ranks of industry segments concerning reliability, responsiveness, assurance, empathy, tangibles, and customer satisfaction. The acceptance of the null hypothesis indicates no significant difference in mean ranks no of years in operation reliability, responsiveness, assurance, empathy, tangibles, and customer satisfaction.

CONCLUSION

In conclusion, the findings reveal that service quality is a cornerstone of Gestamp Automotive's operations, underpinning its success and reputation within the automotive industry. Through meticulous attention to reliability, responsiveness, assurance, empathy, and tangibility, Gestamp has established itself as a trusted partner and provider of high-quality automotive solutions. The company's commitment to excellence is evident in its long-standing partnerships with Tier 1 and Tier 2 suppliers, as well as its track record of delivering on promises and meeting customer expectations. Moreover, the significant positive correlations between service quality dimensions and customer satisfaction underscore the pivotal role that service excellence plays in driving customer loyalty and business performance.Gestamp's proactive approach to addressing customer needs and concerns, coupled with its emphasis on continuous improvement and innovation, further solidifies its position as an industry leader. By consistently delivering on its promises, providing reliable and timely service, and demonstrating empathy and understanding towards customers, Gestamp has earned the trust and confidence of its stakeholders. Additionally, the company's focus on employee development and sustainability initiatives reflects its commitment to long-term success and responsible business practices.Looking ahead, Gestamp Automotive is well-positioned to build upon its strong foundation of service quality and drive further growth and innovation in the automotive sector. By leveraging technology, fostering strategic partnerships, and embracing a customer-centric approach, Gestamp can continue to exceed expectations, differentiate itself in the market, and maintain its position as a preferred supplier and partner for automotive solutions. In doing so, Gestamp will not only meet the evolving needs of its customers but also contribute to the advancement and sustainability of the automotive industry as a whole.

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