

IMPACT OF PERFORMANCE COMMITMENT ON CUSTOMER'S EVALUATION OF PRODUCT QUALITY

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Abstract: Performance commitment has a significant impact on the customer's perception regarding the quality of any products. Furthermore, it has also been seen that customer's attitude towards evaluating the quality of product is solely dependent on the services they receive from the employees. Therefore, it is the duty of the employees to ensure that they provide appropriate services to the customers. However, in this research study, product quality has not been properly evaluated and this serves as the major limitation of this study. In this research study, the researcher has performed quantitative analysis. This helps to understand the impact of this performance commitment on customer's evaluation. The researcher has questioned 20 customers from telecommunication as well as retail industry in order to understand the impact of performance commitment. Furthermore, inferential statistics have been performed in order to provide conclusion of the chosen samples. Furthermore, the researcher for conducting data analysis part has used 5% significance level. In this researcher, the value of P was found to be 0.956104 which is less significant ($P < 0.05$). Therefore, the researcher has accepted alternate hypothesis that says performance commitment has a definite impact on customer's evaluation of product quality.

Key Words: Performance commitment, customer evaluation, affective commitment

1. INTRODUCTION:

Performance commitment has an important position within an organisation as it defines the organisational behaviour. Furthermore, it has also been seen that this kind of performance commitment within an organisation has a definite impact on the customer's perspective of evaluating product. A proper evaluation of performance commitment is essential as it indicates employee behaviours. Customer's evaluation of product quality is highly based on the performance commitment. The following study will detail the impact of this commitment on customer's evaluation of product. Furthermore, it has also been seen customer satisfaction and evaluation towards any particular product depends on the commitment from organisation.

2. OBJECTIVES:

The main objective of this research study is to analyse the impact of performance commitment on customer evaluation of any product. The secondary objectives of this research study-

- To understand the significance of performance commitment within an organisation
- To examine the factors that influence customer's perspective on product quality
- To critically analyze the impact of this performance commitment on customer regarding product quality evaluation
- To test the significance of customer's evaluation of their buying pattern of any product

3. HYPOTHESIS :

This study will discuss the impact of performance commitment on customer's evaluation. Therefore, this research study portrays the relationship between performance commitment and customer's perspective of product quality as two variables. This relationship between the mentioned two variables will be explained using the mentioned two hypotheses-

Ho: Performance commitment has no significant impact on customer's evaluation of quality of products

H1: Performance commitment has a significant impact on customer's evaluation of quality of products

Where,

Ho- null hypothesis

H1: Alternative hypothesis

4. LIMITATIONS OF THE STUDY:

It has been seen that the research study has time constraints as its major limitation. Furthermore, this research study is not limited to a particular geographical region. Therefore, the researcher needs to restrict this study within

India. Furthermore, it can be said that in this research study, there has been lack of resources from various organisations to understand their role in providing commitment. Henceforth, future studies need to consider organisations in both rural, as well as urban areas, need to be included in this research study.

5. REVIEW OF THE LITERATURE :

Performance commitment has a certain impact on the customer’s buying perspective. Furthermore, most of these customers evaluate the quality of their products based on this commitment. Therefore, it is essential to have a clear understanding regarding the significance of underestimating this impact on customers’ evaluation. Furthermore, this perspective of customers is completely dependent on the individual perspective and these will be discussed in detail in the following section.

Impact on customers buying pattern- It is essential to satisfy the needs and desire of customers in order to attain profit within an organization. In case of any organisation, the customer's purchase behaviour depends on the way they are provided with servicesⁱ. It has been seen that customers are likely to get attracted towards any products when they are provided with appropriate services. Therefore, this kind of behaviour likely modulates the purchase or buying patternⁱⁱ. Furthermore, it has also been observed that customers would evaluate the quality of any product based on the manner they are presented with those products. Therefore, it can be said that this kind of customers behaviour overall increases the economy of the company.

Impact of affective commitment on customer’s quality evaluation- Affective commitment ensures employees attachment with the goals and objectives of an organisation. In this case, customers feel emotionally attached with the organisation and this increases their buying patternⁱⁱⁱ. Furthermore, it has also been observed that this kind of mental attachment enhances and modulates the customer’s thinking perspective^{iv}. They get involved in purchasing more products and therefore, this overall increases the economy of the company^v. Customer's emotional attachment to the specified company depends on the type of treatment and behaviour they receive from the employees^{vi}. In case any customer receives formal services from their employees, then this would give birth to mental attachment and would ultimately change the buying behaviour of that customer^{vii}. Therefore, it could be said that the employee performance and commitment performed by them have a definite impact on customers buying pattern^{viii}.

Analysing employee commitment towards customers quality evaluation- It has been seen that services offered by employees within an organisation highly influence customer’s perspective towards any product quality^{ix}. Furthermore, it has also been observed that customer's products evaluation is highly dependent on the type of services they receive from the employees^x. Moreover, it has been seen that employee performance towards any customers also influences their quality evaluation. In case any employee does not provide effective services to these customers, then this directly affects their purchase behaviour^{xi}. There are certain factors that influence customer’s evaluation of product quality-

Employee performance- This is one of the most crucial factors that impact the customer’s behaviour. Furthermore, customers should also be provided with proper services in order to ensure proper customer’s evaluation of any product^{xii}.

Product quality- It has been seen that customer’s behaviour is dictated by the type of quality they receive^{xiii}. Furthermore, it has been seen that products quality need to be assured by the employees in order to ensure proper sale of products.

6. RESEARCH METHODOLOGY :

In this research study, information regarding the impact of performance commitment on customer’s evaluation is accumulated from 20 people. These subjects are selected randomly from five different small and large-scale industries. The data collected has been analysed with the help of descriptive and inferential statistics. Standard deviations as well as mean of the population have been performed in order to draw a definite conclusion of this study. This level of significance has been taken as it reduces the type I and type II errors from the study. Moreover, inferential analysis has been preferred for using Chi-square test. The results that have been obtained from these statistical data can be used in order to draw a conclusion of this research study. Therefore, this evaluation is essential in order to analyze the impact of performance commitment on customer’s evaluation of products.

7. RESULTS :

Descriptive statistics

Categories	Classification	Number of Respondent	Percentage %
Age	18-22 years	12	60
	26-30 years	05	25
	36-40 years	03	15
	50 and above year	0	0
		20	100

Sex	Male	12	60
	Female	8	40
		20	100
Customers	Telecommunication	12	60
	Retail	6	30
	Both	2	10
		20	100

Table 1: Respondent description
 (Source: Given by the researcher)

In the above-mentioned table, the participants have been classified into four parameters. It has been observed that 60% of participants belong to the age range of 18 to 22 years. Furthermore, 25% of participants fall within the age group of 26 to 30 years. About 15% fall within the age range of 36 to 40 years. However, there were no participants aged more than 50 years of age. It was seen that about 12 participants were male and 8 participants were female. It was seen that about 60% of customers belong to telecommunication organisation. 30% of customers belong to retail organisation. In this case, various organisations have been used in order to evaluate the performance commitment impact on customer’s quality evaluation. **Frequency table**

Number of Respondents/Details on Marketing Mix variables	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	frequency
A. Effect of performance commitment on customers satisfaction	1	1	0	1	0	1	0	1	0	1	1	0	1	1	1	0	1	1	1	1	14
B. Performance commitment changes customer buying behavior	0	0	1	0	1	1	0	0	1	0	1	0	0	0	0	1	0	1	1	1	9
C. Impact of product quality on brand image	1	1	1	1	1	1	1	0	1	1	1	0	1	0	1	1	1	1	1	1	17
D. Customers evaluation of product quality	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	1	1	17
E. Performance commitment and its impact on customer’s evaluation	1	1	1	1	1	1	1	1	1	1	1	0	1	1	0	1	1	1	1	1	18
F. organizational involvement in product development	0	1	1	1	0	1	1	1	1	0	0	1	1	1	1	1	1	1	1	1	16
	4/6	5/6	5/6	5/6	4/6	6/6	4/6	4/6	5/6	4/6	5/6	2/6	5/6	4/6	4/6	4/6	4/6	5/6	6/6	6/6	

Table 2: Frequency table
 (Source: Created by the researcher)

Hypothesis testing: in this case, the researcher has tested null hypothesis with the help of Chi-square test (χ^2). It has been seen that the null hypothesis will hold true when performance commitment has no definite impact on customer’s evaluation of product. The result can be interpreted by using the formula-

Observed (O)	Expected (E)	O-E	(O-E) ²	$\frac{(O-E)^2}{E}$
4	6	-2	4	0.67
5	6	-1	1	0.167
5	6	-1	1	0.167
5	6	-1	1	0.167
4	6	-2	4	0.67
6	6	0	0	0
4	6	-2	4	0.67
4	6	-2	4	0.67

5	6	-1	1	0.167
4	6	-2	4	0.67
5	6	-1	1	0.167
2	6	-4	16	2.67
5	6	-1	1	0.167
4	6	-2	4	0.67
4	6	-2	4	0.67
4	6	-2	4	0.67
4	6	-2	4	0.67
5	6	-1	1	0.167
6	6	0	0	0
6	6	0	0	0
				9.869

Table 3: Chi-square test
 (Source: Created by the researcher)

The value of $X^2 = 9.869$

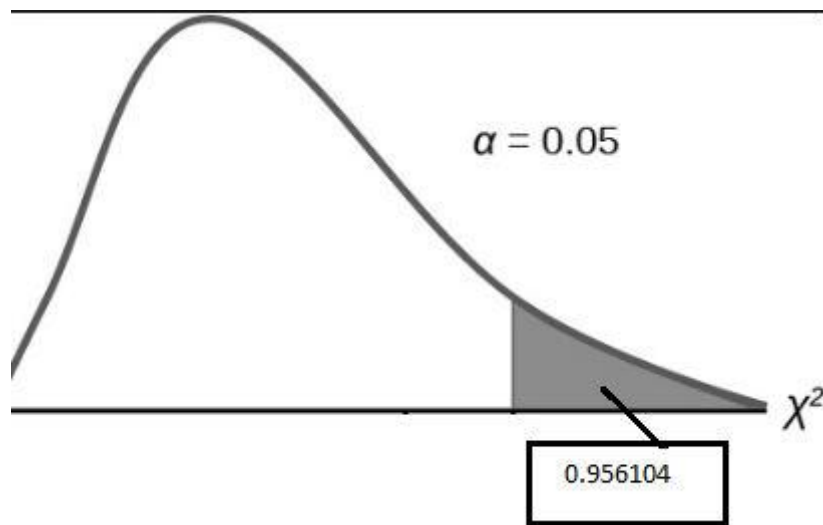


Figure 1: Chi-square graph
 (Source: Created by the researcher)

Total number of participants = 20
 Degree of freedom (n-1) = 20-1
 = 19
 Therefore, P-Value = 0.956104

7. CONCLUSION:

Henceforth, it can be said that performance commitment by the employees influences the customer's quality evaluation. The services provided by the employees are essential as it can dictate customer's perception regarding any product. Furthermore, it can be seen that performance commitment is significant within an organization and there are various factors that influence this perception of customers. Moreover, the buying pattern of customers also depends on the type of behaviours and services they receive from their employees. Therefore, in order to enhance the economy of the organisation, customers need to be satisfied and it depends on the performance commitment by the employees.

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Appendices

1. Do you think performance commitment can affect on customers satisfaction?

Options	Total respondent	Response
Yes (1)	20	
No (0)	20	

2. Do you agree performance commitment changes customer buying behaviour?

Options	Total respondent	Response
Yes (1)	20	
No (0)	20	

3. Do you think product quality evaluation can affect brand image?

Options	Total respondent	Response
Yes (1)	20	
No (0)	20	

4. Do you agree that customers evaluation of product quality impact on customers purchasing behaviour?

Options	Total respondent	Response
Yes (1)	20	
No (0)	20	

5. Do you agree that performance commitment has through impact on customer's product quality evaluation?

Options	Total respondent	Response
Yes (1)	20	
No (0)	20	

6. Do you think an organisation can involve customer's perspective in product development?

Options	Total respondent	Response
Yes (1)	20	
No (0)	20	

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