The Relationship Between Customer Satisfaction and Organizational Success: A Study of Panasonic

**Wanneyda Suvanmanee[1], Daisy Mui Hung Kee[2], Zhi Wei Lee[3], Chia Miin Low[4],
Muhamad Amir Zakwan[5], Ankit Gupta[6], Rudresh Pandey[7], Fay Fahad Alfahad[8],
Majdi Anwar Quttainah[9]**
Universiti Sains Malaysia[1,2,3,4,5]
Jln Sg. Dua, 11800 Penang, Malaysia
ABES Engineering College[6,7]
Crossing Republik, Ghaziabad
Kuwait University[8,9]
12037, Kuwait
Correspondence Email: daisy@usm.my

ABSTRACT

The purpose of this study is to examine the customers' satisfaction that drives to the success of the company. There is a high competition between the brand of the electrical appliance, therefore customer satisfaction is one of the key elements to the success of the company. The study used a quantitative method which is a questionnaire to collect the data from respondents. It will enhance the understanding and importance of customer satisfaction toward a company able to lead to company success. The findings indicated that customer satisfaction is an important prediction of the success of the company.

Keywords: Customer Satisfaction, Electronic Appliances, Panasonic Malaysia, Success of The Company

INTRODUCTION

Due to technological advancements and accelerated competitions, many organizations have been shifted their target market from local to international market (Yaqub, 2016). It has been assessed that a wide range of factors determines the success of organizations, however, the role of customer satisfaction is a leading one. Manning (2018) had found that customer experience will continue as a major factor in how companies do business in 2019. Besides, the most important output of the marketing is the customer satisfaction (Farooq, 2019). This indicated that the core factor driving organizational success is customer satisfaction as it translates directly into higher sales and profits.

Schneider, Macey, Barbera, and Martin (2009) found that companies with the ability to provide extensive training and development to employees potentially will inspire them to serve customers more effectively. This results in customer satisfaction which ultimately leads to organizational performance. This study used a sample from US firms. The data was gathered from multiple stores of these companies. The results showed that customer satisfaction resulted in the company financial performance measured by sales and profits.

Kibbeling, Van Der Bij, and Van Weele (2013) assessed the role of innovation in supply chain measures and their association with customer satisfaction. The supply chain of selected companies was analysed. It was found that customer satisfaction was determined and driven by supply chain innovation, customer satisfaction with product delivery, and higher levels of business performance. Temkin (2018) had found that loyal customers are seven times as likely to test an offering and five times as likely to repeat orders. In addition, satisfied customers are more likely to promote through electronic word of mouth. This translates into more customers thus leading to higher sales and profits. The success of the firm was also shaped based on innovation in the provision of real-time information about the sales orders, customer service, quality of the products, convenience given to customers, and based on loyalty discounts.

Fang, Chiu, and Wang (2011) ad found that customer satisfaction is determined and shaped based on repurchase decisions. Data was collected from 219 valid respondents and the focus was on service quality, satisfaction, product innovation, and repurchase intentions. The findings showed that the provision of products and high quality, options for online shopping, promotion of advancements in the service delivery, customer satisfaction, product quality, and higher levels of total quality management resulted in organizational success improvement measured by revenues and sales. The profit margins also showed that higher levels of customer satisfaction resulted in higher profit margins. Apart from this, the relationships were mediated by other factors including marketing, after-sales customer service, and innovation.

Wikhamn (2019) argued that excellence in human resource management also determines organizational success. Specifically, innovation and usage of sustainable human resource management practices resulted in the improvement of business performance. The usage of training and development and measures focused on customer satisfaction led to improved customer ratings. Additionally, the way employees interact with customers contributed to customer satisfaction. Thus, the findings exhibit the importance of employee service and performance as impacting customer satisfaction and that further leads to organizational success in the short and long term.

Lahap, Ramli, Said, Radzi, and Zain (2016) conducted a study with a sample of Malaysian hotels. The findings shown that the brand image is positively associated with customer satisfaction. The customers giving higher ratings to firms for their brand image expressed satisfaction with the quality of food, ambiance, services, pricing, quality, etc. The results raised the need of enhancing customer satisfaction through a focus on service-related factors, thus implying that customer satisfaction is determined by a wide range of factors, and that companies should emphasize each of these factors to achieve higher levels of business performance displaying the level of organizational success.

Jaramillo and Valenzuela (2016) contended that the way employees interact with customers has a considerable amount of influence on customer loyalty, purchase intentions, and word of mouth. The focus was on the provision of training to salespersons for showing more empathy to customers. Addedly, employees exhibiting an understanding and empathy with the customer needs were able to achieve higher sales. The same holds for electronic companies and products and the way customer satisfaction driven in the sector. Afterward, satisfaction with the supplier, supplier trust, customer trust and loyalty lead to improved levels of customer satisfaction. The role of

positive effect considerably brings direct effect on customer satisfaction which leads to financial gains and sustainable revenues. It also shows that employees need to be trained in showing a positive effect on customers as it is a measure and a core determinant of the level of organizational success.

Marakanon and Panjakajornsak (2017) suggested that electronic firms and companies that emphasize on promoting perceived quality of products, customer trust and provide recognition to customers are able to show higher levels of business performance. Additionally, the determination of customer satisfaction is shaped based on how efficiently products are designed and the way customers perceive them. The results also show how important it is for technology companies to design products that are customer-friendly and based on their perceptions of quality.

Panasonic was formerly Matsushita Sales & Service Sdn Bhd (MASCO) and was established on 29 March 1976. After that, MASCO was renamed with National Panasonic Malaysia Sdn Bhd (NPM) in 1992. As a global brand unification movement of Panasonic, NPM was officially called Panasonic Malaysia Sdn Bhd (PM) from 1 October 2003. Panasonic Malaysia Sdn Bhd is a company engaged in the business of sales, service, and marketing for the Panasonic brand of electrical and electronic consumer and business solutions. It has a long-standing presence for more than 30 years. Its current managing director is Mr. Cheng Chee Chung.

Panasonic's management philosophy has been contributing to society through its products and services whilst putting the customers first. Based on this, the company strives to improve Customer Satisfaction (CS) and offers products, solutions, and services that enrich the lives of people around the world. Providing repairs and customer service support through its global service network, Panasonic strives for sincerity, accuracy, and speed, and acts with humility and appreciation. This finds its basis in the principle of "true service" that the company's founder handed down through its words. The company's fundamental stance is, thus, to provide customers with trust, peace of mind, and satisfaction.

Panasonic places product safety as its top priority and manufactures products that truly serve the customer. At Panasonic, they place great attention on product quality and strive to create safe reliable products to all their customers around the world can use, no matter the situation. To that end, Panasonic's Quality Policy states that the company will "truly serve customers by way of providing products and services that continuously meet and satisfy the needs of customers and society." Panasonic also ensures, through a separately defined basic policy on product safety, that the ideals of quality assurance and product safety are thoroughly followed throughout the entire Panasonic Group. To put these policies into practice, each company including Panasonic Malaysia has implemented systems for performing its business with independent responsibility and self-regulation under the supervision of the Chief Quality Officer (CQO). Adding to this, Panasonic periodically holds "quality strategy meetings" and "quality managers' meetings", both to enhance cooperation within the group and ensure quality improvement efforts.

RESEARCH METHOD

There are normally two types of methods to conduct research. They are qualitative and quantitative. The quantitative method was used in this research to meet the purpose of

this study, to estimate the effect of the causal variables upon the variable that they influence. The method we used to collect data for research is through the questionnaire and reference method. Customer satisfaction with Panasonic is used as the dependent variable in this study while the independent variables are perceived brand quality, brand experience, brand image, customer satisfaction, and brand loyalty. We use quantitative methods in this research for it is faster and more accurate than quantitative research (Saunders, 2009).

Generally, there are two types of data; primary data and secondary data. The primary data is collected through interviews, questionnaires, case studies, and others while the data which are already collected for specific studies or research is the secondary data such as the data collected through online browsing, published article and others.

The data collection process used in this study is a questionnaire and reference method. The questionnaire was created in Google Form and distributed to the public using social media such as WhatsApp and Facebook. The Google Form was sent to respondents to fill up the questionnaire. The questionnaire was created using a 5-Point Likert scale. It is a type of psychometric response scale in which respondents specify their level of agreement to a statement ranging from (1) `Strongly Disagree` to (5) `Strongly Agree`.

Reference methods are used to obtain information from published materials such as books, magazines, newspapers, and the internet such as websites. This method is employed by getting information from the website. Additionally, it facilitates to obtain secondary data obtained from the Hamzah Sendut Library, USM library. The internet-based methods help in finding additional information such as information about Panasonic and how customer satisfaction affects the company's reputation. Thus, this method facilitates the study.

RESULTS AND DISCUSSION

Table 1: Summary of Respondent's Demographics (N=50)

Response	Frequency	Percentage (%)
Gender		
Female	28	56%
Male	22	44%
Age group		
15-19	6	12%
20-29	30	60%
30-39	9	18%
40 and above	5	10%
Work Status		
Student	27	54%
Worker	16	32%
Retiree	4	8%
Unemployed	3	6%

Table 1 indicated the demographic profiles of the 50 respondents that are collected via Google Form. Based on table 1, the users of Panasonic are mainly female where the percentage is 56% meanwhile male is 44%. Next, the main age group that participates in this survey is those between 20 to 29 years old with 60%, while the least is 40 years old and above, 10%. Moreover, most of the respondents are students as the percentage of working status displays students get the highest percentage which is 54%.

Table 2: Summary of Respondent's Towards Panasonic Products

Response	Frequency	Percentage (%)
Part 1: Perceived Brand Quality		
Panasonic products are reliable.		
Strongly Disagree	0	0%
Disagree	0	0%
Neutral	10	20%
Agree	26	52%
Strongly Agree	14	28%
Panasonic offers products with excellent features.		
Strongly Disagree	0	0%
Disagree	0	0%
Neutral	5	10%
Agree	26	52%
Strongly Agree	19	38%
Part 2: Brand Image		
Panasonic has a reputation for high quality.		
Strongly Disagree	0	0%
Disagree	0	0%
Neutral	7	14%
Agree	25	50%
Strongly Agree	18	36%
Panasonic is top brands in an electrical appliance.		
Strongly Disagree	0	0%
Disagree	0	0%
Neutral	13	26%
Agree	23	46%
Strongly Agree	14	28%
Part 3: Brand Experience		
I satisfied with the performance of Panasonic products.		
Strongly Disagree	0	0%
Disagree	0	0%
Neutral	7	14%

Agree	25	50%
Strongly Agree	18	36%

Panasonic products are worth for money I paid.

Strongly Disagree	0	0%
Disagree	0	0%
Neutral	10	20%
Agree	25	50%
Strongly Agree	15	30%

Part 4: Customer Satisfaction

I am satisfied when I use Panasonic products

Strongly Disagree	0	0%
Disagree	0	0%
Neutral	7	14%
Agree	23	46%
Strongly Agree	20	40%

Panasonic product meets my need.

Strongly Disagree	0	0%
Disagree	0	0%
Neutral	7	14%
Agree	26	52%
Strongly Agree	17	34%

Customer service resolve my problem efficiently

Strongly Disagree	0	0%
Disagree	2	4%
Neutral	16	32%
Agree	23	46%
Strongly Agree	9	18%

Part 5: Brand Loyalty

Panasonic is my first choice.

Strongly Disagree	0	0%
Disagree	4	8%
Neutral	15	30%
Agree	19	38%
Strongly Agree	12	24%

I will recommend Panasonic towards my friends and family.

Strongly Disagree	0	0%
Disagree	0	0%
Neutral	15	30%
Agree	17	34%
Strongly Agree	18	36%

Table 2 shows the responds of respondents towards Panasonic products. The respondents were given to answer the questions by using the scale of Strongly Disagree to Strongly Agree. In the survey form, the questions were separated into five parts and each part consist of two to three questions. The parts are perceived brand quality, brand image, brand experience, customer satisfaction and brand loyalty. The last three part is the key point to our research paper as it shows the satisfaction results on using Panasonic products and lead the company to its success. Based on the results, the average of respondents chooses "Agree" and "Strongly Agree" for all parts is 78.55%. In part one, it is shown that 85% of the respondents agree that Panasonic products are reliable, and it offers products with excellent features. This means that most of the respondents acknowledge that Panasonic products are meeting their expectations and they perceived the brand quality. It is important to Panasonic that people know the existence of their products so that they can promote their products in the electrical appliances market in more effective ways.

80% of the respondents do agree and strongly agree that Panasonic products has the reputation for high quality and is one of the top brands in electrical appliance. The business with high reputation of products will attract more future customers as people believe that they can provide the best products and services to meet their need.

In terms of brand experience, 83% of the respondents agree and strongly agree that they are satisfied with the performance of Panasonic products and the products are worth for money they paid. This shows that the respondents have good experience in using Panasonic products. Having good brand experience for customers is one of the key points that will drive to company success as the new and existing customers will repurchase or try another product of Panasonic since they are satisfied with the previous purchases.

Moreover, the fourth part of the survey form is customer satisfaction. An average of 78.67% respondents agree and strongly agree that they are satisfied when they're using Panasonic products and the products meet their need along with the satisfying customer service in efficiently resolving their problem. However, the average percentage for customer satisfaction is merely lower than previous parts. Based on the data displayed, the respondents are satisfied when they are using the products and the products also meet their need as the responds result are only neutral, agree and strongly agree. Nevertheless, 4% of the respondents disagree and 32% are staying neutral that customer service resolves their problem efficiently. The percentage is much higher than the other two aspects. Thus, it does affect the overall percentage for the customer satisfaction part. However, Panasonic do achieve their mission which is continually to produce products that enrich and satisfy the lives of modern Malaysian households with better electrical appliances.

Lastly, the last part of our research survey is brand loyalty. The average percentage of agree and strongly agree is the lowest among five parts which is only 66%. Out of 100%, 62% of the respondents do agree and strongly agree that Panasonic products will be their first choice in buying electrical appliances while 4% and 30% of respondents choose to disagree and neutral. Probably one of the reasons that Panasonic is not their first choice is due to dissatisfaction towards customer service in resolving their problems inefficiently. In addition, the percentage among neutral, agree and strongly agree for the respondents to recommend Panasonic products towards their friends and family are almost the same. The percentages are 30%, 34% and 36%.

Most of the respondents believe that Panasonic electrical appliances are worthy recommending to their friends and family. Thus, the brand loyalty is built when they take Panasonic as their first choice whenever they want to buy electrical appliances and willing to recommend others to purchase Panasonic products. As the loyalty rises, the customer satisfaction will eventually rise too, and this is the reasons that leads to the company success.

All 50 respondents have different background and age range. The findings showed significance in the relation between organizational culture and organizational success in Panasonic company. The findings exhibit that all respondents frequently use Panasonic products as it is proven when the majority of the respondents answered it positively.

Our research revealed there was a tremendous success for Panasonic because they can influence the opinion and behaviour of their customers. In other words, most of the respondents probably are their customers before. Customer's satisfaction is a key in creating a long-term relationship between Panasonic and their customer. However, since keeping a long-term relationship is hard work because Panasonic need to keep appreciating value over time, they need to maintain their customer's satisfaction. Therefore, the findings perfectly show the feeling and feedback from their customers based on the performance given. In other views, the findings found that adults are significantly interested to answer this survey and they simply know more detailed information about Panasonic. Ongoing satisfaction will lead them to the loyalty. Once the customers have put trust in Panasonic, it will be a guarantee for them to have customers who will continue to do the business with them. It is cheaper to retain regular customers than acquire a new one.

As we are aware in a joyful situation, there must be some problems Panasonic will face. Perhaps one of the problems the Panasonic company faces is their customer care issue. The findings revealed that some of the respondents disagree with the statement that 'Panasonic is their first choice'. This could imply that previously they have been hurt because of the services given by Panasonic. We can conclude that they were not interested anymore with Panasonic. The other problems that Panasonic will face are they need to innovate more effective products to attract more customers and keep regular customers to stay loyal in their company. Do you have heard a phrase "happy customers mean happier employees"? The phrase told that on how the customers give impacts to the successful organisation especially for the bottom-line employees. Stressful employees to deal with customers will give a negative impact to them. Besides, customers commend the Panasonic's products without any complaints give motivation to Panasonic's employees. Thus, customer's satisfaction is the most important to ensure that company's organization is soundly working.

Further research is needed to establish a company with a perfect organizational culture to easily achieve the objectives. A company failing to satisfy the customers with the product will give an impact to the employees. Their motivation will decrease, and the company production as well as the employee performance will drop off concurrently. We recommend that Panasonic improve corporate governance in the company to avoid miscommunication and misunderstanding in various segments. In the nutshell, the company will have a perfect organizational culture among the employees.

CONCLUSIONS

Based on the findings and discussion, we can conclude that although Panasonic is well known for its brand, still there are negative and neutral opinions on brand experience and customer satisfaction. This will give a negative result to the brand loyalty. If the customers are not satisfied and will not continue to choose Panasonic as their first choice in electrical appliances, the sales will be affected. Panasonic must act fast in securing their current and potential customers as well as attract new customers to last long in the industry.

Panasonic should work hard to ensure that their customers are satisfied so that they can retain their regular and loyal customers. By retaining these customers, their reputations will increase since these customers will help to promote their products and brand to their friends and family. With this, Panasonic will gain growingly new customers and increase the brand image. Panasonic has established a set of Basic Rules for Response to Customers (compliant with ISO 10002 and JIS Q 10002) to ensure appropriate responding to all inquiries and complaints from customers. Providing customer service, Panasonic values sincerity, accuracy, and speed, and acts with humility and appreciation. This finds its basis in the principle of "true service" that the company's founder described. The company's fundamental stand is to provide customers with trust, peace of mind, and satisfaction. However, if the rules are not practiced by all the workers, it is useless. The company must always ensure that the workers follow the rules and fully understand them. For this, regular workshops and talks can be organized to help the workers in understanding the rules set.

To ensure that the information required by the customers is accurate and precisely displayed, the company worked hard on their FAQ pages to analyse the searched keywords that bring customers to FAQs, as well as the number of times that the questions are viewed, to increase the precision of the FAQs. Besides that, the company also undertake initiatives to use more social media outlets such as Instagram and Twitter to post various types of useful information to inform their customers when new products are available, or even when promotions are ongoing. When the customers' problems are solved without requiring to contact the Customer Care Centre, the number of inquiries at the centre will decrease hence increasing the customers satisfaction. This leads to the success of Panasonic.

Finally, Panasonic always put lots of effort in their Research and Development (R&D) for their technology and skills. Machines are always checked to make sure the operations run well in producing the products. Thus, number of defectives and reject items can be reduced. Panasonic also consistently update their skills and knowledges to help in answering to all the questions of their customers. This helps a lot in increasing the satisfaction of customers as they can find all the solutions needed regarding the products they bought or wish to buy.

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