A Study on After Sales Service of Automobiles

Harsh Gangwal
Department of Mechanical Engineering, Sagar Institute of Research and Technology – Excellence , Bhopal , India ,harshgangwal456@gmail.com

Tanmay Awasthi
Department of Mechanical Engineering, Sagar Institute of Research and Technology – Excellence , Bhopal , India , tanmay2944@gmail.com

Abstract—Service quality is an essential aspect for any service provider, and automobile service industry is no exception. Here customers are much concerned about after sales service.After-sales service refers to various processes that ensure that customers are satisfied with theproducts and services of the organization. The needs and wants of customers must be fulfilled to spread thepositive word of mouth. After-sales service ensures that products and services meet or exceed customer expectations. This paper aims at measurement of current service quality level of a typical automobile dealership in an Indian city. The study was conducted using a representative survey of respondents, owners of one of the popular brand vehicles. In this paper, satisfaction/dissatisfaction of the customer has been measured using standard statistical tools, and an attempt has been made to find out reason(s) of dissatisfaction by applying root cause analysis.Necessary suggestions have been made and service centre has started executing them for the improvement in current service quality level.

Keywords—After-sales service, customer satisfaction, root cause analysis, service industry, service quality.

I. INTRODUCTION

The service sector is going through revolutionary change, which dramatically affects the way in which we live and work. New services are continually being launched to satisfy our existing and potential needs. Service organizations vary widely in size. The size of service sector is increasing in almost all economies around the world. Figure 1 shows how the evolution to a service-dominated economy is likely to take place over time as per capita income rises.
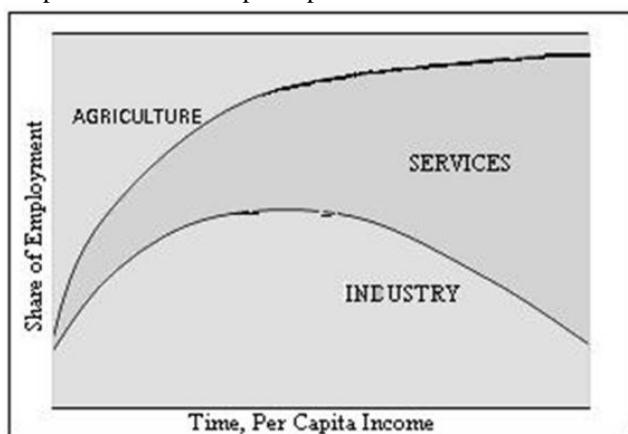

Fig. 1 Changing structure of Employment as an economy Develops

There are several reasons why customers must be given quality service. Most important of them are:

- Industry has become so competitive that customers now have variety of alternatives, if the customer is lost, it can be extremely difficult to win back the individual and
- Most customers do not complain when they experience problems. These customers simply opt out and take their business elsewhere.

In this competitive market consumers are becoming increasingly aware, not only of the products purchased first but also of the quality of the product and its continuous performance. After-sales service is an important aspect of sales management and should not be overlooked.

In services, it is the consumer who defines the quality. Therefore human side of service is key to deliver quality. It can be seen as how well a service satisfies the expectations of customers. Service quality has an effect on customer satisfaction .Service quality has major influence on customer satisfaction as customers buy products or services and on whether they continue to do so. With the aim of sustaining long term relationships with their customers, many businesses have changed their strategic focus to emphasize customer retention. Preserving their long term customer relationships requires that these businesses both measure and appropriately adjust the quality of their customer's service. As a result measurement and improvement in the current service quality level are of interest to companies whose revenues in whole or part from service delivery.The research conducted mainly focuses on understanding and measuring customers' expectations and perceptions about the quality of service being provided. This would result in ascertaining the gap between customers' expectation and perception. The obvious next stage is to identify the reasons for this gap and finally the suggestions made for bridging this gap, and a follow up of the effectiveness of the actions taken.

II. LITERATURE REVIEW

Customer satisfaction is a measure of how the products and services provided by the company meet or exceed customer expectations. Nowadays,products simply cannot satisfy customer expectations; customers demand immediately after the sales service. Customer satisfaction depends largely on how customers are treated before, during, and after-sales are performed, as well as on the product or service. A related long-term ship cannot be automatic it is assumed because of the first sale it seldom stands After the first purchase, the customer seems to have no more speed; purchase potential. Unsuccessful marketers simply play the game of waiting for "savings" to be a good relationship while you just wait until the situation arrives for change. Successful marketers, on the other hand, take over an efficient and powerful way through their first a successful sale to enter or develop a customer account.

Limited published research has been conducted into service quality in the motor industry with respect to the servicing of vehicles. This means that the issue of service quality in the motor vehicle industry is a largely unknown factor (Adele Berndt, 2009). After the development of SERVQUAL model by PZB (1985), it has been used by many researchers for the measurement of service quality in different fields.

Service quality has given extensive importance in the literature.Researchers have used various dimensions to define service quality. Gronroos (2001) identifies following components to define it as technical quality, functional quality and reputational quality. Sasser et al. proposed some other dimensions as materials, facilities and personnel (Johnson et al. 1995). Lehtinen and Lehtinen provide two- and three- dimensional approach to the service quality. The two dimensional approach includes process quality and output quality. According to three dimensional approach equipment, image and interaction are the key factors in delivering service (Johnson et al. 1995).Parasuraman, Zeithaml, and Berry (1988) initially identifies ten dimensions regarding service quality in their SERVQUAL model, however these were reduced to five dimensions namely: Reliability, Assurance, Tangibles, Empathy and Responsiveness. Zanudin et al. use SERVQUAL approach after its customization, here they have added 15 more service quality items relevance to higher education environment. Berndt (2009) explains these five dimensions with respect to automobile service centre as follows:

- **Reliability** (Promised delivery): Dealerships are known to contact the customer promising that the vehiclewill be ready for delivery at a specific time. It is the most important dimension of service quality.
- **Assurance** (Confidence and trust): At dealership, the main source of assurance is with the service adviser,their knowledge and manner of interaction with the customer inspires trust in the organization.
- **Tangibles** (Physical cues): Tangible cues that form part of this dimension include the signage, parking andlayout of the dealership itself.
- **Empathy** (Importance): In the case of dealership, this can be seen in the interactions between theorganization and the customer, and the nature of this interaction.
- **Responsiveness** (Willingness to serve): This refers to the changes that have been observed in service hoursfrom just being weekdays to include weekend and night services, due to the changes in the needs of customers.

III. RESEARCH OBJECTIVE

The objective of this particular research is to measure the current service quality levels of an automobile service centre. Service quality level usually depends on satisfaction /dissatisfaction of the customers. Dissatisfaction may be caused by various reasons. The reason(s) may be on all dimensions of the SERVQUAL model. We have tried to focus on two main objectives. First, to find out the most influencing factor of dissatisfaction and Second, to suggest best possible solution for the root cause of dissatisfaction.

IV. FLOW CHART PROCESS

At service centre customers come for after-sales service. Servicing of vehicle is carried out through a sequential process. Figure 2 shows flow process chart includes different activities. According to customer's view, whole activities can be categorized as visible actions and invisible actions. In this process service advisor plays important role because he always being in the direct contact with the customer.
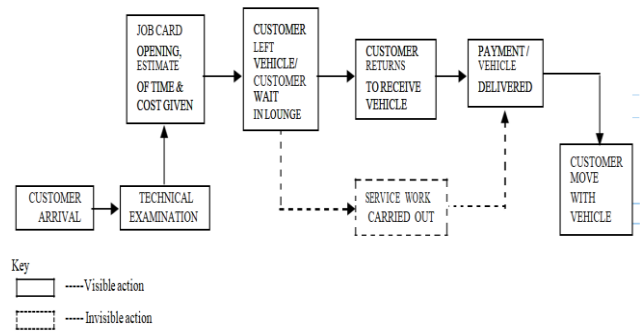

Fig. 2 Flow process chart

V. METHODOLOGY AND DATA ANALYSIS

There are so many ways for measuring then service quality, such as SERVQUAL instrument, SERVPERF, Topsis (Technique for order preference by similarity to ideal solution), Service quality loss method (or loss function), PPEQ (Picker patient Experience Questionnaire). Out of these methods SERVQUAL is the most popular one. It has been supposed that different service dimensions are important in different industries. Initially authors did not have any idea about important dimension for automobile service centre. Each dimension contains so many factors. Each factor affects service quality as because expectation of customers varies from customer to customer. In this study selection of major influencing factor was made by conducting a survey. Following factors were found to be prominent from survey report:

- Behavior of the Service Advisor.
- Response at billing counter.
- Delay of vehicle.
- Commitment of sales person.
- Hospitability.
- Technical work.
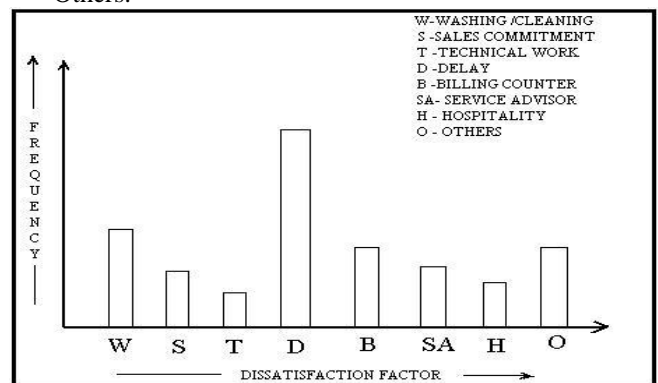- Improper Washing and Cleaning of the vehicle.
- Others.

Fig. 3 Bar Chart

Bar chart which is shown in Figure 3 shows that majority of the customers were dissatisfied due to delay in delivery. It comes under reliability dimension of the SERVQUAL model. For confirmation we took data from 100 free service vehicles randomly for a period of one month. Figure 5 delay chart shows that 54% vehicles were not delivered on time. Hence only 46% customers were satisfied and 54% customers were dissatisfied by the performance of service centre. It is very big figure for an organization. It shows very poor performance of the service centre. Hence service quality level of the service centre is found to be very poor

(46%). Although other factors are also responsible for dissatisfaction of customer but, to improve service quality level it is must, to first resolve problem of delay. So we concluded that delay is the most influencing factor of dissatisfaction and is adversely affecting the reliability of the dealership. Further research was concentrated for finding out the reasons of delay.A root cause analysis was carried out. Fishbone diagram for delay is shown in Figure 4. Data taken for free service vehicles were again analyzed.
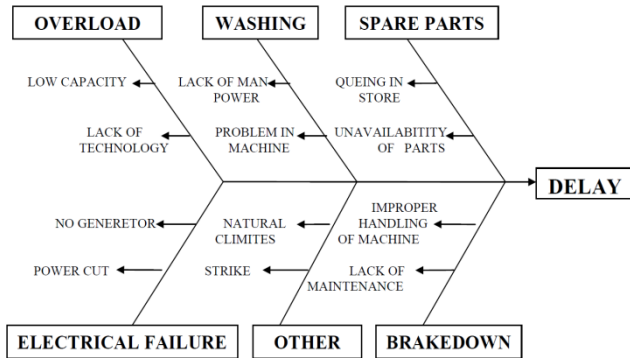

Fig. 4 Fishbone Diagram for Delay

Result of analysis is shown in reason chart Figure 6. According to reason chart 50% vehicles were delay due to overload of the service centre. Hence it is the most critical reason responsible for dissatisfaction or poor service quality level. To improve service quality level of service centre problem of overloading has to be solved. It will also solve some consequential reasons associated with overloading.
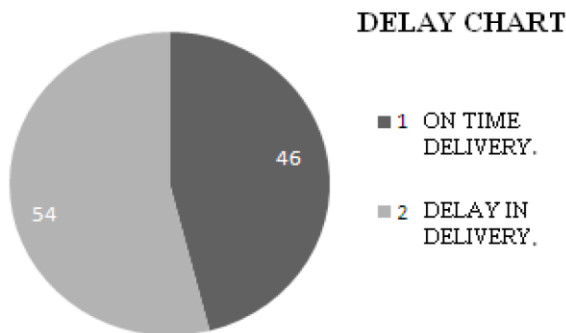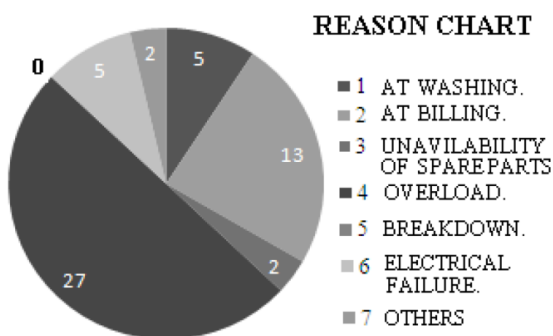

Fig. 5 Delay Chart

Fig. 6 Reason Chart

VI.   SUGGESTIONS AND CONCLUSIONS

After-sales service is a marketing strategy designed to create a product image that ultimately results in Brand's credibility.

This paper focuses on the analysis of customer status for service after the sale. Customers are the assets of all businesses. Marketing professionals should try their best to convince their customers to come back to their organization. In the current context, good word of mouth plays a vital role in developing brands as well as products. The company needs to adopt good after-sales service management to improve its performance customer efficiency. This can help integrate customer insights and build a stronger force in delivery, installation, and warranty. As we found that overloading is main cause of delay, Hence it could be avoided in two ways. One is by capacity adjustment, another is by technology change. Capacity adjustment can be done by resource expansion i.e. by increasing workforce and tools/equipment. But due to space constraint at service centre, no further resource expansion is possible. Hence, the only alternative left was to increase the number of working hours (shifts). It has been suggested to check the feasibility of adding one more shift to ensure smooth loading and better quality. Considering the load v/s capacity situation, service centre also needs to acquire latest technology, e.g. presently at service centre washing and cleaning of vehicles is done manually, it can be replaced by automated washing plant. By doing so, it will have the advantage of time and quality both. The main aim of this research was to measure current service quality level of an automobile dealership in an Indian city. The research was focused on only one factor of dissatisfaction i.e. delays in delivery. As other factors have not been considered, the results of this study are limited. Similar kind of study could be conducted for other factors also. However, it has been observed that most of other factors will be automatically taken care of once the suggestions mentioned above are implemented. Service center has already executed the first suggestion, i.e., working in double shift, and apparently, seem to have attained good improvement.

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