Investigation of the Relationship between Perceived Value and Customer Satisfaction

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ABSTRACT: Customer satisfaction is one of the main topics of theoretical and empirical research for most marketers and marketing. The importance of customer satisfaction and customer retention and codifying strategy cannot be underestimated for customer-oriented and market-oriented companies. As a result, customer satisfaction has been concerned by companies with growing rate. Customer satisfaction is the emotional reactions that obtain from process of evaluating received services in the paid cost for obtained services. Sensation and perception are different two processes from a physiological point of view. A certain sense of movement can produce completely different perceptions and different sensory stimuli can lead to unit perception. All physiological data indicated that certain mobility is always a certain activity in the sensory cortex produces, but the facts clearly indicated that the stimulation does not necessarily follow a certain sense. In other words, a specific stimulation can produce different perceptions. In fact, this can be obtained from past experiences of person that in here some factors were used in the questionnaire to adjust their answers according to past experience. So far, little researches have been done on the impact of perceived value on customer loyalty due to the moderating effect of past experiences. The objective of present research was to investigate the effect of perceived value on customer loyalty regard to the moderating effect of past experiences in health centers, Gorgan city, Iran.

Keywords: Functional perceived value, Emotional perceived value, Satisfaction.

INTRODUCTION

The emphasis of international trade is continuously creating value for their clients. A business is market-oriented when its culture conducted systematic on creating expected value of their customers. In a market-oriented business, staffs spend considerable time with customers and are looking for new ways to satisfy their needs. Culture of organization should be changed to get customer-oriented and commitment to customer-oriented must first be created in excellence and high level of organization. The organization will have a greater ability to survive in a competitive market by having more understanding of customer needs and also, obtaining competitor activity and factors affecting market conditions and by distributing the information at all levels of the organization.

Customer-oriented approach seeks to create value for customers so that it can retain its customers and drive new customers. In today's competitive world, companies are successful that be able to create more value for customers. Value creation will lead to a competitive advantage. Companies can use several strategies to create value for customers (Trecy & virsima, 1993) and market-oriented strong organizational culture knowledge would be an important tool for achieving this goal (Deshpandeh et al., 1993).

The task of companies for the consumer and customers includes product quality, price, perceived value by customer and their satisfaction. As far as, customer satisfaction and satisfied customers are some of invisible factors in business success of any organization which causing them to survive, therefore, the plan of company or organization should always be focused on the customer. Using product and its appearance affects directly product satisfaction and dissatisfaction. And also, enjoy the benefits of the product consider as an intermediary factor between satisfaction and dissatisfaction with the appearance and usefulness of the product (Mugge et al., 2010).

Service quality positively affects the perceived value and customer satisfaction. Perceived value positively affects customer satisfaction and intention to purchase and satisfaction positively affects the intention of purchasing. So, the Service quality has indirect positive impact on the purchase intention through perceived value and customer satisfaction (Kuo et al., 2009).
A company with distinctive features of marketing has a higher probability to create superior value for customers and achieve a high competitive advantage (Dey, 1994; Aslater & Narver, 1995). Customer satisfaction consider as a matter of great importance both from a theoretical and applied perspective for most marketers and researchers in the field of consumer behavior (Debholkar et al., 1996). Therefore, the importance of customer satisfaction and retention in market-oriented and customer-oriented development strategies cannot be ignored in any way (Kohli & Javerski, 1990) because it seeks to enhance the quality of goods and services. So, customer satisfaction has become an important goal of organization. It is important that the value is determined by customer perspective in market and due to the customer's perception of what deals and what it receives not by in manufacturer and the supplier desires and assumptions. The value is not what is produced, but it is what the customer gets and this can lead to increase customer loyalty. Therefore, the main objective of this study was to determine the effect of perceived value on customer loyalty due to the moderating effect of past experiences.

**Literature review**

**Perceived value**

Although, it have been conducted many studies on the perceived value, but there is no single definition of the concept in the marketing literature (Young, 2004). Perceived value is defined as an assessment of customer from the cost to obtain a specific good or service and the benefits that receives from a particular product or service. Perceived value has been defined by Zeithamal as "The overall assessment of customer from the utility of a product or service based on the client's perception of the received benefits against fees" (Zeithamal, 1988).

Woodruff (1998) believed that perceived value is the monetary value of financial and economic benefits, technical, cognitive and social service acquired by the customer. Also, perceived preferences and his evaluation introduces customer perceived value from product features, characteristics performance and achievements trough its use facilitate or block achieving to goals of customer in situations using it. Marketing activities have been established mainly based on customer value (Holbrook, 1994). Perceived value in marketing has been defined as customer evaluation of costs and obtained benefits from purchasing a product or service (Young et al., 2004; Zeithamal, 1988). The results of previous researches suggest that perceived value increases customer satisfaction and future purchases (Jenkins, 2010).

**Customer satisfaction**

Customer satisfaction is customer emotion or attitude toward a product or service after using it. Schneider defines customer satisfaction as a result of processes of linguistic comparison between the actual product or a service or product or expectations and social norms in relation to product. Regard to the above definition, Rap defines the customer satisfaction as a personal attitude that arises among comparison of actual productivity and expected productivity of the company (Danaher et al., 2010).

Customer satisfaction can be defined as achieving goal that has been predicted previously e.g. achieve to products and services that customer already had in mind (Martenson, 2007). Customer satisfaction is defined in two ways: as an output or as a process. First class defines customer satisfaction as final result of consumption of a good or service. The output process of purchasing and consumption can be achieved as a result of a comparison of services and the cost of purchasing that was predicted by the customer. The second definition that is mostly focused on perceptual and psychological aspects affecting customer satisfaction assessing whether the goods or services received or not as expected tense (Pratton, 2004).

Customer satisfaction is one of the most basic concepts of assessment that follows in many businesses. Customer satisfaction is measured cyclical or after structural change. The review of the literature of customer satisfaction shows these definitions were tested often by calculating the subjects or using the customers. The results of these studies have shown that most of these definitions have an overlap in compared with together. Regarding to review the idea of researchers, it can be concluded that there are three main factors in all definitions that all factors can present the comprehensive definition of customer satisfaction. These factors include customer satisfaction that is emotional reaction or a state of understanding and recognition mutual (Pratton, 2004).

Danaher & Hader (Danaher, 1996) and Rast & zahorik (1993) claims that the scale of a single cell present limited conception of customer satisfaction from the store. They suggest that a single cell cannot provide necessary information in all aspects, and also are not able to assess different aspects, separately. Therefore, cannot assess fully the complexity of customer satisfaction (Danaher & Hadler, 1996).

**The formation of customer satisfaction models**

Different processes of customer satisfaction formation can be classified in different models that these models draw up relationship between customer satisfaction and it motives. The most reliable of customer satisfaction has been formed based on one of the most famous theory of customer satisfaction “disapproval of expectations” (Divandari & Delkhah, 2005).
Model of Swedish customer satisfaction

This model was introduced as the first model of satisfaction index of products and services at the national level, in Sweden in 1992. Sweden primary model consists of two primary motives of satisfaction:

- Perceived value
- Customer Expectations

In fact, the perceived value is equal to received level of quality compared to the paid price. Quality than paid price is one of indicator which customer compare different product and services (Aydin & ozer, 2005). Therefore, It can be predicted that if the perceived value increases, satisfaction will in crease. Other motive of satisfaction is customer expectations of desired product or service. The last link in this model includes the relationship between the behavior of complained customers and their loyalty to the company. Positive or negative effect of this factor depends on how to probe complaints in a company. The mechanism of how to probe complaints in a company can be increased loyalty with proper function, and can be reduced with poor function.

The model of customer satisfaction index in America

This model was presented with the common cooperation of America Quality Forum, Business faculty of Michigan University in 1994. This model is based on the Swedish model. The model of customer satisfaction index in America is the model of structured and includes a number of variables and the relationships between them. Customer satisfaction index is placed in the middle of the chain. As can be seen in Figure 1, expectations, perceived quality, perceived value are presented as factors influencing customer satisfaction. On the other hand, customer loyalty and customer complaints have been considered as the model outputs.

The model customer satisfaction index in Europe

Successful experiences in designing the model of customer satisfaction index in America and Sweden countries led to European organizations such as Europe quality institution and Europe quality management organization under the auspices of the European Union established a customer satisfaction index in Europe. The model of customer satisfaction index in Europe that has been presented in Figure shows the European model of Customer Satisfaction Index. This model investigates the customer satisfaction associated with loyalty. As seen in this model, customer satisfaction motives are perceived image of the company, customer expectations, perceived quality and perceived value (Aydin & ozer, 2005). The perceived quality can be investigated in two parts: perceived quality from software that means a part of quality that is related to special service or product and other is perceived quality of software that represent interactive elements, such as personnel or environment features of the service. It should also be noted that in fact there may be more relationships between the variables that have not been seen here. There was 7 variable in this model that each of them is described by 2 to 6 another variable that is measured through audits and questions from customers (Johnson et al., 2000)

Theoretical Framework of Research

When people encounter with associated situations, the process of purchasing decisions are unconsciously becomes active. This process and the experiences and achievements impact on people attitude on themselves and lifestyle through the internal and external factors. Hence, the investigation and study of attitude and its components is very important. The attitude of a person demonstrates favorable or unfavorable feelings of goods and services and has four key applications related to knowledge, explanatory of value, profit and defenses for each individual. On the one hand, attitudes have the structure and a special issue of the degree of their own.

In this study, the perceived value of a function consist facilities aspects, staff concern and convenience and emotional perceived value includes emotional, social and cognitive aspects. Emotional perceived value consider as independent variables. Customer satisfaction consider as dependent variables. Conceptual model of study: Based on Polo Pena model (2013) that regard to it, 2 hypotheses have been extracted from presented study.
METHODOLOGY

The statistical population of present study was consisted of recipients of educational health centers in Gorgan city that the number of them was unlimited. The sample size was 384 according to Morgan table and questionnaires were distributed among the statistical population as simple stratification.

Data collection

The questionnaire is used in order to collect data and measure the research variables. Through the questionnaire the variables were measured. In this study, the Cronbach’s alpha reliability was 87%. In addition to completing the required information, the interviews with experts was used in the fields of research, well as. The main method for assessment and evaluation research model was using structural equation modeling (SEM) and related software as Smart PLS.

RESULTS

<table>
<thead>
<tr>
<th>Path</th>
<th>Abbreviation</th>
<th>Path Coefficients</th>
<th>Sig.</th>
<th>Test Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional perceived value--- customer satisfaction</td>
<td>SAT --- FPV</td>
<td>0.561</td>
<td>15.976</td>
<td>Accept</td>
</tr>
<tr>
<td>Emotional perceived value --- customer satisfaction</td>
<td>SAT --- APV</td>
<td>0.237</td>
<td>6.818</td>
<td>Accept</td>
</tr>
</tbody>
</table>

The fitted model showed that the amount of path coefficient between functional perceived value and customer satisfaction was 0.561. Since, the value of T for this coefficient was 15.976. It can be concluded that the obtained coefficients was significant. In other words, there was a significant and positive correlation between functional perceived value and customer satisfaction.

As can be seen in Table 1, Path coefficient was 0.237 for the relationship between emotional perceived value and customer satisfaction. T-statistic was 6.818 for this coefficient. In other words, there was a significant and positive correlation between emotional perceived value and customer satisfaction.

CONCLUSION

Path coefficient was 0.561 between functional perceived value and customer satisfaction. Since, the value of T for this factor was 15.976, it can be concluded that the obtained coefficients was significant. In other words, there was a significant and positive correlation between functional perceived value and customer satisfaction. The present
hypothesis was consistent with the researchers conducted by Ghaffari Ashtiani (2011), Anna (2013), Laurent (2006) and Cronin (2001).

Path coefficient was obtained 0.237 for the relationship between emotional perceived value and customer satisfaction. T-statistic for the coefficient was 6.818. In other words, there was a significant and positive correlation between the emotional perceived value and customer satisfaction. The present hypothesis was confirmed by researches conducted by Ghaffari Ashtiani (2011), Anna (2013), Laurent (2006) and Cronin (2001). Employees also need to oppose with it even in situation that is useful for customers and are aware of its need to help him to take the best decision.

It is suggested to service providers to negotiate with them and this is seen as a long term investment. It can be offered to the service providers to use the product or service and ask about feedback. Service providers have to handle customer complaints. Consumer values as a determining factor in the decision-making and customer care brands, products and any situation that creates a conflict for selection, has the greatest impact on consumer buying behavior and should be considered by service providers.

It is recommended to service provider to fulfill their promises. The results of previous research suggest that increases perceived value, customer satisfaction and future purchases. Perceived value is the factor that comes after the perceived quality and perceived quality. The perceived quality can be consider as prerequisite variable for value. Managers and doctors should consider those customer centers that refer to them for the first time, the functional perceived value is placed in priority.

REFERENCES