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## ABSTRACT

The saying goes "the customer is always right" and the "customer is King". But, is it really practiced in Sri Lanka? Customer service is perhaps the most powerful diamention in the marketing mix of any company or industry. In one sense the development of targetted customer service strategies is only the logical extension of the marketing concept. In other words customer service is about recognizing the specific needs and expectations of the customers and developing a strategy that forcusses the resources of the organization towards meeting those needs and expectations.

Many organizations, now focus their attention upon the customer more sharply than what was in the past. Country like Sweden has already engaged in monitoring customer satisfaction on a continual basis at National level through a "Customer Satisfaction Borometer" (CSB) in number of selected industries and corporations. Many other countries, such as U.S.A., Japan and Singapore now started to follow this National level survey of customer satisfaction in an effort to promote quality and make its industries more competitive and market oriented. The extent to which the business firm is able to satisfy its customers is an indication of its general health and prospects for the future.

Customer satisfaction is a process of mental feeling deriving from the personal judgement of a comparision between expected benefits and actual benefits from a purchase, the customer makes. It is true that customers create sales, and the marketing companies which create more customers and keep them with the company have been successful in the past. They have been scoring big gains in sales and profits by satisfying customers expectations first.

In Sri Lanka, the importance given to customer satisfaction as a means of business success have been comparatively low. The expectations and satisfaction of the customers were not closely monitored, in the past in any industry, as there were only few firms in a particular industry and there were big demand for goods. But, after the liberalisation of economic activities, many industries in all manufacturing sectors have come up and the competition in the market has grown. This makes the industries, to look for more strategies and practices to attract customers by offering them competitive advantages, and support services. This situation of high

competitiveness has also prevail in the polythene trade as there were nearly 55 polythene manufacturers are operating in Sri Lanka in the market. Therefore, the study of customer expectations and satisfaction has become more important and necessary.

The researcher has selected a company which was operating for long time in the polythene industry for this study. This Lanka Polythene Industry Company occupies the third place in market leadership and has come up to a level where no further market penetration—is possible. A few customer have already left the company for good due to better advantages elsewhere. It was thought fitting at least to know the expectations of the current customers to serve them first. Therefore, an opinion survey has been carried out covering two groups namely customers, and employees. The outcome of the survey has been analysed in this study. Discussions were conducted with the management of the company and some other competitors firm on their marketing practices and policies.

It was revealed from this study that most of the customers expect more credit facilities and courtious behaviour from employees who serve them. They have also suggested to the company, that providing better customer-care service would be the right strategy for the company to achieve its objectives in a growing competitive market for polythene products. Designing a customer service package, developing a customer service culture within the organization and allowing customer service trade-off are some of the important aspects discussed in this study. "Marketing Mix" is to be converted into a customer service mix in the future to serve the customers and keep them with the organization.