

## INDIA POST'S SERVICE QUALITY IMPACTS ON CUSTOMERS' SATISFACTION AND LOYALTY

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### ABSTRACT

During the time of the East India Company, the postal system of Tamilnadu was established. It began as a method for the East India Company and its employees to distribute mail. The system currently processes over 80 million pieces of mail per day. Even though India Post's postal services are more affordable, many individuals still prefer private couriers, just as many individuals prefer the services of other public and private banks. Still, many individuals are reluctant to visit the post office for a variety of services. The primary objective of this study is to investigate the connection between India Post's service quality, customer satisfaction, and customer loyalty. The most significant finding is that customer loyalty, satisfaction are correlates positively with service quality. In response, the postal service organises public education events, such as rallies and awareness camps, and distributes flyers and other promotional materials. To reach rural residents, advertisements for India Post's services must be made available in the local language as well.

**Keywords:** India Post, Service Quality, Customer Satisfaction, and Loyalty .

### INTRODUCTION

Communication is the lifeblood of all people, everywhere, at all times. It is a crucial element for their very survival. Communication facilitates the maintenance of day-to-day transactions. Effective communication facilitates mutual understanding. With speech, direct communication has been possible for a very long time. When people began to disperse, indirect communication became necessary. This was the first time the concept of messenger existed. Then, this concept evolved into a global postal service connected by a communication network.

Through advancements in the field of communication, the modern era has brought the entire world into the home. It took thousands of years to reach this level of development. The Indian postal system arose from the need to maintain communication throughout the various regions of a vast empire. The emperor may have needed constant updates on the situation and may have been able to maintain constant contact with the officers in charge of provinces located far from the capital.

From the beginning of Indian history, approximately 400 A.D., there is scant evidence of an organised messenger system. Undoubtedly, the Kings had their own messengers. It is also possible that wealthy merchants utilised a messenger system during certain eras.

The history of the postal system is human history. At that time, every civilization on earth had contributed something to the gradual improvement of the communication system. In this manner, the modern era has brought the entire world into the domestic nook. It took several thousand years for the modern postal and communication system to reach its current location.

The foundation of India's extensive postal network was laid in 1727 with the opening of the first Post Office in Kolkata. Later, in the three then-British presidencies of Kolkata (1774), Chennai (1786), and Mumbai, General Post Offices (GPOs) were set up (1793). Current postal service regulation in India is based on the India Post Office Act of 1898.

As of March 31, 2017, India's postal network had 1,54,965 post offices, the most of any country. Of these, 1,39,067 (or 89.74%) are located in rural areas, making India the country with the largest rural postal network. There were 23,344 post offices when independence was declared, with most of them found in urban areas. The network has grown by 6.64 percent since independence, with much of that growth occurring in previously unconnected rural areas. The average population of the 21,56 square kilometre area that is serviced by the post office is 7,753. Since the second half of the nineteenth century, the post office system has offered money transfers, banking, and insurance services in addition to expanding postal communication infrastructure.

One of the Postal Service's banking institutions is the Post Office Savings Bank (POSB). A major financial institution in the United States, it has been around for decades. Over 35.67 billion savings accounts are under its care. The Postal Service, acting as an agent for the Indian Ministry of Finance, administers the Post Office Savings Bank Scheme. The services of the Savings Bank are made available through a system of more than 1,544,965 post offices. The Post Office Savings Bank offers a variety of savings and investment options, including savings accounts, recurring deposits, time deposits, monthly income schemes, public provident funds, national savings certificates, kisan vikas patras, senior citizen savings certificates, and sukanya samridhi accounts.

## Review of literature

Punitha, S.A. Punitha (2020). The Indian government seeks financial inclusion by bringing banking services to the doorsteps of billions of Indians. The India Post Payment Banks promote and cultivate savings habits among the rural populace. It is the most easily accessible bank nearby. Additional advantages of the IPPB include free account opening and postman/GDS-assisted services. There is no obligation of A large number of customers are attracted to IPPB by its minimum opening balance, ease, and convenience. Interest can be earned on the amount kept in the account, and cash withdrawals are unlimited. It is evident from the study that the IPPB is offering numerous new services that are more advantageous and convenient for customers, but they must adopt more effective marketing strategies to attract more clients.

Jagadeesan and Chinnadurai (2017) examined the correlation between service quality and account holder satisfaction, focusing on the SERVQUAL model to validate the relationship between e-banking services and bank account holders' satisfaction. Analyses of the impact of service excellence on account holder satisfaction have been conducted in the past, but no research has been conducted to establish the concept of e-relevance. banking's Therefore, an effort has been made to close the space under review by implementing the SERVQUAL model to assess the value of the e-banking services provided by the nation's banking institutions. The examiner has included bank account holder satisfaction as a dependent factor and five aspects of service values, namely physical aspect, dependability, receptiveness, guarantee, and empathy, as independent factors. The purpose of this study is to examine the relationship between consumer satisfaction and service quality. With the aid of a questionnaire and a sample size of 960 respondents, a survey is conducted to determine the nature of research.

JitendraPatil (2017) examined the effect of personal income on India Post Services. The study demonstrated that India Post is a major provider of financial, retail, and premium services to individuals of all income levels. There is a significant relationship between an individual's income and their opinion of India Post's retail, premium, and financial services.

Felix, Rubogora (2017) determined that there is a connection between service quality and customer satisfaction. The research revealed that both service quality and customer satisfaction were at elevated levels. Comparing dimensions such as customer loyalty with dependability, responsiveness, and assurance, the findings revealed a significant and positive correlation between service quality and customer satisfaction. Comparing positive word-of-mouth to service quality sub-variables such as Reliability, Assurance, tangibles, empathy, and responsiveness, however, revealed no significant relationship between the variables.

### Statement of the Problems

India Post offers a variety of additional products and services, including but not limited to banking and remittance, insurance, stamps, e-commerce, business-related services, and retail services. In addition to all of these services, India Post has the support of the Indian government, which automatically increases safety and security. In spite of all their advantages, India Post's products and services have yet to gain the popularity they deserve among the general public. Even though India Post's post services are less expensive than private courier services, people still prefer private courier services. Likewise, when it comes to banking services, people still prefer other public and private banks. Still, many individuals are reluctant to visit the post office for its various services. Thus, it becomes necessary to ask, what level of knowledge do they have about the services offered by India Post? Why don't they utilise these services? What level of satisfaction do they have with India Post's services? This research aims to provide answers to these questions.

**Objectives of the study**

1. To investigate the service quality influence on customer satisfaction towards India Post.
2. To analyse the impact level of service quality of India Post on customers' loyalty.

**The research hypotheses**

$H_0$  – Empathy, Responsive, Tangible, Assurance and Reliable have no impact on Customer satisfaction.

$H_0$  – Empathy, Responsive, Tangible, Assurance and Reliable have no impact on Customer Loyalty.

**Methodology**

In this study, the researcher utilised a descriptive cross-sectional research design. A combination of primary and secondary data was collected to meet the stated objectives of the study. The minimum sample size required for this study is 384, but the researcher has targeted 600 respondents who have used postal services in the Tirunelveli district of Tamil Nadu based on the results of a pilot study. There are 555 different post offices in Tirunelveli. Instead of concentrating on all post offices, the researcher gathered information by taluk. Only 512 of the 600 respondents completed the survey correctly. In the current study, only 502 of the 512 complete responses were utilised out of the total of 512. Respondents were selected using non-probability sampling, but they were chosen using a Purposive sampling strategy. On the basis of the entered data, multiple regression in the SPSS software was used to obtain statistical conclusions.

**Data Analysis and Interpretation****Services quality impact on Customer Satisfaction**

$H_0$  – Empathy, Responsive, Tangible, Assurance and Reliable have no impact on Customer satisfaction.

**Table No. 1****Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.700 <sup>a</sup>	.489	.486	1.262
a. Predictors: (Constant), Empathy, Responsive, Tangible, Assurance, Reliable				

The above table gives the value of R and R Squared. With a R Squared value of 0.486, the model satisfactorily explains 48.1% of the observed variance.

**Table No. 2**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1203.878	5	240.776	151.198	.000 <sup>b</sup>
	Residual	1256.441	789	1.592		
	Total	2460.319	794			
a. Dependent Variable: Customer Satisfaction						
b. Predictors: (Constant), Empathy, Responsive, Tangible, Assurance, Reliable						

To infer the result, use the F value and the Significance from the preceding table. A high "F" value (151.198) suggests that it is likely to reject the Null Hypothesis. In this case, the significance level (Sig) is 0.000, which means the alternative hypothesis is accepted and the null hypothesis is rejected. This suggests that the likes of empathy, responsiveness, tangibles, assurances, and reliability have an impact on customers' levels of happiness.

**Table No. 3**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.216	.226		9.784	.000
	Tangible	.213	.068	.153	3.116	.002
	Reliable	.521	.040	.498	12.879	.000
	Responsive	.160	.071	.114	2.254	.024
	Assurance	.362	.075	.261	4.843	.000
	Empathy	.269	.060	.201	4.477	.000
a. Dependent Variable: Customer Satisfaction						

The above table indicates a positive relationship between a dependent variable and independent variables because the p value is 0.000, which is less than 0.05. If you can increase your tangible offerings by one unit, your customers' satisfaction will rise by 0.213 units. Like reliable, customer satisfaction rises by 0.521 points for every one point increase. When responsiveness improves by 1 metric unit, customer satisfaction rises by 0.160 metric units. A 1 point increase in assurance leads to a 0.362 point rise in client satisfaction. Finally, a 1 unit increase in empathy correlates to a 0.269 unit increase in customer satisfaction. Reliability is the most important factor in determining customer satisfaction, as shown by the results of the analysis.

**Services quality impact on Customer Loyalty**

H<sub>0</sub> – Empathy, Responsive, Tangible, Assurance and Reliable have no impact on Customer Loyalty.

**Table No.4  
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.608 <sup>a</sup>	.370	.366	1.204
a. Predictors: (Constant), Empathy, Responsive, Tangible, Assurance, Reliable				

The above table gives the value of R and R Squared. It is a good model because the R Squared value is 0.370, which means that 37 percent of the variations are explained.

**Table No. 5**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	670.657	5	134.131	92.547	.000 <sup>b</sup>
	Residual	1143.527	789	1.449		
	Total	1814.184	794			

a. Dependent Variable: Customer Loyalty

b. Predictors: (Constant), Empathy, Responsive, Tangible, Assurance, Reliable

The result can be deduced from the above table by using the F value and the Sig. A large "F" value (92.547) suggests that it is likely to reject the Null Hypothesis. In this case, the significance level (Sig) is 0.000, which means the alternative hypothesis is accepted and the null hypothesis is rejected. It indicates that the factors such as empathy, responsive, tangible, assurance, reliable has an effect on the loyalty of the customers.

**Table No. 6**

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.209	.216		5.598	.000
	Tangible	.278	.040	.276	6.948	.000
	Reliable	.137	.033	.127	4.147	.000
	Responsive	.273	.068	.226	4.028	.000
	Assurance	.223	.071	.187	3.123	.002
	Empathy	.159	.057	.139	2.777	.006

a. Dependent Variable: Customer Loyalty

A positive correlation between the dependent and independent variables is indicated by the fact that the p value is less than 0.05 in the preceding table ( $p = 0.000$ ). To the extent that tangibles increase by one unit, customer loyalty rises by 0.278%. Customers' loyalty also rises by 0.137 points for every one point an organisation gains in reliability, and by 0.273 points for every one point it gains in responsiveness. Whenever there is a 1 point boost in assurance, there is a 0.223 point boost in customer loyalty. Finally, for every one point an empath's empathy rises, customer loyalty rises by 0.159 points. The research unequivocally shows that customers are more loyal to businesses that provide them with tangible benefits.

### Suggestions and conclusions

India Post is wholly owned by the Government of India, which could mean safety and security for the people, among other benefits. India Post has come a long way from its mail services to offer some of the most sophisticated services available in the field, including banking, all types of remittances, insurance services, investment opportunities, e-commerce, and many others. Nevertheless, despite offering such a vast array of services, the postal service remains one of the least preferred service providers among the general public. People's lack of awareness is one of the leading causes, as demonstrated by the present research. Numerous individuals are unaware that India Post provides banking, e-commerce, and numerous other related services. Therefore, it is imperative that the postal service conducts awareness camps, rallies, and distributes advertisements, pamphlets, etc. in order to educate the general public. So that they can reach the rural populace, advertisements for India Post services must be made available in the local language. They can begin by placing posters near the branches and progress to advertising in local newspapers, television stations, radio stations, etc. Postmen can distribute pamphlets whenever they visit customers in order to educate the public about the diverse services offered by India Post. This will also foster a close relationship between postmen and their clients.

In comparison to many other government-owned public institutions, India Post does a commendable job of keeping abreast of the developing world. Due to their poor performance, many public institutions have been privatised in recent years. To prevent this from happening in the case of India Post, not only the government but also the general public must work together to make the business sustainable. Not only will the average citizen benefit from this, but the country as a whole will as well. Customers must therefore view their use of India Post services as a patriotic act and act accordingly.

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