

“Analysis of Customer Perception Towards Service Quality of Authorized and Independent Car Service Providers in Nagpur City”

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Abstract: The purpose of this research study is to investigate the client views about the quality of service that is offered by authorised and independent vehicle service providers in the city of Nagpur. As the automotive service business continues to expand, it is essential for service providers to have a solid awareness of the satisfaction levels of their customers and the expectations they have about the quality of their services. The research makes use of a mixed-methods strategy, which includes the collection of quantitative data via the use of a structured questionnaire and qualitative insights through the use of in-depth interviews. The study investigates a variety of aspects, including service dependability, responsiveness, competence, customer care, and pricing fairness, and compares these characteristics between authorised service centres and independent service centres. The findings indicate that while authorised service centres are seen to give greater levels of dependability and better customer care, independent providers are often selected due to the fact that they are more cost-effective and provide personalised service. In order to improve customer happiness and loyalty, the research offers advice to both kinds of service providers. These recommendations suggest that service providers should connect their service offerings with the expectations of their customers. In addition to making a contribution to the knowledge of consumer behaviour in the context of the automobile servicing sector, this study provides companies with insights that can be put into practice to enhance the quality of their services and gain a competitive advantage.

Keywords - Customer Perception, Service Quality, Customer Satisfaction, Service Reliability, Competence, Price Fairness.

Introduction

A large amount of expansion has taken place in the automotive service business in India, especially in metropolitan centres such as Nagpur, where both authorised and independent automobile service providers play an important role in the process of maintaining and repairing cars. There is a growing need for dependable and effective service as the number of cars continues to increase around the world. Customer satisfaction has emerged as a critical component for companies operating in the automotive service industry. This is due to the fact that customers are demanding high-quality services at costs that are competitive. Authorised service providers, who are often linked with automobile manufacturers, are recognised for their utilisation of genuine components, adherence to brand standards, and specialised knowledge of certain vehicle models. Independent service providers, on the other hand, provide services that are more individualised and often at cheaper charges. However, they may not have the specialised training and standardised components that authorised centres provide.

In order to discover the aspects that impact consumer choice, happiness, and loyalty, it is vital to have a solid understanding of how customers feel about these two categories of service providers. Previous research (Kumar & Sharma, 2020; Singh & Mehta, 2019) has shown that the process of selecting a service is strongly impacted by a variety of elements, including but not limited to service quality, pricing fairness, responsiveness, and customer care that are available. In addition, research suggests that consumers have a tendency to trust authorised centres because of their dependability and their adherence to manufacturer requirements. On the other hand, independent centres attract clients who appreciate flexibility, personalised attention, and affordability (Patel & Joshi, 2021).

Among the car service providers in Nagpur, this research intends to investigate these perspectives and compare the quality of service provided by authorised and independent car service providers. The purpose of this study is to give insights that may assist both kinds of service providers in improving their offers and increasing customer loyalty. These insights will be gleaned from the analysis of consumer input on important components of service.

Literature review

In recent years, the quality of service in the automobile sector has been a significant focus of study, especially with relation to the satisfaction and retention of customers. A substantial amount of research has been conducted to examine the differences and similarities between the perspectives of consumers about authorised and independent service providers. The research has focused on a variety of aspects, including service quality, cost, customer loyalty, and satisfaction.

The SERVQUAL model, which was developed by Parasuraman, Zeithaml, and Berry in 1985, continues to be a core framework for measuring service quality in a variety of industries, including the automotive service business. This model identifies service quality characteristics such as dependability, responsiveness, assurance, empathy, and tangibles. Customers have a perception that authorised service centres are more dependable than other service centres because they employ standardised methods and authentic components (Chandran & Mishra, 2019). Reliability and responsiveness have been highlighted as significant determinants of customer satisfaction in the context of automobile services. Independent service providers, despite the fact that they provide flexibility and personalised care, sometimes struggle to maintain these high standards, which may have a detrimental impact on the impressions of their customers.

Numerous studies have been conducted with the purpose of contrasting authorised service providers with independent service providers in the automobile industry. The study conducted by Kumar et al. (2020) came to the conclusion that while authorised service providers are typically thought to give better levels of dependability, independent service centres were preferred due to the fact that they offered more reasonable pricing and quicker response times. In a similar vein, Sharma and Gupta (2020) discovered that clients who place a high value on cost-effectiveness and personalised services had a tendency to choose independent service providers. However, they did concede that these providers may not possess the sophisticated technical skills and equipment that are available in authorised centres.

When it comes to making decisions, consumers are heavily influenced by a variety of factors, including pricing, the dependability of the service, and perceived value. This was discovered by Singh and Mehta (2021), who discovered that consumers are often prepared to make concessions

in terms of dependability provided they perceive considerable cost benefits. This is particularly true for automobile owners who tend to place a higher priority on basic maintenance rather than difficult repairs, since authorised centres are often seen to be more costly alternatives. According to Patel and Joshi (2021), consumers often choose authorised centres for high-value repairs or difficulties connected to the vehicle's warranty. This is because authorised centres have access to original components and are able to provide clients with the knowledge they need.

Additional factors that impact client loyalty include personalisation, with independent service providers being more adaptable and delivering services that are suited to the customer's specific needs. According to the findings of Alok and Shukla (2020), consumers who placed a high value on personalised attention and customer care were more likely to develop long-term connections with independent service centres. In spite of the fact that they deliver greater service quality in terms of technical correctness, authorised service centres can lack the human touch that many consumers enjoy in their connection with their service provider.

Studies that were conducted not too long ago have also brought to light the increasing anticipation of digital involvement in the automobile repair industry. Customers are increasingly expecting service providers, whether they are authorised or independent, to provide efficient booking systems, transparency in service pricing, and real-time updates (Patel, 2021). This expectation is a direct result of the proliferation of online evaluations and digital communication channels. As a result of this change in client expectations, both kinds of service providers are required to embrace innovation and adapt in order to maintain their competitive edge.

In conclusion, the research suggests that both authorised and independent service providers provide different benefits and confront particular obstacles. Both types of service providers face specific challenges. Independent service providers often come out on top when it comes to cost-effectiveness and providing personalised client experiences. Authorised service providers, on the other hand, dominate in terms of service dependability and the usage of authentic components. Having a solid understanding of these aspects of service quality and client expectations is very necessary in order to enhance the service options available in the automotive service sector in Nagpur.

Objectives of the study

- To assess customer perception towards the service quality of authorised and independent car service providers in Nagpur city.
- To identify the key factors influencing customer satisfaction and service provider selection in the automotive service sector.
- To compare the service quality dimensions (reliability, responsiveness, competence, etc.) of authorised and independent car service providers.

Hypothesis of the study

Null Hypothesis (H_0): There is no significant difference in the service quality dimensions (reliability, responsiveness, competence, assurance, and empathy) between authorised and independent car service providers in Nagpur city.

Alternative Hypothesis (H_1): There is a significant difference in the service quality dimensions (reliability, responsiveness, competence, assurance, and empathy) between authorised and independent car service providers in Nagpur city.

Research methodology

Customer views of authorised and independent automobile service providers in Nagpur city are analysed in this study using a descriptive research approach. The research strategy is a mixed-methods one, meaning it makes use of both qualitative and quantitative approaches. To measure aspects of service quality as responsiveness, competence, assurance, empathy, and dependability, structured questionnaires are developed according to the SERVQUAL paradigm. A cross-section of consumers who have used services from both vendors will get these surveys. Customer satisfaction and preferences are measured using a Likert scale. Furthermore, in order to gather qualitative information on important elements impacting the choice and contentment of service providers, semi-structured interviews are carried out. In order to find out how authorised and independent suppliers vary significantly in terms of service quality, we compare their ratings. In order to ensure that the study is in line with its aims, statistical methods such as mean, standard deviation, t-tests, and regression analysis are used to analyse the correlations between service quality aspects and customer satisfaction.

Data analysis and discussion**Table 1 – Descriptive statistics**

Service Quality Dimension	Mean (Authorised)	Mean (Independent)	Standard Deviation (Authorised)	Standard Deviation (Independent)	Range
Reliability	4.2	3.8	0.65	0.72	3.0–5.0
Responsiveness	4.1	3.9	0.68	0.74	3.0–5.0
Competence	4.3	3.7	0.60	0.80	3.0–5.0
Assurance	4.5	4.0	0.58	0.70	3.5–5.0
Empathy	4.0	3.6	0.72	0.78	2.5–5.0
Overall Satisfaction	4.4	3.8	0.62	0.76	3.0–5.0

Based on client feedback, Table 1 compares authorised and independent automobile service providers across many service quality parameters. According to the average ratings, authorised service providers always do better than independent suppliers in every aspect of service quality. As an example, although independent suppliers average a score of 3.8 on the Reliability dimension, authorised providers get a score of 4.2. Competence (4.3 vs. 3.7) and Responsiveness (4.1 vs. 3.9) were also higher for authorised providers. Assurance scores for authorised suppliers are the highest (4.5), indicating that consumers have more faith in these businesses than those of independent providers (4.0).

Consistent answers are indicated by low standard deviations across dimensions. However, there seems to be more variation in how customers perceive independent suppliers, as seen by

somewhat larger standard deviations in Competence (0.80) and Empathy (0.78). Scores for most dimensions fell within the range of 3.0 to 5.0, with the exception of Empathy, where the range is somewhat wider (2.5-5.0) across independent providers.

People believe that authorised providers give better service since their overall satisfaction is much greater (mean = 4.4) compared to independent suppliers (mean = 3.8). These results show that people's opinions on service quality vary significantly, which lends credence to the need for more research to verify the proposed theories.

Table: Independent Sample t-Test Results for Service Quality Dimensions

Service Quality Dimension	t-Statistic	Degrees of Freedom (df)	p-value	Mean (Authorised)	Mean (Independent)	Standard Deviation (Authorised)	Standard Deviation (Independent)
Reliability	3.25	148	0.001	4.2	3.8	0.65	0.72
Responsiveness	2.14	148	0.034	4.1	3.9	0.68	0.74
Competence	3.56	148	0.000	4.3	3.7	0.60	0.80
Assurance	4.05	148	0.000	4.5	4.0	0.58	0.70
Empathy	2.89	148	0.005	4.0	3.6	0.72	0.78

The findings of the independent sample t-test for each aspect of service quality show that authorised and independent automobile service providers in Nagpur city vary significantly, lending credence to the alternative hypothesis (H_1) that these dimensions show important disparities.

The t-test reveals a statistically significant difference in the two groups' dependability ($t = 3.25$, $p = 0.001$). Customers see authorised service providers as more dependable, as their scores were higher (mean = 4.2) than those of independent providers (mean = 3.8), and the p-value was significantly below the 0.05 level.

Responsiveness ($t = 2.14$, $p = 0.034$): Authorised providers were significantly more responsive, with an average score of 4.1 compared to 3.9 for independent providers. Authorised suppliers are seen as more attentive to consumer demands, according to the p-value of 0.034, which is below the significance level of 0.05.

A significant difference was seen between the two groups with respect to competence ($t = 3.56$, $p = 0.000$). A statistically significant difference was shown by the p-value of 0.000, which means that authorised service providers were perceived as more competent than independent suppliers (mean = 4.3 vs. 3.7).

There is a statistically significant difference between authorised providers (mean=4.5) and independent providers (mean=4.0) when it comes to assurance ($t = 4.05$, $p = 0.000$). This finding emphasises how much trust and confidence clients have in authorised suppliers.

A significant difference was also seen in empathy ($t = 2.89$, $p = 0.005$). Authorised providers had a mean of 4.0, whereas independent providers had a mean of 3.6. Perceived empathic behaviour differs between authorised and non-authorized providers; a p-value of 0.005 indicates statistical significance.

Finally, the findings show that as opposed to independent providers in Nagpur city, authorised vehicle service providers are seen by clients as having greater service quality across all five dimensions: dependability, responsiveness, competence, assurance, and empathy. According to the results, the alternative hypothesis is correct: the two sorts of service providers have quite different views on the quality of the service they give.

Conclusion

The purpose of this research was to compare and contrast the views of customers in Nagpur city on the quality of service provided by official and unofficial vehicle service providers. Researchers in this study set out to determine what variables impact customer happiness and service provider choice in the automobile servicing industry by looking at five important characteristics of service quality: timeliness, dependability, competence, assurance, and empathy.

The results of the independent sample t-test showed that there were significant variations in all five aspects of service quality between authorised and independent automobile service providers. In every category, authorised service providers out-performed their non-authorised counterparts. The overall service quality was higher with authorised providers than with independent ones, according to customers' perceptions of their reliability, responsiveness, competence, assurance, and empathy.

Customers are more likely to identify authorised service providers with qualities like competence and dependability, according to this research. Customers are loyal and choose these suppliers because they believe they give a superior level of service. While still satisfying clients, independent service providers lag behind in these important areas of service quality, indicating that they can benefit from improving their offers in areas like timeliness and competence to stay competitive.

The research concludes that service quality is a key factor in how customers perceive and choose car service providers. Although authorised providers have an edge in the market because of the greater quality of service that consumers perceive from them, independent providers may strengthen their position by filling in the gaps in dependability, competence, and empathy.

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