

**ASSESSMENT OF CUSTOMER SATISFACTION TOWARDS
ORGANISATION PERFORMANCE: A CASE OF NATIONAL INSURANCE
CORPORATION– MOROGORO BRANCH**

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**A DESERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
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CERTIFICATION

The undersigned certifies that he has read and hereby recommends for the acceptance by The Open University of Tanzania a dissertation entitled: ***“Assessment Of Customer Satisfaction Towards Organisation Performance: A Case of National Insurance Corporation– Morogoro Branch”*** in partial fulfillment of the requirements for the Degree of Master of Business Administration in Finance of the Open University of Tanzania.



.....

Prof. Jan-Erik Jaensson

(Supervisor)

.....

Date

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.....

Signature

.....

Date

DEDICATION

I devote this work to my lovely wife Hilda John Mkole and my sons Mpolenkile Azaria, Ahazi Azaria, Amani Azaria, Ayub Azaria, Amoni Azaria and my whole family, who offered me material and moral support in the whole time I was preparing this work.

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ABSTRACT

This study provides understanding about customer satisfaction towards organizational performance. The study employed National Insurance Corporation-Morogoro Branch as a study area. A case study research design and data collection methods (Questionnaire and Interview) were employed in order to achieve the study objectives. Qualitative data were analyzed by using thematic technique, and presented in direct quotations with respect to research objectives; while quantitative data were analyzed by employing descriptive statistics, and presented in frequency and percentage through Tables. The study found that customer satisfaction contributes to organization performance at National Insurance cooperation- Morogoro Branch. The study also found that there are challenges facing customer satisfaction includes employees' readiness to priorities customers, inadequate organization budget, daily competitions, unpredictability of customers' behavior, and lack of skilled/professional individuals in customer care. As the way forward, the study concludes that organisations must run researches on how to handle customers versa vis competitors this will strengthen the organisations service provision and perspective towards customers, additionally adequate fund must be made available so as to allow people dealing with brand and customer care to introduce new services that pleases the customers versa vis opponents, also organisations must train their employees on good customer care practice this will change their perspective and put themselves at the disposal of the customers all the time and on the other hand there required employment of professionals on the field of customer care so as to be introducing new skills every now and then on pleasing the customers.

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LIST OF ABBREVIATIONS

CEO	Chief Executive officer
KUC	Kilimanjaro Cooperative Union
KNCU	Kilimanjaro National Cooperative Union
MMC	Morogoro Municipal Council
NIC	National Insurance Corporation
NMC	National Milling Cooperation
RTC	Regional Trading Company
TIRA	Tanzania Insurance Regulatory Authority

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter gives a review of the contribution of customer satisfaction towards organizational development. The chapter covers the background of the study, statement of the problem, objectives of the study, research questions, significance of the study, the scope of the study, limitation of the study, and definition of key terms.

1.2 Background Information

One of the outstanding factors that have always been there ever since time in memorial for the success of any organization was the service been provided by organizations in view of customer satisfaction (Wilson et al, 2008). The type of services however provided differs from one organization to another. In case of Tanzania, between the 60's and early 80's there were a number of organizations such as the Regional Trading Companies (RTC), the National Millings Cooperation (NMC), the regional cooperative societies such as KNCU, KCU, the COSATA and of course the famous National Insurance Corporation (NIC). Though monopolistic, they were supposed to offer different services of their kind to customers in a satisfactory way lest they lose customers and ultimately sales (Ancelim and Kitende, 2011). Notwithstanding the fact that at times there was a monopolistic type of organizations and companies whereby there was a notion of "*take it or leave it*", customer relations was supposed to be seen but alas! This was far behind and lo! See what has happened. Malfunctions in administering of customers cropped up in most organizations and slowly without noticing and of course coupled with a number of

other factors the organizations found them falling in all aspects. The root cause been wrong approaches in the way they treated their customers (Drucker, 2005).

There were times when satisfying a customer was an issue of competition between a company and a company and between organizations in view of increasing their sales. Company that was found to provide good services attracted a good number of customers (Mashingia, 2015). As for this, indeed every organization could use all ways and means of ensuring that customers are attracted to buy their services even through subtle ways. This was a way of marketing that was used by the time (Ancelim and Kitende, 2011).

As mentioned above, increase in sales was the key issue at this time; whereas indeed probably the services that were rendered to a customer that would attract other customers vary from one organization/company to another; the type and the quality of services offered to a customer which would induce others was really far from them. During the competition and marketing era the quality of services was not an important aspect, but attracting as many customers as possible was a primary objective to any company or organization putting into considerations that an increase in the number of customers would increase their sales and hence maximize profit. It was due to the management to ensure that the type of services or rather ways that were used to attract customers were sustainable (Morgan et al, 2005).

Yes! Attracting customers to an organization was necessary to increase sales and hence profit. But then, the question remains “which service qualities given to customers? Are the techniques employed sustainable? The customers have been

satisfied? Surely, the increase of customers is responsible in the increase in sales and hence profit; but one must ensure that the means and ways used to bring up this factor commensurate with customer satisfaction. Thus, their satisfaction is the most important tool that helps to increase sales and hence generate profits in the business environment (Richard *et al.*, 2009).

In that notion, although facts indicate that contentment can lead to enhancement of customers and hence sales; the question remain to be “could there be any relevance between customer satisfaction and organizational performance?” Yes! Indeed, the significance of customer contentment and service quality was verified to facilitate progress the overall performance of organizations (Morgan *et al.*, 2005).

It is therefore necessary for a company/organization which has ventured into business and aims at improving in the raising of profit conduct “customer satisfaction research” often times to rectify any deviation that may appear to be in conflict with the organizational customer care policy (Wahlen *et al.*, 2014). For the case of National Insurance Companies and other such organizations that are for profit the fact remains that profit can all the time be maximized only and only if customers are satisfied. It should be noted however that profit maximization is a function of customer satisfaction.

On the other hand; profit maximization is a product of increase in sales whence then in totality sales originate from customer satisfaction. We will examine critically the issues underlining customer satisfaction in relation to services so provided and how this affects sales and ultimately the shrowning or shrinking of an organization (Khalid *et al.*, 2011).

Studies indicate that an organization that always please its customers, benefit higher withholding levels and greater prosperity due to increase customer loyalty” (Martey, 2015 as cited by Wilson, 2002). For such fact most, companies toil daily to win the hearts of customers by pleasing them to be turned into loyal customers who can increase sales and profit. Here we are more or less referring to the normal services that are provided to any customer.

When customers are treated with courtesy in any organization; they chose to continue enjoying that type of services while the reverse is the case. To get these loyal customers, companies must create relationships with the customers in whichever way. In order to bring up this relationship with customers, organizations are bound to conduct research to see and satisfy itself with the services that such an organization or company is delivering frequently. Issues like how the customers are treated; the language used by the company employees to the customers, the care they receive and even the promises which are put forward to the customers by the respective employees should be looked into keenly (Khalid *et al.*, 2011).

Thus, customers will always prefer service that gives them satisfaction to the maximum. Nevertheless, how does the organization understand whether the consumption habits of customers have already changed? Have they been well assisted? How will the organization know if competitors’ brands/services are doing better than theirs, which can trap their customers?

With the increasing number of businesses and growing competitions in the world today, each company wants to be the customers’ first choice and second to none. To

achieve this, any organizations need to answer the questions above through a continuous research in this area so as to lead the organization to their objective of satisfying their customers and hence making profits. There is no reason of using shroud ways and language or even subtle ways to customers if these ways cannot prove to be sustainable (Wilson et al, 2008). All in all, what we are saying here is that irrespective of all other factors associated with activities involved in the life of an organization or company, customer satisfaction has significant role on improvement of organization performance.

It is only when a customer gets what he/she expects and even beyond, that he/she will be attracted to be served by such a company/ organization and in fact tell others to visit and enjoy the services of the company. It is for this reason that one can reach to a point of knowing that an organization may not be able to provide the required services to the customers except customer expectations are known. This then calls for a frequent customer satisfaction surveys to discover their tests. Finding this study will be beneficial to the existing gape in the assessment of customer satisfaction in organization in relation performance as fore raised in this background of the problems.

1.3 Statement of the Problem

In as much as one would want to understand the reasons that has led to a number of companies and organizations' activities to dwindle, some collapsing totally when their activities were crippled beyond repair; getting down to the services that were being provided to customers and analyzing the nit grits that has caused all this need proper and coordinated efforts (Wilson *et al.*, 2008).

The issue in question here is, what are factors that lead to increase in the sales of any company and organization? Or rather what are the factors that lead to any organization's or company's successfulness? In relation to this, the study uncovers customer satisfaction as the cause of any organizational growth.

Even though facts indicate so, the questions remain to be what qualities of these services provided to customers are? And in one can judge the customer is satisfied?

In fact, customer satisfaction is the most significant tool that facilitates to increase sale volume and generate revenue in the business environment. Even though fact that customer satisfaction can lead to increase sale volume /number of customers but question remain there is any relation between customer satisfaction and organization performance? Answer to this question would lead to appropriate and strong input customer satisfaction in organization relation to performance.

1.4 Research Objectives

The study included general and specific objectives

1.4.1 General Objective

The general objective of this study was to assess customer satisfaction towards organizational performance at National Insurance Corporation.

1.4.2 Specific Objectives

The specific objectives of this study were to:

- (i) To examine the correlation between customer satisfaction and organizational development at National Insurance Corporation;

- (ii) To determine the extent to which organizations consider customers satisfaction;
- (iii) To examine customers satisfaction preferences at National Insurance Corporations; and
- (iv) To identify the challenges facing National Insurance Corporations to meet customer satisfaction.

1.4.3 Research Questions

- (i) What is the correlation between customer satisfaction and organizational performance at National Insurance Corporations?
- (ii) To what extent National Insurance Cooperation meet customer satisfaction?
- (iii) What are customer satisfaction preferences at National Insurance Corporation?
- (i) What are the challenges facing National Insurance Corporation to meet customer satisfaction?

1.5 Significance of the Study

In the first place the study will help National Insurance Cooperation to know the correlation between customer satisfaction and organizational development, the extent to which it meets customer satisfaction, also to know customer satisfaction preferences, and challenges it faces on meeting customer satisfaction.

The study on assessing correlation between customer satisfaction and organizational development in Tanzania is very important because will help insurance corporations to know the importance of customer satisfaction on organizational development, thus leading to the rapid growth of business through retention of the profitable customer segment, an increase in profit of the insurance corporation due to the low cost of

managing customers (Sharma, 2011). Therefore, this study will add new knowledge to managers and employees in Insurance Corporations in Tanzania regarding the extra value corporations can earn through implementation customer satisfaction strategies.

1.6 Definition of Terms

Customer, refers to a party/an individual who/ that receives or consumes products (goods or services) and has the ability to choose between different products and suppliers (Kotler and Armsrong, 2002).

Customer satisfaction, (Bodet, 2010) defines customer satisfaction as the general evaluation primarily based on business movements done by organization with regards to purchaser expectations that has been gathered over a length of times due to the consumer the use of the corporations services or products. (Malik and Ghafoor, 2012) then again define customer delight because the software derived from using services based on preliminary expectation of the carrier. Also, (Yeung and Christine 2002) defined customer satisfaction as customer wishes and expectancies being met all the time, each time at some stage in the lifestyles of a products or services.

Organization, is a social unit of individuals that is organized and figured out how to address an issue or to seek after aggregate objectives. All associations have an administration structure that decides connections between the diverse exercises and the individuals, and subdivides and allocates parts, duties, and specialist to complete distinctive errands. Associations are open frameworks they influence and are influenced by their condition (Gupta, 2002).

Organization performance, refers to a to an analysis of an organization`s execution when contrasted with objectives. Inside corporate organization, there are three essential results analysed: market performance, shareholder value performance and financial performance (Higgins, 2012).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the review of literature by exploring theories and earlier studies on the correlation between customer satisfaction and organizational development. According to (Hart, 1998), the review of literature is critical in any research work since it helps the researcher to understand the theme under investigation. This chapter is organized in two sections. The first section reviews the literature, while the second section describes the conceptual framework of the study and research gap.

2.2 The Relationship Between Customer Satisfaction and Organizational Performance

Organisation performance is accomplished once an organization is creating the abnormal state of benefit concerning cash capital yet as various assets (Noll, 2004). However, Richard *et al.*, (2009) explained that business performance incorporates three areas: product advertise performance like deals and piece of the pie; financial performance like productivity, return on speculations and return on resources and investor return like sum esteem included and add up to investor returns.

The customer satisfaction has crucial effect on very surprising networks of business execution like aggregate deals, piece of the overall industry, proportion, nonpartisan worth and aggregate incomes (Farquahar, 2004). More elevated amount of customer fulfillment unmistakably effects on customer maintenance, buy expectation and positive informal. So also, predictable with Karkkainen *et al.*, (2001), a ground-

breaking indicator of any business execution like yearly deals development, web operational cash streams and piece of the overall industry is customer fulfillment.

2.2.1 Measurement of Organization`s Performance

The organization`s performance will be estimated through menstruations the viability and power of activities by total and institutionalizing data and setting satisfactory targets (Ittner *at el.*, 2003). The advancement of execution measures assumes imperative part in useful and defining strategies and plans and setting focuses for venture gatherings, workers, yet as specialty units. It should be a region of consistent arrangement of execution menstruations that partners the menstruations for prime administrations, center and lower administrations, entirely unexpected business units, laborers and individual comes. The measures could epitomize cash and non-financial measures; trade amongst measures and driving and protecting material pointers like technique, info and yield measures. One among the favored performance menstruations structures is 'Adjust Scorecard' which was created by (Kandampully and Suhartanto, 2000).

The adjusted performance menstruation framework can help to create, talk and detail the structure strategies; correspondence of the procedures all through the organization characterize destinations, indicate business focuses for laborers and task bunches screen and rouse directors and representatives and direct their activities; and advise chiefs, specialists yet as investors with respect to adequacy and power of past exercises and methods that have possibilities of progress for the more extended term (Kandampully and Suhartanto, 2000).

Alternately, with regards to Higgins (2001), the balanced card doesn't give a main concern score or a join division with sharp suggestions that is exclusively a posting of measurements. Thus, as (ittner *et al.*, 2003) pointed that the Balanced card was principally intended to talk the necessities of execution estimation of private division and it's not completely match to the overall population parts. With regards to Nollo (2004), it's numerous irregularities that square measure important to be thought about.

Additionally, Wahlen *et al.*, (2014) educated that it is troublesome to ask the harmony between non-budgetary and cash estimates because of usage issues. Be that as it may, balanced card is a direct device to execute for hierarchical execution estimations (Waite and Ennew, 2007). It's straight forward to create and direct to utilize any way it wants vital adaption and alterations to the selective prerequisites of business of every organization.

2.2.3 Customer Satisfaction and Financial Performance

In the present years, the considerations of researchers have drawn on the investigation of connection between consumer satisfaction and financial performance. (Sastry and Kameswara 2009) found that abnormal state of customer satisfaction prompts an expansion in the volume of money streams, a quickening of money streams and in addition chance decrease identified with money streams. A comparative report by (Van *et al.*, 2002) additionally recommended that upgrading customer satisfaction prompts augment money streams and hazard decrease associated with money streams. Some different analysts have likewise found positive relationship between generally incomes and customer satisfaction (Orlitzky *et al.*, 2003).

As per Bakker, 2000, the expanded income is related to client's purchasing conduct and recognitions towards the association whether they have satisfied their desires or not. Correspondingly, (Dick and Basu, 1994); proposed that the expanded salary could likewise be caused to a provider acquiring an expanded part of fulfilled client's wallet. (Jayaraman, 2008) additionally found that expanded money streams can be credited through affectability of lower cost among satisfied clients who will pay more. Also, the procurement of extra clients prompts increment income. Gainfulness is affected from consumer loyalty and maintenance, which cause higher incomes later on and decreased operational costs (*Richard et al.*, 2009).

As per Anderson and Mittal (2000), the fulfillment benefit chain is a next valuable model to comprehend the likely connection between monetary execution and consumer loyalty. This hypothesis contends that characteristic execution, for example, nature of administration prompts more noteworthy fulfillment of clients and thus an abnormal state of client maintenance, which prompts increment benefit. So, customer satisfaction is decidedly associated with dedication, income and benefit. It is accepted that satisfied customer will be more faithful to the organization, thus they make long relationship and spend more in the particular organization. A comparative view by Anderson and Sullivan (1993) expressed that over longer future of customer; they may build their costs every year on the grounds that very fulfilled customer ought to have higher benefit through higher annual income.

2.2.4 Customer Satisfaction and Stock Price

A few researchers were attracted about the connection between stock cost and customer satisfaction and other market esteem pointers (Anderson and Mittal, 2000)

and Aksoy *et al.*, 2008). Usually utilized esteem markers are Tobin's statistic and value income proportion (P/E). The Tobin's q is a proportion of market estimation of an organization's advantages for their cost of substitution. Numerous analysts have discovered that consumer loyalty and esteem markers of an association are decidedly related. An exploration by Aksoy *et al.*, (2008) recommended that customer satisfaction is a profoundly valuable impalpable resource, which makes positive returns. They additionally included that positive changes and larger amount of customer satisfaction will beat rivals in the share trading system.

2.3 Customers Satisfaction

Customer satisfaction is an organization's capacity to attract and hold customers and to enhance customer relationship after some time. It is frequently observed as the fulfillment with an organization's services or products. Besides, it is thought to be the way to progress and long competitiveness. The information about customer satisfaction is the source for the satisfaction of customer desires, the well-informed source for picking up their maintenance and the source for concentrate authoritative viability during the time spent for service conveyance. An organisation can choose the activities required to address client issues on the off chance that it comprehends perceptions. Additionally, it can distinguish its own qualities and shortcomings and graph the technique of future advancement and change of the work practices and procedures utilized inside the organisation.

Customer satisfaction is a barely general classification since its significance depends on conditions and distinctive perspectives and is the result of individual client judgment. Researchers of customer satisfaction have created diverse ideas and

distinctive perspectives of hierarchical execution result. Wilson (2002) contends that customer satisfaction is questionable and complex in nature, and it frequently comprises of different segments that are estimated with various strategies under various conditions. Eugene *et al.*, (1997) contends that customer satisfaction is an individual classification since the customer implicitly comprehends it in his own exceptional way. This implies customer satisfaction can be comprehended as a web of mental, social and physical factors, which correspond with the idea of a fulfilled customer.

Martery, (2001) and Zeithaml *et al.*, 1990 see customer satisfaction as a subjective develop and as a mental state. Anderson, (1996) contend that consumer loyalty is basically a passionate state and the result of the long relationship between service providers and customers. Yeung *et al.*, (2002) demonstrate that the enthusiastic reliance of workers encourages their endeavors to fulfill clients. Parasuraman *et al.*, (1985) relate customer satisfaction to subjective and quantitative components of the administration and consider it to be a connection between customer satisfaction, benefit execution, and saw client benefit execution desires (Gamba, 2015). Zeithaml *et al.*, 2001 propose a less complex meaning of customer satisfaction in light of the level of client needs and desire fulfillment, which straightforwardly impacts the level of client disappointment.

Customer satisfaction estimates future client desires and quality estimates what the customer ought to anticipate from the future services, which is a more conceptual classification. The result of the two measures is the connection amongst desires and execution (Bodet, 2008) and Parasuraman *et al.*, 1985). Exact investigation has

demonstrated that, not exclusively are the activities of workers key for an excellent conveyance of services and products, yet additionally that their moral impacts on customer fulfillment (Ambroz, 2000).

In view of escalated inquire about through time; two sorts of customer satisfaction definitions have developed. The principal compose characterizes customer satisfaction as a result of a purchasing background (Anderson, 1996). The second sort of definition characterizes customer satisfaction as a benchmark between the genuine buy and the buy desires for the client (Eugene *et al.*, 1997). Notwithstanding its many-sided quality, clients don't have any issues with the meaning of customer satisfaction regardless of whether it isn't purposely clarified (Gupta *et al.*, 2005). This is the reason it is important to the point that the administration of the service in the organization fundamentally observes the client's perspective of the organization's quality that outcomes in conveying the administration that satisfies the client's social, individual and physical assumptions about service quality. The services or products provided by organisation must consider customer satisfaction as a key use point to separate themselves from different organisations (Matthew and Christine, 2000).

Customer satisfaction is the result of his or her needs and desires which impact the collaboration with specialist organizations and different clients. The nature of this cooperation impacts client choices to repurchase the administration, his maintenance and the aim of the client to prescribe to other potential clients lastly to pass on helpful data about the services quality and conveyance. Customer satisfaction is identified with various methods for connecting with nature. A positive suggestion is a social collaboration, which is emphatically identified with client maintenance, decreases

exchange expenses and increments long haul benefit (Parker and Mathews, 2001). Informal exchange has extraordinary correspondence control since it is an immediate transmission of customer satisfaction to other potential clients. (Magi and Julander, 1996), are persuaded that verbal exchange could really compare to data about services created by advertising exercises. The correspondence intensity of verbal exchange is showed when the researcher co-op neglects to meet the objections of the client or his responses are not harmonious with the client requests. The most astounding significance of verbal exchange is when client response to the service providers in the organization is negative (Yirenkyi, 2012).

The consequence of negative recognitions is a disappointed client, who once in a while chooses to repurchase the services from a similar supplier (Noll 2004). The most pessimistic scenario is the point at which a client declines to purchase other services from a similar supplier (Pike and Naeale, 2006). Informal exchange is firmly identified with the client expectations to repurchase the services (Gupta *at el.*, 2005).

2.4 Measurement of Customer Satisfaction

As indicated by Gamba (2015), the first model for assessing the service quality was proposed by Parasuraman *et al.*, (1985). The model concentrated on the three components of administration quality. They are specialized quality (in regards to what is conveyed), utilitarian quality (methodology of administrations conveyance) and the picture quality (picture accomplished through specialized and practical characteristics). The specialized quality is associated with substantial components like physical structure that is noticeable to clients which is identified with SERVQUAL mode, which secured unmistakable parts of physical conditions. Substance assumes a

noteworthy part which impacts on the assessments of different factors, for example, unwavering quality, affirmation, sympathy and responsiveness by the clients.

Different instruments and procedures are utilized to gauge consumer loyalty in an organization. One of the notable models is SERVQUAL which is proposed by Parasuraman *et al.*, (1985) in the wake of leading an exploration on four administration setting: retail saving money, Visa administrations, support of electrical applications and long-separate telephone utilities. This model speaks to nature of administration as the distinction between client desires on offered administrations and their recognitions in regards to benefit got. The assessment of the nature of administration quality depends on the appraisal of administration results and administration conveyance systems by clients. The administration quality, which meets or surpasses the clients' expectation is accepted as great nature of administration (Parasuraman *et al.*, 1985). The five elements of administration quality are effects, unwavering quality, responsiveness, confirmation and compassion.

As contended by Zeithaml *et al.*, (1990), the assessment of administration quality based on hole amongst desires and execution by SERVQUAL show isn't adequate. Likewise, as pointed by Bakker (2005), it has more logical power than the appraisals hole amongst desires and exhibitions. A comparative contention by Khalid at el (2011) pointed that it has concentrated more on benefit conveyance process than different perspectives, for example, specialized measurement. Besides, Kirca *et al.*, (2005) pointed that it is a well-known device for estimating administration quality yet the psychometric properties of the device are not yet settled. A few scientists asked the psychometric properties and applied establishment of SERVQUAL demonstrate

Lam *et al*, (2004). Additionally, (Malik and Ghafoor. 2012) have neglected to imitate these measurements and recommended that these measurements speak to just a single factor as opposed to five.

Despite what might be expected, Buttle (1996) pointed that SERVQUAL show is connected by different scientists to quantify consumer loyalty in numerous organizations like managing an account, retailing, media communications, eateries, instructions, clinics and lodgings. So also, an exploration completed by Bellou (2007), suggested that SERVQUAL is a decent scale to utilize and measure benefit quality in particular associations in any case, it is basic to pick the most important measurements that compares the assessment of specific administration to discover dependable and legitimate outcomes.

2.5 Challenges of Customer Satisfaction Facing Organizations

In this is the modern age when nearly everything comes helpful, clients have turned out to be less thankful and are hard to please. With the headway in innovation and the openness of data, item quality among contending brands and organizations are relatively equivalent. Thus, the deciding component in picking the brand or organization lies in the client benefit (Malik and Ghafoor, 2012).

Client benefit in this day and age is a fundamental piece of an organization. With the expanding rivalry among all ventures, the test is to convey top notch items joined by extraordinary client benefit. This undertaking, in any case, isn't simple. It is a result of this reality consumer loyalty has been confronting a ton of difficulties as represented in this investigation.

Regardless, one of the greatest difficulties in customer satisfaction understanding assorted and continually changing client desires. Most organizations target particular clients by sexual orientation, race, age, age, and so on. While these client groupings may have comparable fundamental prerequisites of a specific item, they do have differed wants that they consider when obtaining an item. This is the motivation behind why conversing with clients is the best procedure. It is vital for a business to become more acquainted with its customers, clients and buyers. Discover their desires, their requirements, their inclinations, their non-debatable, their suppositions on the item and their proposals for development (Richard *et al.*, 2009).

Then again, conveying a steady client encounter over all diverts it might be said that clients couldn't care less about particular touch focuses over the client travel is the other test. Rather, they think about their total encounters over numerous touches focuses and channels after some time.

This implies clients never again rate one 'services based off individual organizations they take a gander at the services one conveys all in all and rate based off that experience. Besides, choosing the correct innovation to make better encounters could be the other test confronting consumer loyalty so that a client strategy proposes that innovation can accelerate existing procedures and results.

In any case, before one race off and attempt and utilize innovation as a convenient solution, Esteban cautions that innovation isn't generally the appropriate response. He has been saying, "Some of clients' expectations are not obtained on increasing of innovation, but then again changing a place, or changing of procedure." Associated

with that reality, the test lies in finding the correct innovation to enhance the correct parts of the client encounter. One can't depend on innovation as the response to poor client encounter. It is just an empowering agent that can enhance understanding and develop the client encounter procedures executed (Mleje, 2007).

Making a client first culture when the association starts to concentrate more on clients, its workers may think that it's difficult to alter needs. Where in the past they may have been remunerated and boosted around speed of services and number of help tickets shut, with a client first culture, they may now be required to go the additional mile for clients, which will back them off and lessen their speed. This move towards a client first culture can be an extreme one to oversee. Fundamentally, a client first culture is shaped through the qualities business epitomizes. It will require investment to rearrange the organization esteems and impart them to the whole time. It is just through these qualities that your workers can obtain heading concerning how they ought to appropriately connect with, cooperate and speak with customers (Odunlami *et al.*, 2013). In expansion to the fore raise challenges, systemizing a client criticism process is the other one; this is a test for organizations that don't have a client input framework set up. Others are Understanding client desires and knowing how to surpass them and Finding talented client encounter experts that can lead a methodology.

2.6 Influence of Service Delivery on Customer Satisfaction

Carrier delivery is a vital aspect inside the banking region in relation to patron pleasure. For a service to be considered to have been added as according to clients' expectancies, it has to meet thresholds on exceptional, efficiency, and also the carrier

needs to be powerful in fixing customers' wishes (Githiri, 2015). For carrier transport to be taken into consideration to be of first-class, it has to have attribute of excellence in a way of presentation, transport, and inside the way in which it solves clients' troubles (Gupta, 2005).

2.6.1 Reliability

Ian Smith (2003) define reliability as the degree of discrepancy between customers' normative expectations for availability of customers. if a financial institution allows such instances to move on for durations of time, the consequent effect is a bad reliability index on purchaser pleasure. Therefore, measuring provider reliability in organizations is a positive manner of decide consumer pride gaps, and growing mechanisms to cope with the gaps (Gupta *et al.*, 2005).

2.6.2 Responsiveness

East (1997) defines responsiveness as the coordinated response in the direction of the clients' needs that is well timed, and within the expectation of the client. Fudenberg and Tirole (2000) on the other hand defines responsiveness on the concerted efforts an enterprise does in to make certain that consumer desires are met within designated times. This consists of giving well-timed remarks, and making sure clients' queries and worries are addressed right away. Responsiveness is a crucial element in figuring out customers' pleasure and belief of cost. Any time a customer perceives that they will be glad with service delivery in the organization, they tend to gravitate toward the organizations (Ittner *et al.*, 2003). Inside the organization, responsiveness is a functional thing in figuring out whether or not service delivery in the organizations is of satisfactory or not (Gupta *et al.*, 2005).

Organisations need to ensure that they've mechanisms in vicinity that not best draws customers but additionally to ensure that customers' needs are met competently. In keeping with Forney and Rust (1997), organizations must first determine what their customers regard as 'responsiveness'. Profiling clients' desires on this regard ensures that the organizations do proper concentrated on in supplying specific customers' wishes that fulfills their concept and concept of purchaser pleasure. Fudenberg and Tirole (2000) contend that maximum organizations emulate what different organizations are doing in terms of improving client satisfaction, without conducting adequate survey on their client to set up what subjects to them.

2.6.3 Assurance

Consistent with Schmitt (2000), assurance is the credibility and the ability for to inspire consider and self-belief in their clients. Most usually assurance is measured by way of the manner organizations demonstrate 'competence' in provider provision. When an organization has the right set of professional and informed to provide required service, they inspire confidence in clients, which beautify the guarantee customers have in the organization (Sastry and Kameswara 2009).

However, Vinnie and Kirtidutta (2009) define warranty because the artwork of being polite and friendly when coping with clients. It's far the capability for the financial institution to offer pleasant advice not best when a consumer needs it, but when the organization deems it appropriate to offer one. Such friendliness enhances the assurance of customers in the organizations' capability to position the clients' needs first (Wilson, 2002).

2.6.4 Tangibility

In keeping with Pleger and Bebeko, (2000) tangibility refers to the physical elements of a product or service in the organizations, this refers back to the physical attributes of the financial institution and its services, such as the organization's building, the organization's halls aesthetics, the organization's seats, and accessibility. Ambroz and Praprotnik, (2008) argues that the gadget and furniture all represent tangibility in the organization.

Additionally, Bellou (2007) argue that an groups' personnel shape part of organizational tangibles. in most cases financial institution clients tend to don't forget employees' interactions, enjoy, and look of buildings. in other instances, employees are dressed code will become the reference factor for professionalism. Equally, whilst an organizations' employees are not professionally nor reflecting the ethics that is because of the offerings the organization is presenting, they shape memorable tangibles thru which clients understand the agency (Gupta *et al.*, 2005).

2.6.5 Empathy

Lam *at el* (2004) defines empathy as the being concerned behavior this is usually extended to an individual in personalized way. In addition, empathy is involving the manner wherein someone feels the pain, or tension, or struggle of any other individual, and extends a supporting hand (Mali and Ghafoor, 2012).

2.7 Ways Forward

Customer satisfaction is a vital proportion of the capacity of an association or organisation to effectively address the issues of its client. It likewise shows an

association's worth and viability to its partners, which is basic in keeping up their help. The idea of consumer loyalty is effortlessly exchanged to Expansion programming with the item being an instructive movement. To guarantee "return business" from demographic later on various measures ought to be taken against the raised difficulties; and these routes forward incorporates: - Khalid *et al.*, (2011) stipulates that with a specific end goal to conquer the test of client acceptable the accompanying certainties ought to be viewed as: empowering cross-office cooperation. Your group should be in steady correspondence and work cooperatively on new promoting and client bolster activities; surpassing client desires organizations, it isn't sufficiently only to meet the client's desires.

The way that these desires are continually changing organizations should then be dependably a stage ahead. It is likewise essential to realize that intermittently, the desires for clients are set by the contenders. Remain in front of the opposition by being refreshed with new activities and proposals in light of client inputs and current industry patterns; Offer a more customized involvement; Bind together client benefit channels Understanding client desires and Contacting clients.

Moreover, he includes that Consistency is presumably the most troublesome test to accomplish yet stipulates that extraordinary client benefit must be conveyed to all clients, overall business channels, every minute of every day. Every last involvement of every single client must be similarly great. In an exploration led by Rawson, Duncan, and Jones, they discovered that clients couldn't care less much about solitary touch-focuses. What influences consumer loyalty are total encounters over different touch-focuses and in various channels after some time. Consistency can be

accomplished by having obvious approaches on conveying extraordinary client benefit. All workers must be made mindful of these strategies and strict usage of these arrangements must be clung to (Ittner *et al*, 2003).

Then again utilizing gifted client benefit experts is such a great amount of critical one might say that as more organizations center on client benefit, the interest for talented client benefit experts is on the ascent. Organizations probably organized projects to instruct and prepare new contracts about organization strategies, qualities, culture and practices in managing clients. Moreover, considering that client benefit is a standout amongst the most upsetting employments, organizations should likewise give benefits that offer work-life adjust and bolster way of life exercises that can lessen pressure and lift profitability (Karkkainen *et al*, 2001).

Likewise, making a client first culture must be a long-haul answer for accomplishing consistency over all business channels is to impart a client first organization culture. A client driven organization culture can be portrayed as having an unmistakable thankfulness for client benefit, understanding the effect of their administration and will make a special effort to address client issues. To develop this culture, it must be underlined amid the procuring and preparing process. The representatives must have the capacity to see the organization vision, fit into the way of life and work with the organization to accomplishing the organization's objectives. Worker maintenance is additionally a key factor to progress. Staff turnover not just influences the inner parts of the business, it is additionally not useful for the clients. Managing a similar individual creates trust and is a decent method to manufacture dependable connections (Karkkainen *et al.*, 2001).

It is hard to flourish, substantially less remain in front of the opposition, in the present market. Be that as it may, having extraordinary client benefit makes this conceivable. The great beginning stage is to concentrate first on the representatives. Fulfilled representatives mean fulfilled customers.

2.8 Theoretical Literature Review

Theories are figured to clarify, foresee, and comprehend problems and, as a rule, to challenge and broaden existing information inside the points of confinement of basic jumping suspicions. The theoretical framework is the structure that can hold or bolster a theory of a study. Here are diverse theories with close relations to the study.

2.8.1 Disconfirmation Theory

Disconfirmation theory contends that 'fulfillment is identified with the size and heading of the disconfirmation encounter that happens because of looking at service performance against the customers' desires. Szymanski and Henard found in the meta-examination that the disconfirmation worldview is the best indicator of consumer loyalty. Ekinici *et al.*, (2004) refers to Oliver's refreshed definition on the disconfirmation theory, which states "Fulfillment is the visitor's satisfaction reaction. It is a judgment that services or products highlight, or the service or product itself given (or is giving) a pleasurable level of utilization related satisfaction, including levels of under-or over-satisfaction". Mattila, An and O'Neill, J.W. (2003) talk about that "Among the most well-known fulfillment speculations is the disconfirmation theories, which contends that fulfillment is identified with the size and course of the disconfirmation encounter that happens because of contrasting services performance against desires of the customers.

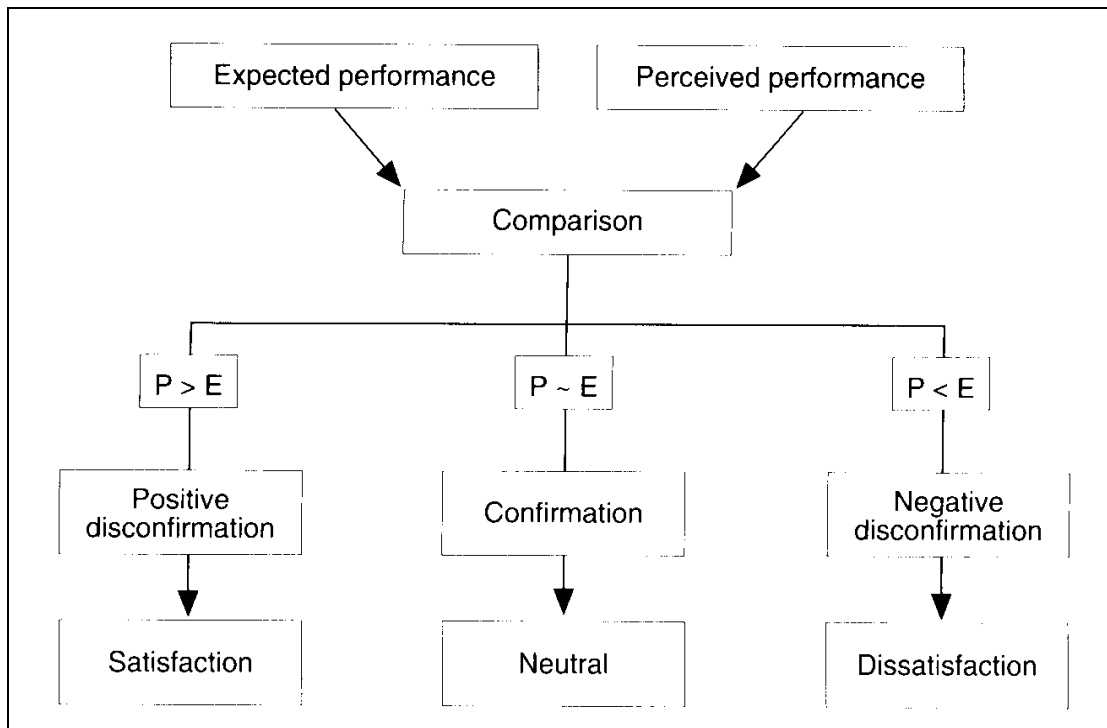


Figure 2.1: Disconfirmation Theory

Source: Adopted from Ekinçi (2004 p.190)

Fundamentally, fulfillment of customer's expectation is the aftereffect of direct encounters with items or administrations, and it happens by looking at recognitions against a standard (e.g. desires). Research likewise shows that how the administration was conveyed could easily compare to the result of the administration procedure, and disappointment towards the administration frequently essentially happens when visitor's observations don't live up to their desires.

The pertinence of this theory to the investigation is that it endeavors to demonstrate the importance between clients' fulfillment and performance of the organization as it were that, by the day's end the successful execution of the association will rely upon the administration or item gave to the customer satisfaction.

2.8.2 Hypothesis Testing Theory

A two-step model for satisfaction generation was recommended by Deighton (1983). To begin with, Deighton theorizes, pre-buy data (to a great extent promoting) assumes a generous part in making assumptions regarding the products clients will gain and utilize. Clients utilize their involvement with item/services to test their desires.

Second, Deighton trusts, clients will tend to endeavor to affirm (as opposed to disconfirm) their desires. Vavra, (1997) contends that this theory recommends clients are one-sided to emphatically affirm their item/benefit encounters, which is an as a matter of fact idealistic perspective of clients, however it influences the services of proof a critical showcasing to apparatus.

The pertinence of this theory to the examination is that it demonstrates the unadulterated character of clients who likes to test their desires for the products or services in require. As observed before encounter matters when comes to customer satisfaction be that as it may, it is the part of the organisation to make greater headway on the services they offer to carter the desires for the clients. It is through this theory, the reality of continually making a stage a heard contender is being detailed.

Notwithstanding, the theory demonstrates the test that ascents of un-assurance on the desires for the clients. It is anything but a basic undertaking to decide the view of the client. This to certain route prompts un-assurance for the best possible amusement to the client, which may cause un-fulfillment and thus prompt poor performance of the organisation.

2.2.9 Extent to Which Organization Culture Influence Customer Satisfaction

Bellou, (2007) defines organizational culture as the shared norms, beliefs, ideologies that influences, or affects the way an organization does its business. Schmitt (2000) then again places that organizational culture has three levels that decide its commitment with the interior and outer world. This incorporates: organizational culture: values, artifacts, strategies, and basic assumptions. To this, Martey (2015) contends that hierarchical qualities, essential suppositions and procedures do impact consumer loyalty in the managing an account division. Further, he takes note of that there exists a connection between banks culture and consumer loyalty.

Moreover, Anderson *et al.*, (1993) battles that making of client benefit encounter that improves consumer loyalty is dependent upon the banks culture, and how the banks culture educates and impacts client driven methodologies and needs. Hierarchical culture can be communicated or inferred in view of authoritative structures and chains of command that formally or casually enable the way of life to grab hold (Ambroz *et al.*, 2008). Bellou (2007) battles that organizational culture is fundamental in shaping example of shared convictions and demeanors that the association and its clients use to attribute significance, in their everyday cooperation.

For example, in the keeping money part, if the convictions rotate around the idea that consumer loyalty is premium, at that point representatives and supervisors embrace positions that complete those positions that make the coveted impact in consumer loyalty, notwithstanding, if the bank culture and disposition is more corporate driven, at that point bank workers will receive positions that will realize the corporate driven approach (Githiri, 2015).

Similarly, Odunlami *et al.*, 2011 fights that if a banks shared conviction are couple with consumer loyalty targets, at that point the bank will think that its less demanding to coordinate client driven mentalities.

That can encourage consumer loyalty. In any case, a bank has shared convictions are opposed to any change inside the association, at that point the bank will think that it's hard to react to dynamic and changing needs of clients. All things considered, hierarchical culture can thwart an association from increasing any upper hands that can upgrade client (Githiri, 2015).

2.2.9.1 Organizational Values

According to Lam *et al.*, (2004), organizational values are defining as the general criteria, or rules that guide the conduct or individuals inside an association. Hierarchical qualities in this manner impact how client's interface or connect with the association. In the saving money area for example, each particular bank conduct impact how individuals from the bank collaborate with clients. Gamba (2015) similarly noticed that hierarchical qualities are made of terminal and instrumental qualities. Terminal qualities are characterized as those qualities that have results that an association try to accomplish. This incorporates upper hand, proficiency, adequacy, nature of administrations and items (Khalid *et al.*, 2011).

For terminal qualities inside an association to be framed, the association needs to instruct or prepare its representatives on new qualities that have been expedited board consistently (Zeithaml, parasuraman and Berry, 1990). Banks ought to set up consistency in their inward terminal qualities, and how it settles in these qualities to

improving consumer loyalty. This should be possible in the way and way in which representatives prepared concerning client mind. Consumer loyalty ought to be connected to values that improve upper hand, productivity magnificence and quality execution, without which, representatives will think that it's hard to esteem consumer loyalty as a fundamental piece of their work (Yirenkyi, 2012).

Further, the significance of terminal qualities are accentuated by Githiri (2015) who takes note of that the bank workers and administration should mark themselves in a way that mirrors a positive observation on client relations and fulfillment. Under authoritative culture, instrumental esteem is characterized the way of life that sustains wanted conduct (pike and Neale, 2006). In the managing an account segment, methods of conduct incorporate how decent variety as far as sexual orientation, nationalities, premiums bunches are spoken to; how hard-working attitude is illustrated, and how work units and work self-governance is organized inside the bank (Schmitt, 2000). Information of consumer loyalty standards in some cases isn't characterizes in many associations. In banks, be that as it may, these approaches are characterized; however, banks as a rule work like storehouses. Individuals inside various divisions like fund or treasury or activities won't not fathom or see how the front work area representatives esteem client relations and consumer loyalty (Martey, 2015).

There are inclinations for smaller than usual societies inside associations that feed into the general hierarchical culture. It is here and there troublesome for banks to report instrumental qualities, or how to decide if the instrumental qualities including esteem that improves client experience and fulfillment (Githiri, 2015). Be that as it may,

which the approach of innovation, banks can catch even commonplace practices, and record then to analyze designs that may frame instrumental qualities. Schein (2011) takes note of that hierarchical example of shared convictions in banks do advance rapidly since the turnover in banks is higher because of high rivalry among banks for experienced representatives (Gupta, 2002). Bellou (2007) contends that segments of authoritative culture are hard to quantify since various banks have distinctive esteem frameworks and societies; consequently, institutionalizing society in order to extricate presence of a relationship is troublesome. Facilitate they contend that most specialists utilize base banks, from which they measure comparative culture characteristics, nonetheless, this technique invalidates the way that immense piece of hierarchical culture is casual.

2.2.9.2 Organizational Artifacts

Artifacts are the superficial activities that one sees or hears when interacting with an organization (Gupta *et al.*, 2005). This is the situation especially when another client an association. In banks, new clients stroll in for keeping money benefits on an hourly premise. Discernments and initial introductions of the banks antiques can improve a client's perspective of the bank, or always annihilate clients' perspective of the bank (Githiri, 2015). Schmitt (2000) contends that there exists a critical connection between authoritative ancient rarities and consumer loyalty.

Gupta (2002) noticed that curios go past authoritative convictions, to incorporate stories that dilemma an association together. Further, this incorporates exercises that shape the association and even illustrations that motivate individuals from the association into a given reason for activity. Hierarchical examples or schedules

additionally shape some portion of authoritative ancient rarities that impacts culture that impacts how the association treats its clients (Ambroz and Praprotnik, 2008).

2.2.9.3 Organizational Basic Assumptions

Gupta (2002) defines organizational basic assumptions as components of organizational culture that stipulates the underlying reasons as to why members of a given organization interact. Essential suspicions are typically implanted inside individual individuals' conduct inside the association. Suspicions can be formalized or casual (Gupta *et al.*, (2005). Similarly, fundamental suspicions can be characterized as convictions that an association has practiced over an extensive stretch of time those individuals who join the association need to submit to those tenets (Ian Smith, 2003).

As indicated by Gupta *at el.*, (2005) authoritative presumptions can likewise constitute how an association conveys its administrations; how honest and association is in managing inward and outer specialists and partners. In the managing an account part, essential suspicions can be shown in how the bank treats distinctive classes of clients. So also, how an association manages clients in honesty decides the level of fulfillment clients can draw.

Hierarchical qualities, for example, honesty and demonstrable skill do frame some portion of authoritative culture that hastens through the association in connection to how the association collaborates with clients. In the saving money segment, there is a considerable measure of contact amongst clients and the managing an account staff. It is of central significance that banks figure out how to degree warmth, polished

methodology, and furthermore how to manage honesty towards their clients as a method for improving consumer loyalty (Schmitt, 2000).

2.10 Empirical Studies

This section reviews various other studies related to Customer satisfaction. This review is important as Tayie (2005) noted that it provides information about what was done, how it was done and what results related to the study were generated. The following are the reviewed empirical studies:

The study by Fozia, Shiamwama, and Otiso (2014) on Impact of Customer Relationship Management as a Strategy for Competitive Advantage in Kenyan Public Universities: A Case Study of Moi University, the study revealed that customer relationship expanded client trust in their items, expanded rehash buys, enhanced client trust in the company, upgraded client associations with the organization and its projects and enhanced how clients view the organization as a rule. It was likewise discovered that Consumer loyalty builds client trust in the items, expands responsiveness to showcasing efforts, enhances client trust in the company, enhances client certainty to the organization's projects and enhances how clients see the organization in general.

The study by Githaiga (2013) on Customer Relations as a Strategy to Gain Competitive Advantage in The Banking Industry in Kenya: A Case Study of Kenya Commercial Bank revealed that customer satisfactions enhance the performance of the company, through customer satisfaction, increased profitability, organization learning and market productivity and effectiveness. Also, customer expectations were

identified as a major issue in customer relationship management. The study recommended that firms that are serious about gaining the benefits of Customer satisfaction must continuously undertake research for it to fully understand the needs and expectations of its customers and provide products and services that satisfy these needs.

Moreover, the study concluded that communication is an important facet for effective implementation of Customer satisfaction. The study recommended that firms should enhance communication with customer and partners to enhance the building of relationships. In fact, this is important for the building of relationship marketing where the focus is on trust, provision of information and knowledge to enhance the making of proper decisions.

The study by Munyiri (2014) on Competitive Strategies and Customer Retention among Commercial Banks in Kenya. The study revealed that there is a noteworthy connection between cost administration methodologies and consumer loyalty, likewise the cost initiative system has empowered the banks to offer administrations in a more extensive market at the least costs. The examination uncovered that the consumer loyalty is the wellspring of upper hand and money related execution among business banks in Kenya.

The study by Madhovi and Dhliwayo (2017) on the relationship between Customer Relationship Management (CRM) and performance in the hotel industry. The study uncovered that there is an abnormal state of Consumer loyalty among the inns in the City of Tshwane, South Africa. It additionally demonstrated that Consumer loyalty is

decidedly and fundamentally identified with execution and this is affirmed by the high recorded superior levels inside the example considered.

The study by Wachira and Were (2016) on Effect of Customer Relationship Management on Perceived Organizational Performance: A Case Study of Family Bank Limited. The study found out that Consumer loyalty positively affects the execution of the bank. The bank's proceeded with enhanced execution will rely upon how well the client relationship is overseen and how the clients will be charmed/happy with the level of their involvement with the association. A decent connection amongst representatives and the administration of the association exchanges to the association with clients as great relationship from the best administration will naturally be passed to the affix prompting fulfilling client administrations. The selection of Data innovation in the bank has enormously influenced the task procedure and influenced the execution essentially.

The study by Fonseca (2014) in Portuguese banking sector sought to determine whether there banking service responsiveness contributed to customer satisfaction and retention. The study established that banks reaction to client's questions in an auspicious way contributed essentially towards the relationship. Ernst and Young (2014) on customer satisfaction in the global banking noticed that responsiveness implies distinctive things to various societies around the globe. For example, clients in the USA, UK, and Germany, esteemed time so much that they showed responsiveness as an element of time. Time is amazingly basic. Clients' in this societies require managing an account administration done speedily, without having them line up in

heating corridors pursuing administrations. In any case, in India, clients appraised association with the managing an account teller, as their esteemed type of reaction.

The study by study conducted in South Africa by Wruuck (2013) showed the presence of a huge connection between banks substance and consumer loyalty. Subsequently, is vital for banks to take note of the critical parts of their substantial quality that makes clients happy with the bank and the banks administrations.

The study by Wang, Lo, Chi, and Yang (2014) study on focused on perceptive elements of customer satisfaction at the point of interaction with the bank's tangible aspects, the study found that the clients' idea of fulfillment is either fixed, framed, or acclimated, at the purpose of interaction.

The study by Aydin and Ozer (2011) demonstrated that modern banking customers have a fondness towards portable keeping money and feel fulfilled if their bank has the capacity to offer mobile banking platforms. Managing an account client are known to switch banks if the bank doesn't offer mobile banking.

The study by Arokiasamy (2013) in Malasya indicated the existence of a relationship between customer mobile banking and customer satisfaction, and by this noted that mobile banks approaches included: Designing banking services that are unique, and only utilized in a mobile banking platform; integrating other banking channels with mobile channel; enriching mobile banking platforms to complement other banking services, and also providing banking Apps for use in smart phones.

2.11 Research Gap

Most studies reviewed, such as Githaiga (2013), Fozia, Shiamwama and Otiso (2014), Madhovi and Dhliwayo (2017), Wachira and Were (2016) and Kapologwe (2013) focused on Customer relationship management and organisation performance. However, none of these studies assessed correlation between customer satisfaction and organization performance in National Insurance Cooperation, Tanzania.

2.12 Conceptual Framework

Bailey (1987) defined a conceptual framework as a visual or composed product, one that "clarifies, either graphically or in account frame, the primary things to be contemplated, the key elements, ideas or factors and the assumed connections among them". The term is utilized in a more extensive sense that incorporates thoughts, convictions that somebody holds about a specific challenge of the study. The conceptual framework beneath demonstrates the interrelationship between the dependent variable and independent variable.

In this study the independent variable will be customer satisfaction which will incorporate responding to the customer's needs, nature of data, nature of services, customer service performance benchmarks and minding and subordinate variable will be organisation performance from with there will be financial performance and market performance. The study concentrated on finding the learning and writing on the commitment of consumer loyalty towards hierarchical execution. In this sense the examination will center around finding the degree to which customer satisfaction add to authoritative performance. The graph beneath demonstrates the connection between free factor (consumer loyalty) and ward variable (authoritative performance).

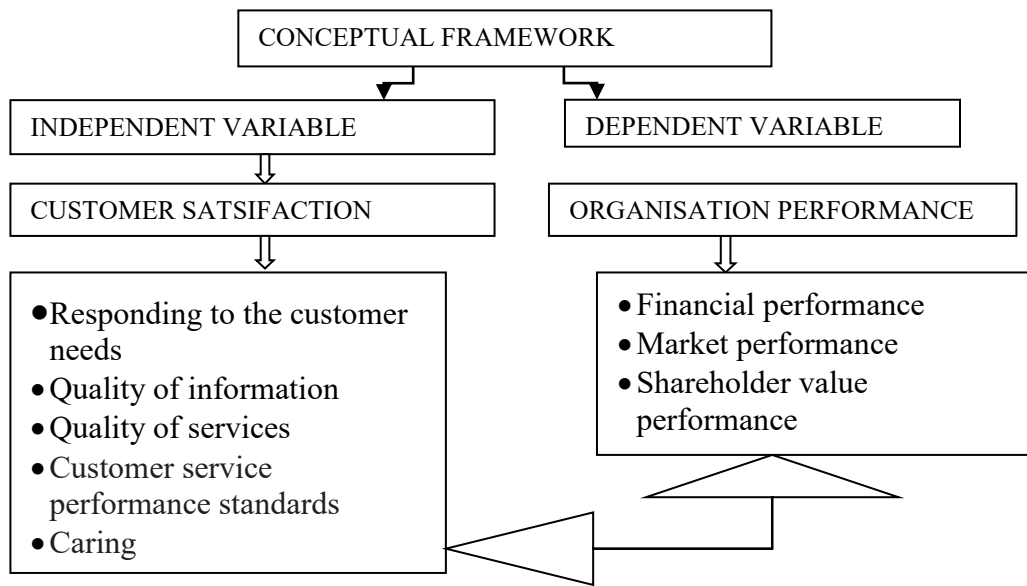


Figure 2.2: Conceptual Framework

Source: Researcher, 2017

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology of the study in which the research design, area of study, target population, sample and sampling techniques, data collection methods, validity and reliability and validity of study, data analysis techniques used to analyse data and ethics of research have been described.

3.2 Research Design

This section describes the plan, structure and strategy of investigation that was employed so as to obtain answers to research questions in this study (Kothari, 2008). Yin (2003) defines research design as the arrangement of conditions for the collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. This study employed case study design due to the following reasons: first, the quest of the in-depth investigation of the correlation between customer satisfaction and organisation performance as suggested by Yin (2003). Second, the researcher wished to triangulate the study through fully uses the potential of multiple methods (Ary , Jacob and Razavieh , 2000).

3.3 Study Approach

There are three main research approaches used in research; namely qualitative, quantitative and mixed approach. Qualitative research is intended to disclose an audience's perceptions and behaviors with reference to particular topic. The results of qualitative research are descriptive (Creswell, 2009).

On the other hand quantitative approach is the systematic empirical investigation of observable phenomena through statistical, mathematical or computational techniques. It involves the collection and analyzing numeral data and applying statistical analysis (Kumar, 2002).

Based on the nature of this study, both qualitative and quantitative approaches were employed; the study used the interview method to collect descriptive information, and thematic technique to analyze the qualitative data. While questionnaire used to collect numerical information, and statistics descriptive technique was used to analyze quantitative data.

3.4 Area of the Study

The study was conducted in Morogoro Municipality, specifically at National Insurance Cooperation –Morogoro Branch. Morogoro municipality is located about 195 Kilometer to the west of Dar es Salaam Region and is situated on the lower slopes of the Uluguru Mountains whose peak is about 1,600 feet above the sea level. It lies at the crossings of longitudes 37.0 east of Greenwich Meridian and latitudes 4.49 south of the equator.

The Municipality is one of the seven districts of Morogoro region. Other districts are Kilosa, Kilombero, Ulanga, Morogoro rural, Gairo and Mvomero. According to the Census of 2012, the population of the Morogoro Municipality is 315,866 people. National Insurance Cooperation was selected due to the fact that has been facing the challenges of low level of customer satisfaction (Tanzania Insurance Regulatory Authority, 2017).

3.5 Population of the Study

The population of this study included customers and public relation officers at National Insurance Corporation, Morogoro branch. Reasons behind choosing these respondents are that, they have aptitude data relating the study. This helped a researcher to conduct the study in cost effective manner, on the grounds that researcher got data from relevant respondents in short period of time.

3.6 Sampling Technique

This study employed two sampling techniques, which are purposive and convenience sampling techniques.

3.6.1 Convenience Sampling

Convenience sampling is a type of non-probability sampling technique where subjects are chosen in light of their advantageous accessibility and vicinity to the researcher. In this study, this sampling technique was employed to select customers for the study.

3.6.2 Purposive Sampling

Purposive sampling technique is the method was used to select respondents for the study without providing every item of the population the equal chance of selection (Levy and Lemeshow, 2013). In this study purposive sampling was employed to intentionally to select public relation officers for the study who have adequate information concerning customer satisfaction and organizational performance at National Insurance Cooperation.

3.7 Sample Size

Doherty (1994) argued that a sample of 30 elements and above is sufficient for both qualitative and quantitative study approaches. This number is corroborated by Levy

(2013) who argued that a sample size larger than 30 and less than 500 are appropriate for most studies. Therefore, the sample size for this study consisted 50 respondents. With small sample size, the researcher was able to make in-depth investigation of the correlation between customer satisfaction and organization performance at National Insurance Corporation.

3.8 Data Collection Methods

This section describes the methods for data collection. In the course of data collection, the study will employ primary data, which were collected by using the questionnaire and interview methods.

3.8.1 Interview Guide

Interview was used to collect primary data from public relation officers at National Insurance Cooperation- Morogoro Branch. The interview guide was prepared to direct the two ways systematic conversation between the researcher and the respondent; the interview was initiated by researcher to obtain relevant information for the study. The interview was chosen because it is a suitable method for getting in-depth information concerning the study.

3.9.2 Questionnaire Guide

The study employed both closed and open questionnaires to collect primary data from customers. The questionnaires were being administered to customers so as to get large amounts of information in a short period of time and in a relatively cost-effective way. Also, the questionnaires consisting fact-oriented questions and questions about subjective experiences were administered. Fact-oriented questions were used to elicit

objective information on issues such as the respondents' background (example age, education and sex), while questions related to subjective experiences were used to gain information on correlation between customer satisfaction and organizational performance, the extent to which it meets customer satisfaction, also to know customer satisfaction preferences, and challenges it faces on meeting customer satisfaction at National Insurance Cooperation.

3.9.3 Document Review Method

Document review method involved the study of existing documents, to understand their substantive content as well as to illuminate deeper meanings, which may be revealed by their style and coverage. This was properly explained by Yin, 2003 in his findings; whereby the study included public documents, personal documents and researches other similar documents. In addition to the above two, it was important to review the available literature – including reports and newspaper articles with relevant to understanding the Contribution customer satisfaction to the organizational performance.

3.10 Validity and Reliability

Validity and reliability of the gathered information ought to be checked all together that the study delineated the truth and the wanted result (Saunders, Lewia and Thornhil, 2007). The validity and reliability profoundly considered in this study.

3.10.1 Validity of the Study

The term validity refers to the conceptual and scientific soundness of the research study or investigation and the primary purpose of all forms of research is to produce

valid conclusions (Bailey, 1987). Also, refers to the trustworthiness, credibility or how truthful the research results are (Yin, 2003). Questionnaire and interviewee instruments for this study were subjected to tests for legitimacy to figure out if they require changes or not. The researcher conducted a pilot investigation of 10 respondents to set up validity of the study.

3.10.2 Reliability of the Study

Reliability refers to the consistence of the measurement technique (Kothari, 2008). Kothari (2009) refers reliability to the degree to which there is consistency in results when different observers or the same observer on different occasions uses the same measuring instrument (Saunders, Lewis and Thornhill (2007).

The researcher used test-retested method to measure the reliability of the questionnaire and interview instruments. The same questionnaire and interview questions were administered twice to the same 10 respondents in two different occasions within a week. Then the responses of the same questionnaire and interview instruments measured in two different occasions were correlated to determine to which extent the responses were consistent.

3.11 Data Analysis

Data analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data group (Creswell, 2009). In this study, both qualitative and quantitative data analysis techniques were applied to analyze the data for each research objective. A thematic analysis technique was used to analyze qualitative data, whereby the qualitative data were coded and analyzed to recognize

the basic subjects in connection to customer satisfaction towards organizational performance at National Insurance Corporation. The basic subjects were merged into large themes for the conclusion; the qualitative data were presented in form of direct quotations. Likewise, descriptive statistical technique was used to break down quantitative information, whereby the information were coded and analyzed through Statistical Package for Social Sciences (SPSS version 19.0) Computer programs.

3.12 Ethical Consideration

Ethical standards were observed in the planning and conducting of the study. The researcher secured research clearance from Open University of Tanzania, also researcher requested for research permit from National Insurance Corporation-Morogoro Branch. The study was conducted with the consent of the respondents after being informed about the purpose of the study, and it was their choice to participate. The researcher observed the right to privacy of the respondents and the confidentiality of their information.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF THE FINDINGS

4.1 Introduction

This chapter contains presentation of the study findings from the analyzed data collected from the case study. The presentation of study findings focusing on answering the identified research questions in order to meet the specific objectives of the study. The presentation is in response to the findings of each study objective.

4.2 Demographic Characteristics of Respondents

Demographic information of respondents collected in the study included; gender, age, educational level and employment.

4.2.1 Respondents' Distribution by Sex

The study examined respondents' distribution by sex, so as to reveal how women and men treated as customers. The findings revealed that 30 respondents equal to 60% were male and 20 respondents which are equal to 40% were female. The finding reveals that large number of respondents in this study was male as table two presents.

Table 4.1: Respondents' Distribution by Sex

Sex	Frequency	Percent
Male	30	60
Female	20	40
Total	50	100

Source: Field Data, (2018)

Thus, findings imply that, most customers are women at the rate of (60%) as the findings reveals while (40%) of the total population involved respondents revealed to be men.

4.2.3 Respondents' Distribution by Age

Results on the age of respondents showed that, 3 respondents equal to 6% were of age between 20-25, 10 respondents which is equal to 20% were of the age between 26-30, 10 respondents equal to again 20% were of the age between 31-35, 12 respondents equal to 24% were of the age between 36-40 and finally 15 respondents that is equal to 30% had the age of 46 and above. The results of this finding entail that large number of respondents were of the age of 46 and above as table three reveals.

Table 4.2: Respondents' Distribution by Age

Age	Frequency	Percent
20 – 25	3	6
26 – 30	10	20
31 – 35	10	20
36 – 40	12	24
46+	15	30
Total	50	100

Source: Field Data, 2018

These findings imply that most respondent are aged between 46+ followed by respondents aged between 36-40. Indeed, it is at this age that most respondents can make their own decisions on the kind of service they require.

4.2.4 Respondents' Level of Education

Also, the study focused to examine the respondents' educational level. The researcher gave respondents options to reveal if they were of undergraduate level or postgraduate level. The results of the finding revealed that 39 respondents that are equal to 78%

were of undergraduate level and about 11 respondents equal to 22% revealed that they were under postgraduate level option. This finding entails that large number of respondents that is equal to 78% were of undergraduate level as in the Table 4.3.

Table 4.3: Level of Education

Education Level	Frequency	Percent
Undergraduate	39	78
Post graduate	11	22
Total	50	100

Source: Field Data, 2018

4.2.5 Respondent's Membership

The researcher intended to make sure that respondents dealing with were all members of the National Insurance Corporation. Therefore, the researcher asked respondents to reveal if they were members. The study revealed that all respondents thus equal to 100% were members of the national Insurance Corporation as graph Table 4.5 depicts.

Table 4.4: Respondent's Membership (N=50)

Membership	Frequency	Percent
Yes	50	100
No	0	0

Source: Field data, 2018

These findings imply that all involved respondents in this study were members of the National Insurance Corporation. Thus the corrected data were accurate.

4.3 The Relationship between Customer Satisfaction and Organization Development

This was the first study objective that focused to examine the relationship existing between customer satisfaction and organization performance. The findings were revealed through distributed questionnaires and interviews to the respondents.

4.3.1 Satisfaction of the services provided by National Insurance Corporation (NIC)

The study aimed to find out whether respondents were satisfied with services that have been by NIC. Results revealed that 78% equal to 39 respondents were satisfied with services provided by the NIC and about 22% equal to 11 respondents were not satisfied with National Insurance Corporation services as shown in the Figure 4.1.

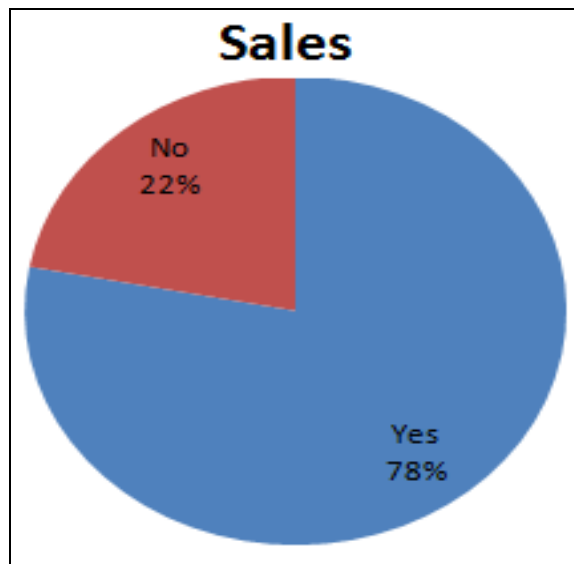


Figure 4.1: Satisfaction with Services Offered by NIC (N=50)

Source: Field Data, 2018

The findings show that to the highest level, respondents were satisfied with the services provided at National Insurance Corporation. This is due to the qualitative

customer care service provided among customers by the employees of the entire organization.

4.3.2 Relationship between Satisfaction of Customers and Performance of the Organization

In this aspect, researcher intended to reveal whether there was a relationship existing between customer satisfaction and organization performance. The study revealed that 80% equal to 40 respondents agreed that there was existence of relationship between satisfaction of customers and organization performance and about 20% equal to 10 respondents disagreed as shown in Figure 4.2.

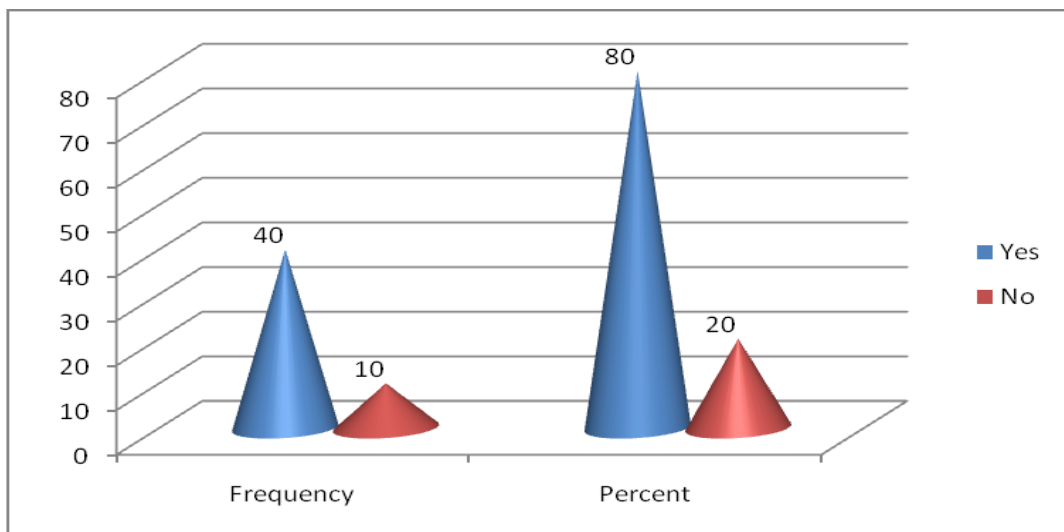


Figure 4.2: Relationship between Satisfaction and Organization Performance (N=50)

Source: Field Data, 2018

This finding implies that high relationship exists between satisfaction of customers customer performance of the organization. This means the highest satisfaction of the customers leads to high performance of the organization. Also, poor satisfaction of customers leads the organization to achieve poor performance.

Meanwhile, when interviewing respondents, a lot of other facts were given concerning on the relationship existing between satisfaction of customers and performance of the organization.

One of the respondents had the following comment:

“Customer satisfaction is very important to the organization; it gives an understanding as to where the organization shall make improvements to meet their needs. When needs are met the organization is in a good position of maintaining customers which may stabilize the business”

Another respondent said that:

“Customer satisfaction is like a catalyst of organization performance. When customers are satisfied, become repetitive customers and they are likely to welcome their fellows to join the organization which is beneficial for the improvement of the organization performance”

Furthermore, another respondent when interviewed about the matter replied with the following statement:

“I am telling you, customer satisfaction is a big motivation to employees. When customers are satisfied, employees feel motivated to continue providing the same level of service or improve more so as to carry on attracting customers to continue receiving services from us. When this process occurs, it is expected that the performance of an organization will improve”.

Moreover, the other respondent replied that:

“Valuing customers is a big step towards improved organization performance. Customer satisfaction provides the feedback that the organization is moving on the right track. This gives managers courage and opportunities to evaluate themselves and come up with strategies continuing to maintain customers. This provides hope that the organization is improving”

These all responses from the respondents tended to prove that positive relationship exist between satisfaction of customers and improved performance of the organization.

4.4 Extent to which Organization Considers Customer Satisfaction

This was the second study objective that aimed to find out the degree to which organizations consider the satisfaction of customer. Findings were revealed in both distributed questionnaires and interview. The findings are illustrated bellow:

4.4.1 Customer Satisfaction Matters to Organization Performance

In this part the researcher aimed to find out if customer satisfaction matters to organization performance. The findings revealed that majority of respondents 39 equal to 78% replied that customer satisfaction matters in organization performance and few respondents 11 equal to 22% provided that customer satisfaction did not matter to organization performance as shown in the Figure 4.3.

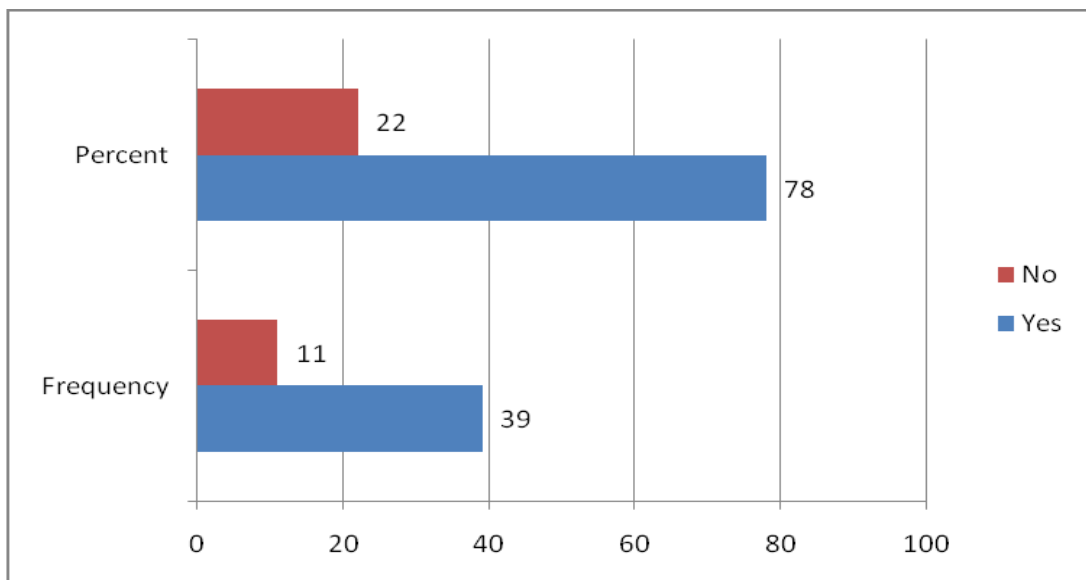


Figure 4.3: Customer Satisfaction Matters to Organization Performance

Source: Field Data, 2018

This implies that customer satisfaction matters to every organisation unless the entire organisation does not want to grow. The findings revealed by the researcher signify

that view. On the other hand, when responding to the interview respondents showed to accept that customer satisfaction in most cases is the first priority to organizations.

To concur with that few respondents said the following:

“Customer satisfaction is very essential to the improvement of organization performance; it gives the foundation and provides knowledge about where the organization should make improvement in order to maximize profit at the expense of customers. Each organization has a business strategy and such strategy is developed to meet the organization goals, meeting the organization goals depends on the brand of the organization towards its customers especially organization like this which depends to customers. For that matter if clients are maintained helps the organization to implement its business strategy”

On the other hand, the other respondent said that

“Meeting customers’ need is like a catalyst to organization performance, most of organizations sell the services and products to customers and it is from them that the organization can meet its needs. In this aspect organization are always at war of being innovative and creative in order to attract customers and maintain what they have. The processes very essential and it maximize the profit of an organization; Customers who are satisfied become permanent customers who purchase more or who seek for services more. This helps the organization to maximize its profit. In this aspect, customer satisfaction is very essential to the improvement of organization performance”

Drawing from respondents’ arguments above, it can be debated that every organization takes customers into consideration in service delivery. This is due to the fact the survival of any organisation depends on customers and so must be satisfied.

4.4.2 National Insurance Corporation Treatment to Customers

In this part, the researcher intended to find out how National Insurance Corporation was treating its customers. The researcher provided options to respondents to rate as good, customers comes first, customer listening and poor treatment. The findings revealed that 25 respondents that it equal to 50% provided that they were treated in a

good way, 20 respondents equal to 40% provided that to National Insurance Company customers comes first, about 3 respondents that is equal to 6% provided that National Insurance Corporation were listening to customers and only 2 respondents equal to 4% said that the organisation were treating customers poorly as shown in the Figure 4.4.

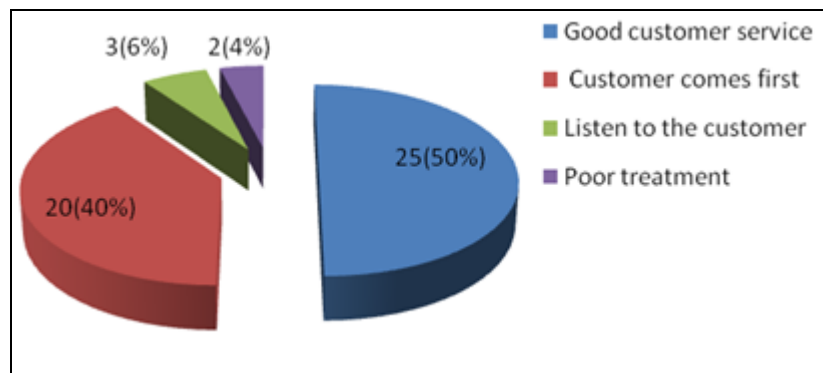


Figure 4.4: National Insurance Corporation Treatment to Customers (N=50)

Source: Field Data, 2018

The findings imply that the National Insurance corporation is offering a good customer care service to its customers no wonder many individuals prefer it. This was proven by the findings, which indicated 50% of all respondents to be saying that the entire organizations treatment to customers was good.

4.5 Customer Satisfaction Preferences

This was the third objective of the study, which meant to find out the preferences of customers, which would lead to their satisfactory. The findings were revealed through questionnaires as to be illustrated below:

4.5.1 Customer Satisfaction Preferences

In this part the researcher intended to find out the customer satisfaction preferences. The study revealed that majority of respondents 29 equal to 58% said that customers

wanted to be handled fairly, 11 respondents equal to 22% revealed that customers wanted to be listened and 10 respondents equal to 20% revealed that customers wants to save time as the table below provide.

Table 4.5: Customer Satisfaction Preferences (N=50)

Preferences	Respondents	Percent
To be handled fairly	29	58
To be listened	11	22
To save time	10	20
Total	50	100

Source: Field Data, 2018

The above findings imply that customer have their references for satisfaction and these includes fair handling at a high rate followed by listening and at last they prefer saving of their time. This means that if an organization wants to entertain customers to their satisfactory among many facts it should consider treating them fairly as the major fact and then listening to their needs and saving their time. By so doing the organisation will satisfy its customers and maintain them.

It because of considering these preferences of the customers the National Insurance Corporation has maintained its customers for decades because it provides with them what they required as their preference.

4.6 Challenges of Customer Satisfaction Facing Organizations

This was the fourth objective of the study, which meant to find out the challenges facing organizations in struggle to satisfy their customers. The findings were revealed through distributed questionnaires and interview as illustrated below:

In this part the research aimed to find out if there was any obstacle to organizations in implementing customer satisfaction. The study revealed that majority of respondents 33 equal to 66% agreed that there were obstacles facing organizations in attempt to satisfy customers while about 17 respondents equal to 33% revealed that there were no obstacles facing organizations in customer satisfaction process as in the Figure 4.5.

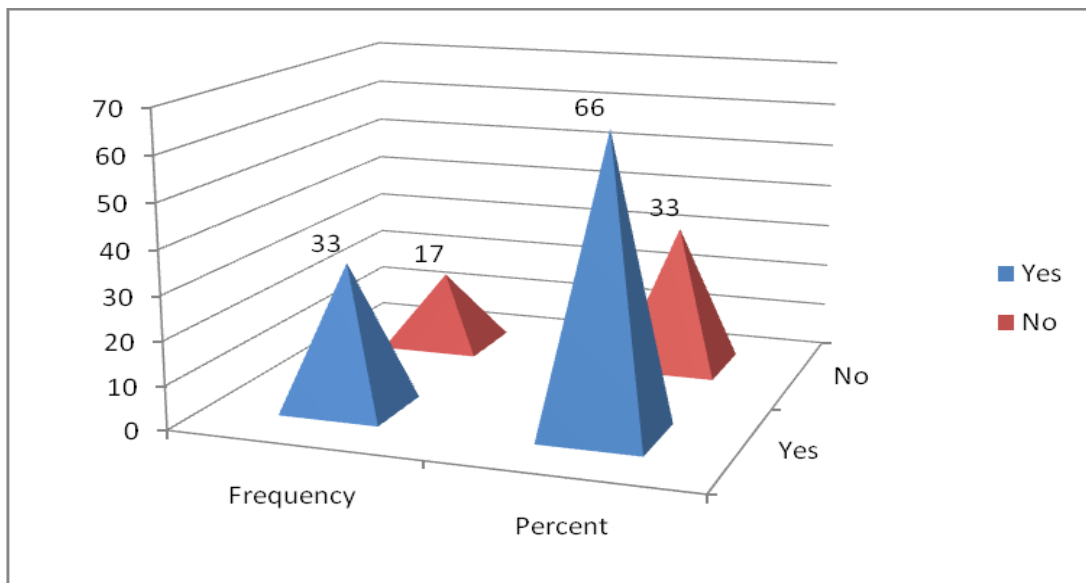


Figure 4.5: Challenges of Customer Satisfaction Facing Organizations (N=50)

Source: Field Data, (2018)

These findings imply that there exist challenges facing organizations on struggle to satisfy their customers. This was evidenced during the interview when respondents were asked to reveal the kind of challenges facing on the struggle to satisfy customers. Their responses are presented through the mode of quotation. Thus one of the respondents said that:

“The issue facing most companies/organization in implementing customer care is the readiness of employees to treat customers rationally. It is difficult to predict employees’ behavior, which makes it hard for managers to control employees in treating fairly customers in a same manner. One more thing is that the budget of implementing customer care is a problem. The organization has to compete against

current and potential competitors who are everyday developing new strategy of satisfying its customers. In this aspect, the organization has to emergently develop a strategy of improving customer care in order to continue attracting and maintaining its customers. The implementation of emergent strategy requires funds of which at some points the company may not have it”.

On the other hand, another respondent said that

“The management illusion towards customers; where at certain time the management may believe in some ways is satisfying customers through certain services offered while customers thinking differently about what they expect from the company. This unpredictability of customers thoughts makes it hard for one to know their internal feeling versa vis the offered service; the other challenging situation is that “Sometimes, customers may need response to a certain question that the employee cannot answer at that time. This can bore customers and therefore beginning to lose faith with the company”

While those respondents said so, the other replied that

“Even though organizations do not have skilled customer care professionals due to poor budgeting but yet it is not easy to satisfy a human being by nature because the more places him/herself to the disposal of the customer the more the customer requires more; this is the biggest obstacle in customer satisfactory industry”.

Referring to answers from respondents, several challenges face the organization in customer satisfaction including employees’ readiness to priorities customers, inadequate organization budget, daily competitions, unpredictability of customers’ behavior, failure to provide answers on time and lack of skilled/professional individuals in customer care industry.

4.6.1 Ways to Overcome the Challenges Facing Customer Satisfactory among Organizations

The researcher wanted to find out the easy which can be employed to overcome the challenges on customer satisfactory. The findings revealed that 12 respondents

equivalent to 24% said that there required training to both employees and customers, 11 respondents equivalent to 22% said that there required employing skilled individuals to handle customers, 14 respondents equivalent to 28% replied that organization must run researches on customer satisfactory if they are to do better and 13 respondent equivalent to 26% thought that there required adequate fund to brand and compete against competitors. Figure 4.6 gives more clarifications.

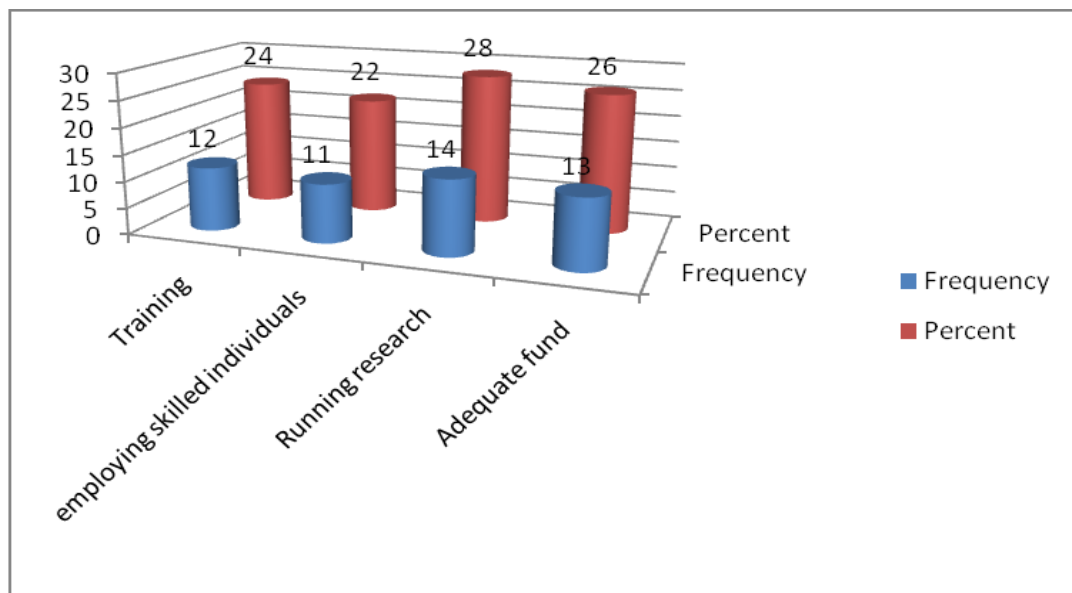


Figure 4.6: Ways to Overcome the Challenges Facing Customer Satisfactory among Organization

Source: Field Data 2018

These findings imply that for a proper customer satisfactory, we require a number of fact to consider such that organisations must run researches on how to handle customers versa vis competitors this will strengthen the organisations service provision and perspective against customers, additionally adequate fund must be made available so as to allow people dealing with brand and customer care to introduce new services that pleases the customers versa vis opponents, also organisations must train

their employees on good customer care practice this will change their perspective and put themselves at the disposal of the customers all the time and on the other hand there required employment of professionals on the field of customer care so as to be introducing new skills every now and then on pleasing the customers. In concretizing these findings few respondents during the interview replied that:

“Organisation need to learn what the oppornent/competitors are doing and act beyond. They should not alllow any best from the compitiors than their. This means the requirememnt for running studies on customer satsifactory is un avoidable at all times of service if the one wishes to do best. This goes along with employing customer care professionals and give them power to handle customers professionally. The problem here is one, bosses wish to be seen in their positions all the time and so never allow professional to give answers of certain questions from customers and for them to repply takes time. This isnt good especially in competitive business environment”

On the other hand, the other respondent said that

“Employees need to be trained on how to handle customers otherwise organisations will continue to performe poor because of shortage of customers. Remember, no individual wishes to be treated like a trash when searching for service that can attain from more than one organisation or cumpony. Threfore, training all employees gives a huge chance to the company to perform better as every individual will be responsible for handling customers”

These responses from respondents cements that although organisation are facing challenges on handling customers yet there are ways to overcome such hindrances. It is the matter of implementing them and allow the organisation to proof high in performance.

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.1 Introduction

It was clear that from the findings, respondents were aware on the contribution of customers' satisfaction towards improving organizations performance. Findings revealed that there was a great relationship between customer satisfaction organizations performance. The extent to which organizations consider customer satisfaction also was high as per findings. The findings also revealed that organizations were aware on customers' preferences for a proper satisfactory.

The study aimed at finding out the relationship between customer satisfaction and organizational development. Most respondents showed that there was a great rapport between the performance of organization and customer satisfaction. This is proven by Odunlami *et al.*, (2013) when he stipulates that consumer loyalty has huge effect on various lattices of business execution; for example, add up to deals, piece of the overall industry, net edge, partner esteem and aggregate incomes. More elevated amount of consumer loyalty unmistakably impacts client maintenance, buy goal and this is brought by a positive informal.

Consumer satisfaction is hardly universal classification since its significance depends on conditions and diverse perspectives and is the result of individual client judgment. Martey (2015) contends that consumer loyalty is an individual class since the client appreciates his own one of a kind way.

This implies Consumer satisfaction can be comprehended as a web of psychological, social and physical factors, which connect with the idea of a fulfilled customer. Based on concentrated research through time, benefit associations must consider consumer satisfaction as a key use point to separate themselves from different associations.

CHAPTER SIX

SUMMARY, CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This chapter contains the summary of the overall study findings from the data collected from the case study. It was followed by the conclusions and recommendations.

6.2 The study Summary

The study aimed to assess customer satisfaction towards organizational performance in Morogoro Municipality at the Nation Insurance Corporation. A case study was employed as research design, while Questionnaire and Interview were used to collect information from the field in order to address the research objectives. Thematic technique was used to analyze qualitative data, which were presented through direct quotations for each research objectives. Descriptive statistics was used to analyze quantitative data, which were presented in percentage and frequency. The study found that there is high relationship between satisfaction of customers and performance of the organization. In a sense that the highest satisfaction of the customers leads to high performance of the organization and on the other side, poor satisfaction of customers leads to poor performance of the entire organization. Moreover, customer satisfaction matters to every organization unless the entire organisation does not want to grow. The findings revealed by the researcher signify that view. Also, when responding to the interview respondents showed to accept that customer satisfaction in most cases is the first priority to organizations.

Furthermore, the study revealed that the problems facing satisfaction of customers in organization, include employees' readiness to priorities customers, inadequate organization budget, daily competitions, unpredictability of customers' behavior, failure to provide answers on time and lack of skilled/professional individuals in customer care industry.

Thus, organisations must run researches on how to handle customers versa vis competitors this will strengthen the organisations service provision and perspective against customers, additionally adequate fund must be made available so as to allow people dealing with brand and customer care to introduce new services that pleases the customers versa vis opponents, also organisations must train their employees on good customer care practice this will change their perspective and put themselves at the disposal of the customers all the time and on the other hand there required employment of professionals on the field of customer care so as to be introducing new skills every now and then on pleasing the customers.

6.3 Conclusion

The study concluded that customer satisfaction contributes to organisation performance. This based on the fact that there exists a high rapport between satisfaction customer of satisfaction and performance of the organization; the highest satisfaction of the customers leads to high performance of the organization and on the other side, poor satisfaction of customers leads to poor performance of the entire organization. Furthermore, the study concludes that the challenges facing customer satisfaction includes employees' readiness to priorities customers, inadequate organization budget, daily competitions, unpredictability of customers' behavior, failure to provide answers on

time and lack of skilled/professional individuals in customer care industry. As the way forward, the study concludes that organisations must run researches on how to handle customers versa vis competitors this will strengthen the organisations service provision and perspective towards customers, additionally adequate fund must be made available so as to allow people dealing with brand and customer care to introduce new services that pleases the customers versa vis opponents, also organisations must train their employees on good customer care practice this will change their perspective and put themselves at the disposal of the customers all the time and on the other hand there required employment of professionals on the field of customer care so as to be introducing new skills every now and then on pleasing the customers.

6.4 Recommendations

The study recommends that:

- (i) Any and every organization should conduct researches on customer preference which would will provide a true picture of what is happening within the organization.
- (ii) Notwithstanding the fact that in the research about 4% were found not to be satisfied by the customer care provided by the organization (NIC). It would appear that this is such a small percentage that could not affect the organization. A true picture has revealed itself when other Insurance Companies came into being. So, on that notion, when it comes to the issue of customer satisfaction; we have to ensure that customers are wholly satisfied to a tune of 100% and not less.

- (iii) There are other factors that need to be looked into. Allocation of adequate fund for introduction of new services to cater the purpose of customer satisfaction has to be looked into with keen.
- (iv) Notwithstanding the fact that NIC employs people who have gone to school; a suggestion box to tap what customers need has to be made available. This indeed should be followed by frequent employee meetings, seminars and workshops that will bring about the sense of Customer Care and Services to the employees.

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APPENDICES

Appendix I: Questionnaires- To Customers

Dear Respondents.

The aim of these questionnaires is to collect information about a research titled *“assessment of customer satisfaction towards organizational performance”*

Specifically the study wants to; find out the relationship between customer satisfaction and organizational development; determine the extent to which organizations consider customers satisfaction; find out customers satisfaction preferences and identify the challenges of customer satisfaction facing organizations.

This study and all its final findings are mainly for academic purposes and all responses will be treated confidentially.

Being one among customers you are requested to assist me in this study by responding to the following questions.

Please put a tick, on the space provided.

A: Bibliographic Information

1. What is your gender?

(a) Female ()

(b) Male ()

2. What is your age?

(a) 20-25 ()

(b) 26-30 ()

- (c) 31-35 ()
- (d) 36-45 ()
- (e) Or 46 and above ()

3. What is your education level?

- (a) Certificate ()
- (b) Diploma ()
- (c) First degree ()
- (d) Masters ()
- (e) PhD ()

4. Occupation?

- (a) Employed ()
- (b) Non-employed ()
- (c) Self-employment ()

B: To find out the relationship between customer satisfaction and organizational development

1. Are you a customer at national Insurance Corporation?

- (a) Yes
- (b) No

2. Are you satisfied with the services offered by national Insurance Corporation?

- (a) Yes
- (b) No

3. Do you believe that customer satisfaction can improve the organizations performance?
 - (a) Yes
 - (b) No

4. Basing on the fore question, how can customer satisfaction improve organizations performance?
 - (a) Increase of customers
 - (b) Increase of sales
 - (c) Increase of production
 - (d) a, b & c matters
 - (e) It doesn't

C: To determine the extent to which organizations consider customers satisfaction

1. Do you believe that customer satisfaction matters to the organization's performance?
 - (a) Yes
 - (b) No

2. Do national corporation insurance consider customer before anything?
 - (a) Yes
 - (b) No

3. How does national Insurance Corporation treat customers?
 - (a) Good customer service

(b) Customer comes first

(c) Listen to the customer

D: To find out customers satisfaction preferences

1. What are customers' preferences?

(a) Good customer care

(b) To handled fairly

(c) To be Listened

(d) To save their time

E: To identify the challenges of customer satisfaction facing organisations

2. Do you face any obstacles when serving customers?

(a) Yes

(b) No

3. What are challenges you face when serving customers?

.....

What should be done to overcome the raised challenges?.....

.....

Appendix II: Interview Guide

Dear Respondents.

The aim of these questionnaires is to collect information about a research titled *“assessment of customer satisfaction towards organizational performance”*

Specifically the study wants to; find out the relationship between customer satisfaction and organizational development; determine the extent to which organizations consider customers satisfaction; find out customers satisfaction preferences and identify the challenges of customer satisfaction facing organizations.

This study and all its final findings are mainly for academic purposes and all responses will be treated confidentially.

Interview guide

1. Is there any relationship between customer satisfaction and organizational development?
2. To what extent do the organizations consider customers satisfaction?
3. What are the customers' satisfaction preferences?
4. What are the challenges of customer satisfaction facing organizations?
5. What should be done to overcome the entire obstacles?