

A COMPARATIVE STUDY OF SATISFACTION OF CONSUMERS WHILE USING SERVICES OF INDIA POST AND PRIVATE COURIER SERVICE IN MUMBAI

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Abstract : The present study is an academic attempt to compare the consumer's satisfaction while sending mails through India post and Private courier services. The study has concluded using frequency analysis and 'independent paired t test' that there is no significant difference between satisfaction of consumers using India Post and Private courier firms in Mumbai.

Key Word: India Post, Private Courier, Mail, Consumer

INTRODUCTION

India has the largest Postal Network in the world with over 1, 55,015 Post Offices (as on 31.03.2009) of which 1, 39,144 (89.76%) are in the rural areas. At the time of independence, there were 23,344 Post Offices, which were primarily in urban areas. Thus, the network has registered a seven-fold growth since Independence, with the focus of this expansion primarily in rural areas. On an average, a Post Office serves an area of 21.21 Sq. Km and a population of 7175 people. With the entry of private sector (for e.g. Shree Maruti Courier services, DTDC, Blue Dart, Vichare, The Professionals, The First Flight, etc.) in the traditional monopoly business of India Postal overplaying field needs to be established by legislative action. While the multi-national providers are providing high priced and speedy service in mail delivery, the low priced services offered by domestic couriers are undercutting India post's business. In this context legislative process will have to carefully ensure that its interests are not adversely affected while ensuring fair to rules and regulations for all providers. Each year in India 16 billion items of post (mail) are sent. 7 billion of these items are delivered by private firms which employ over 1 million people. There are more than 2500 of these firms ranging from large multi-nationals to small local companies with a fleet of bicycles. The government, however, is keen to gain much of that business for its own postal service, India Post, and is intending to change the law governing the Indian postal industry. Others say that these changes are necessary as India Post is the world's biggest postal network with more than 155000 branches, 89% of which serve rural areas. Private firms operate largely in urban areas and India Post is left with the unprofitable task of delivering post in the rural areas where revenues can cover only 15% of the costs.

2. REVIEW OF LITERATURE:

2.1 Parthapratim Pal (2010) concluded in his study that with the department of posts facing competition in its traditional monopoly market from private players, the provision of a new postal bill, which is in the process of being drafted, can have a major impact on postal, courier and express delivery sectors. The bill is expected to define the USO in the Indian context, and will presumably discuss what privilege or special treatment the national post office will get for fulfilling the USO. It was concluded that it will not be an easy task to strike a right balance. There is a possibility that the bill will have strong political ramifications as it

can have impact on livelihood of a large number of people involved in courier/EDS service.

2.2 Adithya Krishna Chintapanti (2012) tried to explain in his studies that with the entry of private courier service providers and the gradual liberalization of the sector, jurisdictions across the world are grappling with the aspects of postal regulation. From a public policy perspective, the social, economic and developmental implications of the postal regulatory regime are significant. In this article the concern of service providers and consumers regarding the proposed draft post office bill, 2011. It recorded department rather ended elements for inclusion in the long awaited legislative overhaul to other of the postal sector, in the light of other jurisdictions and the regulatory architecture for other network industries. It also pointed out postal regulation under legislative options as Restructuring the GPSP, Defining USO, Recognition of CSP and formulation of service standards, Establishing sectoral regulator and Role of Department of post after restructuring. All the above changes should ensure a dynamic, organized and disciplined postal sector in greater consumer interest.

2.3 Economic Survey of 2011-2012 (2012) highlighted some important points about India Post as it has the largest postal network in the world with 154886 post offices across country as on March 31, 2011. On average each post office serves 7814 persons with coverage of approximately 21.23 sq. km. As many as 139040 post offices are in rural areas and remaining in urban areas. In additions to its own network, the Department of Post also serves through 1155 franchisee outlets in areas where it is not possible to open post offices. Government has launched Project Arrow in 2008 to transform the existing India Post infrastructure across the country by upgrading key postal operations such as mail delivery, remittance, and banking services. Various other functions were assigned to post offices as to disburse wages to beneficiaries of Mahatma Gandhi National Rural Employment Guarantee Act through 96895 post offices. The postal network is also being used by other government department/agencies to collect data like the rural consumer price index. The postal sector needs to keep pace with changing times as many of its services have become redundant with growth with technology and takeover by other players. Quick Decisions and actions to stay abreast of the times including switching over to new activities and downsizing could realize a lot of resources from this sector for use elsewhere.

2.4 Arpita Mukherjee, Partha Pratim Pal and Ramneet Goswami, (2012) One of the core issues for India is that domestic regulation of postal services is evolving. India Post offers courier/EDS services. The Department of Posts is in the process of framing a new regulation that is likely to affect the courier/EDS industry. Based on a primary survey, this study found that the regulation should be transparent and fair; it should clearly define the reserved area and distinguish between Universal Service Obligation (USO) and competitive services. It should also mention how the USO will be funded. The regulation should encompass global best practices like removal of cross-subsidization and should facilitate competition. The need for a postal regulatory regime will arise if the public postal service provider is privatized. The regulator should be independent. The objective of the new regulation should be to lay down a form path for India Post and the primary role of the regulator should be to monitor the USO.

2.5 Paul Dudley and Others (2009) found that, With liberalizing postal sector in UK (though not completely) since past four years, there is a considerable growth in volumes around over 20% of total inland addressed postal market and larger portions of the market for consumers sending large postings. It was evident that entrants have not much lead in total delivered volumes in UK. The margin set between end to end and an access product is an important element in this development. The ex ante price control is set keeping in mind appropriate level of margin. If it is set below, it will reduce the likelihood of entry and increase the prospect of an ex post investigation. If it is set above the level expected from ex post regulation promotes greater entry. High margins enabled entrants as compared to Royal Mail, UK to compete for customer's unsorted mails and to expand market beyond the bulk mail posting.

3. PROBLEM OF THE STUDY:

The problem of the study is with the advent of private courier services in demand; demand for India post is declining. Thus, the present study is an academic attempt to find and compare the consumer's satisfaction towards the use of India Post and Private Courier Firms in Mumbai.

4. OBJECTIVES OF THE STUDY:

To analyze and compare the consumer's satisfaction while using the services of India Post and

Private Courier Service Provider in Mumbai

5. RESEARCH METHODOLOGY:

For the purpose of the above study and to achieve the objectives, the researcher has focused on primary and secondary data as a source of information. Primary data is collected from consumers of using services of post offices and consumers using private courier's services in Mumbai. A survey was conducted from consumers to examine their satisfaction level. The survey is based on the structured questionnaire designed for the same. The secondary data for the study will be based on Annual Reports, Newspapers, Journals, Published and Unpublished Books, Dissertation, mimeographed, official reports, research papers and other sources.

6. HYOPTHEISIS:

Null hypothesis (H0): There is no significant difference between the satisfaction of consumers using Post Offices and Private Courier Firms or both for sending mails.
Alternative Hypothesis (H1): There is significant difference between the satisfaction of consumers using Post Offices and Private Courier Firms or both for sending mails.

7. CONSUMER'S PROFILE:

For the present study, Researcher has collected data through structured questionnaire filled by 1200 respondents from Mumbai region. Respondents sample was chosen by deliberately random sampling technique. Table No.1 indicates detailed profile of respondents. Out of 1200 respondent, 696 (58%) were Male and 504 (42%) were Female. Distribution of respondents according to age wise, 227 respondents belongs to age group of 18 years to 24 years, 296 belongs to 25 years to 31 years, 260 belongs to 32 years to 38 years, 236 belongs to 39 years to 45 years and 181 respondents of age above 45. With respect to educational level of respondents, 33 were below SSC, 67 were SSC, 122 were HSC, 508 respondents were Graduates, 335 respondents were Post Graduates and 135 were Professionals. With respect to income (in Rs. per month) 398 Respondents were having income below Rs. 25,000; 387 were having between Rs. 25,000 to Rs. 50,000; 209 were having between Rs. 50,000 to Rs. 75,000; 106 respondent has income between Rs. 75,000 to Rs. 1,00,000 and 100 respondent were having income above Rs. 1,00,000. According to occupation wise, 190 were unemployed, 453 respondents are salaried, 233 were self-employed, 210 were carrying their own business and 114 were professionals. Out of 1200, 279 uses only India Post, 280 uses Private Courier Firms and 641 uses both for sending mails to various destinations.

Table No.1: Detailed Profile of Respondents.

Point of Consumer Profile	Sub Points	Number of Respondents	Percentage (%)
Gender	Male	696	58%
	Female	504	42%
Age	18-24	227	18.91%
	25-31	296	24.67%
	32-38	260	21.67%
	39-45	236	19.67%
	46 and above	181	15.08%
Educational Level	Below SSC	33	2.75%
	SSC	67	5.58%
	HSC	122	10.17%
	Graduates	508	42.33%
	Post Graduates	335	27.92%
Level of Income (inRs.)	Professional	135	11.25%
	Below Rs. 25,000	398	33.17%
	25,000 – 50,000	387	32.25%
	50,000 – 75,000	209	17.42%
	75,000 – 1,00,000	106	8.83%
Occupation	1,00,000 & above	100	8.33%
	Unemployed	190	15.83%
	Salaried	453	37.75%
	Self-Employed	233	19.42%
	Business	210	17.5%
Preference of Service Provider for sending mails to various destination	Profession	114	9.5%
	India Post	279	23.25%
	Private Courier firms	280	23.33%
	Both	641	53.42%

Source: Compiled from primary data.

Thus there is a co-existence of India Post and Private Courier Firms in Courier Industry. Despite of better nadfaster delivery by private courier firms, demand for India post exist mainly because of largest network of post offices covering all the pin codes which private courier firms doesn't covers.

8. RESULT AND DISCUSSION:

For the present study, researcher has attempted to find the satisfaction level of consumers using mailing services while sending mails. Following factors are considered for finding the satisfaction level:

- ◆ Wide Range of useful services
- ◆ Efficient time bound services
- ◆ Standardized delivery system
- ◆ Almost all areas are covered for delivery
- ◆ Spacious Office Infrastructure
- ◆ Provision of faster services (Promptness)
- ◆ Tracking of delivery is updated immediately after delivery
- ◆ Upgraded technology for better services
- ◆ Assured Delivery
- ◆ Employees courtesy is good
- ◆ Modernized ways of confirming the receipt of delivery
- ◆ Full trust on mail delivering staff while taking delivery of mails
- ◆ Overall customer services are good

Thus, the satisfaction level of consumers is found and then compared with the help of above factors for both the service providers i.e. Post Offices and Private Courier Firms which is depicted in Table no. 2 which reveals overall response of consumers towards the satisfaction to various factors of service providers while providing services to consumers.

Table No. 2: Response of Satisfaction to various factors for both PO and PCF.

Sr. No.	Factors	Post Offices					Private Courier Firms				
		1	2	3	4	5	1	2	3	4	5
1	Wide Range of useful services	90	84	318	295	413	163	104	287	399	247
2	Efficient time bound services	86	136	456	306	216	52	101	245	472	330
3	Standardized delivery system	115	148	448	293	196	67	80	280	482	291
4	Almost all areas are covered for delivery	57	88	264	299	492	80	150	348	428	194
5	Spacious Office Infrastructure	243	206	364	218	169	100	135	315	446	204
6	Provision of faster services (Promptness)	126	210	369	302	193	129	178	336	404	153
7	Tracking of delivery is updated immediately after delivery	110	120	383	342	245	71	103	275	479	272
8	Upgraded technology for better services	111	128	365	336	260	90	126	247	417	320
9	Assured Delivery	68	80	321	327	404	89	98	252	433	328
10	Courtesy of Employees	79	142	433	313	233	69	68	289	478	296
11	Modernized ways of confirming the receipt of delivery	234	169	294	272	231	96	81	314	410	299
12	Full trust on mail delivering staff while taking delivery of mail	69	87	289	337	418	110	190	300	378	222
13	Overall customer services are good	61	106	363	395	275	62	96	260	492	287

Source: Compiled from Primary Data

8.1 TESTING OF HYPOTHESIS:

To test above hypotheses, parametric paired' test was applied for data related to mean scores of satisfaction levels of service in Post Offices&Private Courier Firms. The result of the same is tabulated in following table no. 3.

Table No. 3: Parametric paired't' test Applied for Data Related to satisfaction Levels of Service

Service Providers	Mean	S.D.	n	Parametric paired 't' test value		
				d. f.	t value	p value
PO	4132.538	429.939	13	12	-1.17	0.2665
PCF	4271.462					

8.2 INTERPRETATION:

As p value is 0.2665 which is more than $\alpha = 0.05$ (5% significant level) we failed to reject null hypothesis. It is also observed that calculated' value is -1.17 is more than -2.68 (table value of at 5% significant level, lower tailed and d.f.12). Hence we failed to reject null hypothesis H_0 . Thus Null Hypothesis is accepted.

9. CONCLUSION:

It has been concluded from the above hypothesis testing results that there is no significant difference between satisfactions level of consumers using Post Offices and Private Courier Firms. It is evident from the mean values, that the consumers are equally satisfied from both the service provider.

10. SUGGESTIONS AND RECOMMENDATIONS:

10.1 Suggestions for India Post:

- ◆ To improve the delivery services with respect to time such as delivery in 24 hours even for other than local areas.
- ◆ To develop time based delivery products such as 10.30 a.m. priority delivery such as provided by DTDC and BLUEDART.
- ◆ To train the employee to develop relationship with regular clients.

10.2 Suggestions for Private Courier Firms:

- ◆ To participate in USO, this is only fulfilled by India Post.
- ◆ To deliver in non-delivering area marked by them as part of their CSR.

11. LIMITATION OF THE STUDY:

The present study has the limitation of Area i.e. Mumbai only. During the study area selected were only from Churchgate to Dahisar, CST to Mulund and CST to Mankhurd.

12. SCOPE OF THE STUDY:

There is further scope of the present study with the development in India Postal Act for India Post in order to compete healthily with private courier service provider and its impact on share of delivering mails across the country.

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