

## POSITIVE INFLUENCE OF COMPETITIVE PRESSURE ON CUSTOMER SATISFACTION

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### ABSTRACT

Healthy Competition among various business organizations in an industry is one of the prerequisites to rise the business volumes, turnover and required profits by adjusting the four elements of marketing mix (4Ps) those are Product, Price, Place and Promotion. Competition is perceived as an advantageous state not only to the marketer or service provider or manufacturer but also to the customer by promoting his autonomy. Competitive pressure is a struggle that one firm undergoes to articulate its ideal marketing position so as to win the hearts of its customers. As we are all aware that today there is a transition takes place at the market that majority of organizations turning from product orientation to customer orientation. You may be good at providing qualitative product or service to your targeted customer but the same has to fulfil the needs, tastes and preferences of your customers. A competitive person or a firm is more eager to be successful than other people. For commercial purpose, effective managers used to monitor the competition as well as their organizational dynamics regularly at the market place.

The prominence of customer satisfaction compromises when a firm augments bargaining power and does not exhibit firmness. Specifically, an individual's opinion is positively framed when a product or service fulfil his desire as anticipated. It is negatively framed when a product or service accomplishes weakly than expected.

### INTRODUCTION

Competitive pressure is the stress an individual or a business firm feels when competing with other to attain edge or to realize a business aim that is obtainable only to the front-runner. Competition is used to describe situations or activities in which people or organizations compete with each other to obtain the maximum share of the business cake. A fervent is eager to be more successful when compared to other players. In economics, competition is the healthy war between sellers striving to reach out to the objectives such as customer satisfaction, increasing profits, market share, sales volumes, long-term relationship with customers and increasing customer loyalty by adjusting the four elements of the marketing mix those are Product, Price, Place and Promotion. Merriam-Webster explains competition in a commercial place as "the effort of two or more parties to

diligently secure the potential business of the third party by offering the most favorable terms to a target customer”.

Healthy competition among various likeminded business organizations in a specific industry facilitates better service to its segmented customers and fetches the growth and development of whole economy by simultaneously assuring customer autonomy. It may sometimes lead to misused (repeated) effort and amplified costs (prices) to a business organization but of course it can learn new lessons as to how handle different kinds of situations. For some sort of essential goods and services, the competition does not play any role and those business systems possesses natural domination and are usually openly provided or tightly controlled by the authorities. The most routine examples are water facilities and public distribution system.

### **THE COMPETITION**

Generally a successful manager or an organization is capable of understanding the competitors’ strengths and weaknesses and accordingly comparing with its competencies so as to bring a right fit to its product or service offering at the market area.

The marketers to develop wider scope to answer questions like:

Who are our competitors? What are their strengthening points and limiting facts? What best they can offer to target clients that you cannot? What you can do differently to target clients that they cannot? How will you place your product or service so that you can be advantageous ingaining market share? What are their weak practices according to their existing customers?

### **DEVELOPING EXPOSURE ON YOUR COMPETITION**

Once you evaluate your target market, you must be aware with whom you will be competing and that analysis must facilitate you to find out your competitors’ weak approaches and there you might have stuff to divert target customers attention. In other words, to succeed besides strengths you will analyze the weaknesses and limitations of your competition as a means to improve your scope for fastening the efforts to increase sales of your business.

There are many sources available for tracing the inputs through which you can scrutinize how the competition is highlighting their unique business models. You can have updates on your competition from bases such as:

- Interacting with their long standing customers
- Opinion makers at the target market place
- Their online portals
- Leaflets and other promoting materials

- Annual performance reports
- Physical performance of the product in a specific product line Pamphlets
- Magazines
- Customer opinions on different digital and electronic gadgets
- Business news on the internet

Instead of presuming that collecting competitors' information and deviating from our core efforts to catch up customers is a time wasting process, any business organization has to realize the significance of observing and understanding competitor's movements provides greater opportunity for their sustenance and further development. Even the business organization has to spread such kind of positive environment and encouragement among the employees. That is why, in the current competitive scenario, some credible organizations appreciate their executives sometimes not for a particular target achieved by them but for collecting and presenting the competitors information more meticulously and enabling his organization to take effective business decisions. The more evidence you collect, the enhanced armed you will be to contest and clinch opportunities for your organization's products or services at the segmented marketplace

### **LISTEN TO YOUR CUSTOMERS**

Instead of feeling excited that your product offer is so special, novel, distinctive and unique and certainly acknowledged by the customers as we have experienced earlier in production orientation era of marketing management, you must cross check your offering is a right fit to your target customer by keeping your legs in customers' shoes. This is due to the fact that customers will purchase specific variant that they feel that benefits them and not everything offered by the company. Hence, your effort is to recognize those customers who are most likely responding to your products or services and then focus your time, effort and investment on materializing those deals. Of course, this has been very meaning of a market targeted. A market segment is a cluster of customers with similar characteristics and necessities within your target market and are providing you a business opportunity.

### **SATISFACTION OF CUSTOMERS**

Satisfying customer is an ultimate goal in marketing activities of business organizations and which is a measure used to understand as to how a product or a service offered by a firm to reach or exceed customer expectations. Customer satisfaction is defined as "the number of customers or percentage of total customers, whose reported experience with a business organization on its products or its services (ratings) exceeds specified satisfaction goals." In a trade fair convened in Mumbai, out of 75 top marketing managers, 75 percent responded that they found customer satisfaction parameter is very instrumental and beneficial in handling and nurturing their businesses.

For any business establishments, customer satisfaction evaluations creates powerful impact on forecasting its future prospects. The firm consistently communicating with the executives on the prominence of gratifying customers' expectations. Also, when the rankings are dip, they warn of implications that can disturb sales and profitability. When a specific product has dedicated customers, it increases constructive mouth publicity through them the promotion of specific variant (in a product line) of a firm is for free and highly effective." Hence, it is crucial for businesses to effectively focus on satisfying the customers.

While doing research on customer satisfaction, marketers usually ask customers whether their product or service has reached or outperformed their expectations. Thus, expectations are a significant point to assess satisfaction. When customers have tallhopes and the reality falls undersized, they are disappointed and will likely rate accordingly. Due to this reason, for an example a luxurious hotel might obtain a lower satisfaction rating than a budget dormitory because a budget dormitory inherently creates less expectations to the customers based on its low pricing strategies.

### **THE PROMINENCE OF CUSTOMER SATISFACTION**

A Loyal client is an asset to any company and the company must be vigilant to understand his movements.

Pleased customers does not look at your competitors offers unless and until they feel that they are sidelined and importance is not given to their track record – If you are capable of maintaining the consistency, they will favorably interact with your brand time and again by purchasing product and recommend it to others. If you meet their aspirations and acknowledge their needs while conveying the best quality of your services, they will be completely satisfied.

**Customer satisfaction is an enabler that makes you stand out of the competition (crowd) and reward you with recognition**

Your business contenders are just waiting for you to make anincorrect move. They usually play a role of a critic. Being ready for their hassles and rebutting is not only sufficient if you don't know how to handle the harmfulreaction.

Anyhow, if you offer your customerastonishing customer service, you will win their confidence and make them as change agents on behalf of your organization for providing appropriate dictums to competitors.

**Great customer experience can safeguard your brand status**

The significance of customer satisfaction should never be ignored. You should consider it especially while scheduling your promotion and placing strategies. Satisfied customers are more probable to share your content as to what made them to feel so through social media. According to the White House Office of Consumer Affairs, on an average, loyal clients are ten times beneficial to any business organization than they become a first time purchasers. Some other researches express that it is 6-7 times more costly to acquire a new customer to a business organization than to retain an existing client.

**They can defect as your clients in a moment's time and it's all about the emotional touch too**

Customer loyalty and patronization exists as long as you are dealing with them more transparently without any hidden objectives. If any such kind of firm's practices are pulsed by the customer such as over pricing, lack of attention and other related issues, within no time and without any notice they switch to your competition.

**Building customer satisfaction**

Organizations have to retain existing customers before targeting new customers. It does not mean to ignore new business. But the theme is to give first importance to withholding the existing customers. Measuring customer satisfaction offers a sign of how well the firm has understood in offering goods or services to meet the requirements of its customers at the market.

Customer satisfaction is measured at the singular level, but it is often reported at a collective level. It can be calculated along with various proportions. A hotel, for example, might ask customers to mark their experience with its front office and reception interaction, ambience of room, responsive housekeeping combined restaurant services and so on. Additionally, in a rounded sense, the hotel might ask on overall satisfaction "during your vacation."

As research on consumption experiences moves on, indication suggests that consumers purchase physical product or service for a combination of two kinds of paybacks: hedonic and usefulness. Hedonic benefits are related with physical and experiential attributes of the product. Utilitarian benefits of a product are connected with the more obliging, helpful, useful and purposeful attributes of the product (Batra and Athola 1990)

Customer satisfaction is a vague and nonconcrete idea and the actual manifestation of the state of satisfaction varies from individual to individual and product to product. Satisfaction depends on a number of both psychosomatic and tangible variables which relate with satisfaction behavior of customers i.e. repetitive, recommend and guiding rate. Satisfaction level can also vary depending on other choices available to the customer and other products

against which the customer can compare the proposed product.

Research work done by Parasuraman, Zeithaml and Berry (Leonard L) between 1985 and 1988 offers the basis for the measurement of customer satisfaction with a facility by using the gap between the customer's expectation of performance and experience of performance. This facilitates the measurer with a satisfaction "gap" which is objective and measurable in nature. Work done by Cronin and Taylor suggest the "confirmation/disconfirmation" theory of combining the "gap" described by Parasuraman, Zeithaml and Berry as two different measures (expectation and experience of performance) into a single measurement of performance according to expectation.

## CONCLUSION

In a dynamic business environment, the competitive pressure confronted by a business organization has to ultimately transform in to satisfaction to its customers and keeps the firm in a vibrant position. It fetches the customer or customers group to get the maximum benefit out of a product or service. In this global business environment, competitive pressure itself educate the target customer more effectively by facilitating and providing the customer maximum benefit through which he get more knowledge, feel empowered and satisfied. In some other instances, competitive pressure may negatively encourage and force marketers to deviate from business ideology and business ethics. Thus competitive pressure could become as a navigator or guiding force to any organization to become as a market leader pertaining to a specific business industry.

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