

## A STUDY ON MARKETING VALUE SERVICE ON ITS IMPACT ON CUSTOMER SATISFACTION AND RETENTION

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### **Abstract**

This study explores how value-added services influence consumer satisfaction, trust, and loyalty. It examines demographic factors such as age, gender, and occupation in shaping customer perceptions. The survey assesses the impact of free trials, loyalty programs, and personalized offers. Results show that customers value clear promotions and additional benefits. Value-added services are seen as a long-term brand advantage. Overall, they enhance brand connection and encourage repeat usage

### **1. Introduction**

In today's highly competitive and dynamic business environment, customer satisfaction and retention have become critical to the long-term success and sustainability of organisations. Companies are increasingly turning to marketing value-added services (VAS) as a strategic tool to differentiate themselves, enhance customer experiences, and build long-term loyalty. These services, which go beyond the core product offerings such as personalised recommendations, loyalty programs, after-sales support, and digital engagement aim to create additional value for customers, fostering deeper relationships and satisfaction

### **2. Literature Review**

**Saeed and Lodhi (2019)** conducted an empirical study in the telecom sector and found a strong positive correlation between VAS and customer satisfaction. Customers who received benefits such as free upgrades, personalized assistance, or bundled services were more satisfied compared to those receiving only basic offerings

**Ahmed and Khan (2018)** found that customers who received personalized services, such as tailored recommendations or exclusive offers, reported higher satisfaction levels compared to those who only received standard service. They concluded that value-added services help bridge the gap between customer expectations and actual service delivery

**Sharma and Lambert (2018)**, value-added services positively impact customer retention, especially in the telecom and retail sectors. Their study showed that customers who engage with loyalty programs, mobile apps, and responsive customer support are more likely to remain with a brand over the long term.

### **3. Research Objectives**

- ✚ To examine the impact of value-added services on customer satisfaction and brand loyalty.
- ✚ To evaluate how value-added services influence consumers' brand selection and purchasing decisions.
- ✚ To assess the effectiveness of marketing promotions in communicating the benefits of value-added services.
- ✚ To analyze the role of personalization and exclusive perks in enhancing brand connection and trust.

### **4. Research Methodology**

#### **4.1 Research Design**

The research design defines the framework of the study and includes the type of research qualitative, quantitative, or mixed methods . For this study, a quantitative design could be used to measure customer satisfaction and retention levels with numerical data, or a mixed-methods approach could be applied, combining both qualitative interviews and quantitative surveys for a comprehensive understanding.

#### **4.2 Data Collection**

##### **Primary Data**

Primary data collection involves gathering new, first-hand information directly from respondents. A questionnaire survey is the most common method, where participants answer structured questions online or offline. Interviews allow for more detailed responses through

direct interaction, either face-to-face or over the phone. Focus groups involve guided discussions with small groups to explore attitudes and perceptions in depth.

### **Secondary data**

Secondary data is research data that has previously been gathered and can be accessed by researchers. In this research Secondary Data are collected from all the possible resources like books, websites, journals, etc.

### **4.3 SAMPLING METHOD**

the impact of valve service marketing on customer satisfaction and retention, stratified random **sampling** is recommended. This method divides your customer base into subgroups (strata) based on characteristics like industry or service usage, ensuring each subgroup is adequately represented. Random samples are then selected from each stratum, enhancing the precision and generalizability of your findings.

### **4.4 DATA ANALYSIS**

While many brands in Coimbatore offer value-added services, awareness and utilization among consumers remain limited. There's a lack of localized research on how these services impact brand loyalty and purchasing decisions in this region. This study aims to bridge the gap by analyzing consumer perceptions and expectations of value-added services in Coimbatore

## **5.Survey Results and Analysis - Sample.**

### **1. I feel more connected to brands that use value-added services to personalize**

- Strong disagree 1.8%)
- Disagree( 6.3%)
- Neutral( 39.3%0)
- Agree( 43%)
- Strongly agree(8.9%)

### **I consider value-added services to be a long-term benefit rather than a short-term incentive**

- Strong disagree (2.85)

- Disagree( 5.5%)
- Neutral (36.7%)
- Agree (37.6%)
- Strongly agree( 17.4%)

**Consistent updates and improvements in services encourage me to remain loyal to the brand**

- Strong disagree( 3.7%)
- Disagree( 5.5%)
- Neutral (32.1%)
- Agree( 40.4%)
- strongly agree (18.3%)

**I feel more satisfied when the value-added services exceed my expectations**

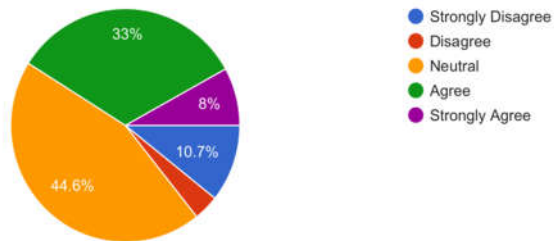
- Strong disagree (17.4%)
- Disagree (6.4%)
- Neutral (36.7%)
- Agree( 35.8%)
- Strongly agree ( 17.4%)

**Recently I have experienced “value added service” from my recent purchases and it met or exceeded my expectations**

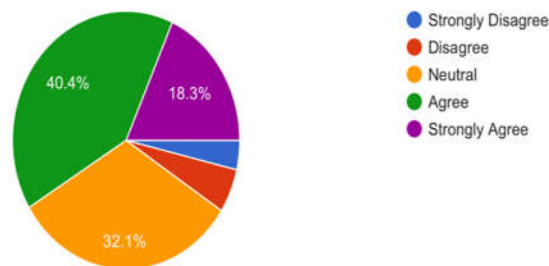
- Strong disagree (10.7%)
- Disagree (3.6%)
- Neutral (44.6%)
- Agree (33%)
- Strongly agree( 8%)

Graphs representing the above data are included below.)

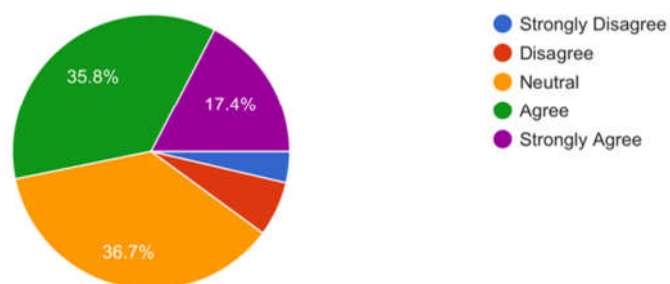
Recently I have experienced "value added service" from my recent purchases and it met or exceeded my expectations  
112 responses



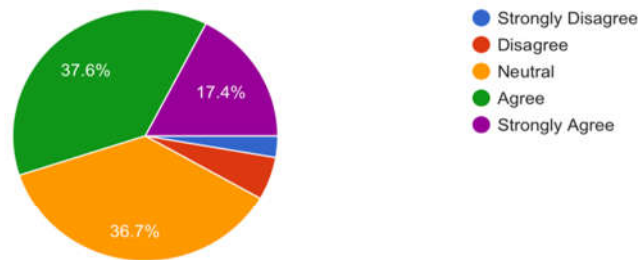
Consistent updates and improvements in services encourage me to remain loyal to the brand.  
109 responses



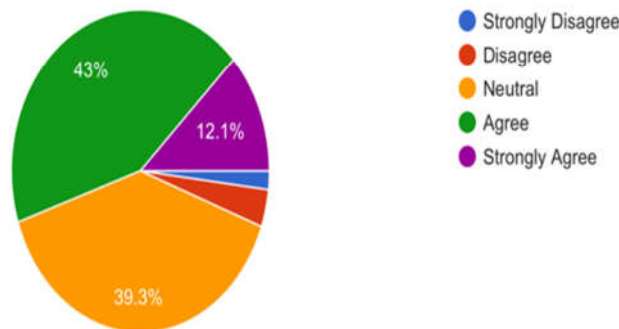
I feel more satisfied when the value-added services exceed my expectations  
109 responses



I consider value-added services to be a long-term benefit rather than a short-term incentive  
109 responses



I feel more connected to brands that use value-added services to personalize communication.  
107 responses



## **6.KEY FINDING**

- **Recently experienced value-added service:** 44.6% of respondents were neutral about whether recent value-added services met or exceeded their expectations, indicating mixed or unclear experiences.
- **Consistent updates encourage loyalty:** 40.4% of respondents agreed that consistent updates and improvements encourage them to remain loyal to the brand.
- **Satisfaction from exceeding expectations:** 36.7% of respondents were neutral about feeling more satisfied when value-added services exceed expectations, showing room for improvement in delivering standout service.
- **Long-term benefit of value-added services** .37.6% of respondents agreed that value-added services are a long-term benefit rather than a short-term incentive.
- **Connection through personalized communication.** 43% of respondents agreed that they feel more connected to brands that use value-added services to personalize communication.

## **7. RECOMMRNDATIONS**

**1. Enhance Personalization Efforts:** Brands should tailor value-added services to individual customer needs and preferences, as personalized services significantly improve customer connection and loyalty.

**2. Communicate Value Clearly:** Increase customer awareness and understanding of the benefits provided through value-added services to reduce neutral perceptions and highlight their long-term value.

**3. Ensure Consistent Quality and Updates :** Regularly update and improve value-added services to sustain customer interest, satisfaction, and brand loyalty over time.

### **4.Focus on Exceeding Expectations\***

Aim not just to meet but exceed customer expectations through surprise upgrades, exclusive offers, or exceptional service to create memorable experiences and satisfaction.

**5. Gather Continuous Feedback :** Use surveys, reviews, and direct feedback to evaluate how customers perceive value-added services and identify areas for further improvement.

## **8.CONCLUSION**

The study reveals that value-added services play a significant role in enhancing customer satisfaction and promoting long-term retention. Personalized, consistent, and well-communicated services positively influence customer perceptions and loyalty. However, a notable portion of customers remain neutral, indicating the need for better awareness and execution. Therefore, companies must focus on delivering meaningful value through tailored services to build stronger relationships and sustain customer loyalty.

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These references provide insights into the significance of value-added services in enhancing customer satisfaction and retention across different regions and **industries**.