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CUSTOMER SATISFACTION SURVEY

A Study of Shree Kileshwor Saving & Credit Cooperative Ltd.

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ABSTRACT

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<p>It is an undisputed fact that the cooperatives in Nepal have been considered the backbone for the economy with the main motto of ‘One for all and all for one.’ It is a joint ownership of local people having 25 members where the shares are issued to the general public and the board members. The organization is established in a community to uplift the living standard of the in-need people giving them financial assistance at some certain interest rates. Besides this, it also collects the money from the general public and encourages them to save from their earnings.</p> <p>The aim of the study was to find out the level of satisfaction among the customers of the organization through the services rendered by Shree Kileshwor Saving and Credit Cooperative Ltd. The objective of this research was to measure the level of satisfaction applying the quantitative research method interviewing 25 customers of the organization. The commissioner of the thesis was Ms. Sapana Maharjan working as a Manager. The aim of the study was to assess the level of customer satisfaction and also find out the possibilities of increasing the quality of services along with increasing the number of customers. Based on these results, Shree Kileshwor Saving & Credit Cooperative Limited should consider those factors to meet the higher profit of the company and increase the customer retention.</p> <p>In order to meet the organizational target and goal, the cooperatives in Nepal have forwarded various schemes and services rendered by private and public sectors. Besides these, the way of working or administrative procedures are quite easier and simple compared to banks and other financial institutions.</p> <p>Such studies have been conducted previously but there are very few especially in the case of Nepal. Therefore, such studies will help the new researchers in the future and also help the commissioner to assess the quality of customer service. Considering these situations, the survey was carried out.</p>		

Key words

Co-operatives, Customer Satisfaction, Service quality

ABSTRACT

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1 INTRODUCTION

During the time of economic crisis within a country, a society desires innovative methods to come up with growth where cooperative is a way-out which measures one strategy supporting fairness, democracy and equality. This business model is oriented to serving to communities to overcome through financial crisis. First and foremost, as business, cooperatives are subject to constant market and manage the economic forces that have an economic effect on all models of enterprise. Cooperatives do not only collect the money from the outlets but also manage and analyse them maintaining the economical process and operate them through financial assistance. The aim of a cooperative is to supply most of profit to its members by participating in economic activities or by intervening within the market. There are various advantages in becoming a member in a cooperative either they are social, economical or psychological. Several cooperatives jointly request to meet the environmental objectives at the request of their members. The members jointly work for the betterment and upliftment of the society with a focused plan and procedures along with the various bodies of the society. The members of a cooperative possess full responsibility for the success of the co-operative however areas of working are different.

There are various types of cooperatives in Nepal and they are supervised and monetarized by various federations and development boards of Nepal. They are: National Cooperative Development Board, National Cooperative Federation of Nepal, and Nepal Federation of Savings and Credit Cooperative Unions Ltd. The study is based on the cooperative business or can be taken as an entrepreneurship and will encompass the client satisfaction theory as well. Client satisfaction is tough to measure because there are various types of clients with different nature and expectation from the organization and to meet up their expectation is really a challenging part. However, client satisfaction survey is a best method to learn about the level of satisfaction of the clients. This will help an organization to assess their quality of services and also collect the feedback from clients. This will eventually help to improve the customer service and entire business as well.

The objective of the thesis was to assess the level of satisfaction among the customers of the organization. The study demonstrates the services being offered by the organization and also problem-solving approaches which may help in competing with other co-operatives and fulfill the goal of the members. The study explores the market and collects the primary source of data through depth interview with the

members and the data provided by the commissioner– Shree Kileshwor Saving and Credit Co-operative ltd.

Rapid growth of cooperatives in Nepal has increased the competition in the market. Attractive offers from each cooperative have made the competition tough. Therefore, it is important for a cooperative to keep their customers intact by learning their needs and demands from the service provider. This situation also demands customer satisfaction survey which deeply examines demand side perspective. It also explores the impression of the customers upon the cooperative; either positive or negative. This eventually helps the commissioner to understand the market situation and formulate new strategies and policies based upon the research. Evidence based planning is the best approach which also reflects the top to bottom approach of planning.

This study helps the commissioner first understand the situation and then formulate the marketing and operating strategies which are proposed by the demand side. The topic was first discussed among the commissioner and then finalized after the discussion. The study is valid because of the proper follow of the process of research. Primary data was required because there is no any study has been conducted in previous years regarding the client satisfaction by the commissioner. This is the first time the commissioner will be publishing report about client satisfaction. Primary data collection via face to face interview was explored to find out the real impression of the commissioner around the market.

There is very high competition and hence, attracting customers is a big challenge for cooperatives currently. Particularly the cooperatives with limited services have even bigger challenge to increase their customers against to those who have various types of services. In such situation, service extension can be a productive intervention to stand up in the competition. In order to extend the services, such client satisfaction survey should be carried out. Planning can be done based upon the findings and the customers will have feeling of ownership when the cooperative improvises as per the suggestion provided by the customers. Therefore, given study was carried out with the aim to increase the customers to cope up with the high competition in the market.

2 SHREE KILESHWOR SAVING AND CREDIT CO-OPERATIVE LTD.

Shree Kileshwor Saving and Credit Cooperative Ltd was established on 2011. It was established under the acts and rules under Cooperative act 2048 BS. The main office of this organization is located in Changanarayan 8, Bhaktapur Nepal. The board members and the executive members are well experienced in banking sector and the main motto of this cooperative is to collect the money from the public and invest to the needy people for sustainable development and economic development of its customers. It does not only collect the money from the public but also provides loan in a convenient and safest way so that the money deposited from one person could be the financial solution for the needy people. Its main motto is to provide loans in a quicker and safest way securing the deposited money from its valued customers. Besides this, it is associated with various social welfare activities and assisting various programs in agricultural sector. If somebody is in financial crisis and he is a member of this company, then he can get Rs. 1,00,000 without any collateral or deposits but if he tends to take more than that he is liable to have a valuation of the property and should submit the attested documents from Land and Revenue department.

2.1 Objective of the Organization

Cooperatives basically provide mutual benefit to the customers. The general objective, therefore, is to uplift the economic status of the community when there is economic crisis in the community. Not only during the time of crisis, but it also helps the people under the poverty margin to start up a new business by providing loan. Therefore, the overall objective is to uplift the financial status at community level. According to the constitution of the cooperative, which was formulated during the time of its establishment, seven major objectives were decided by the founding members. The objectives were proposed to modify later in its first Annual General Meeting by few members. After an intensive discussion, it was decided not to make any modification the objectives in its very first year. Therefore, till date, the finalized objectives of Kileshwor Cooperative Private Limited are as follows:

To carry out various activities as a Head Office by establishing various branches in different places including organizational development. It aims in establishing various branches in different places according to its necessity. But the main activities and administrative works are carried out by the head office including organizational development.

To contribute to enhance employment and development by investing in various sectors like Tourism, Education, Industry, Business, etc. It also aims in investing in various business sectors like tourism, education, industry and business sectors enhancing employment opportunities to the public and also contribution in the developmental process.

To collaborate with the organizations having similar objectives and support each other through mutual cooperation. It can collaborate with other similar financial organizations having similar objectives. Through such activities it helps in financial support for huge investment yielding out more benefit.

To work as a Financial mediator between Banking sectors and Remittance companies. It can also work as a financial media partner between banking sectors and remittance companies so that the people can get easy access to financial services.

To make contribution to uplift economic status of the members of the cooperative by providing them loan in low interest rate. The main aim of this cooperative is to provide loans to the needy customers so that they can uplift their economic condition and become an independent.

To make proper investment of the deposited amount by the customers and provide them attractive interest rate in their savings. It aims in securing the deposit of its customers through proper investment and also provide attractive interest in return to its depositors.

To continue to encourage the members to develop saving habit to its customers. It also aims in encouraging the customers developing saving habit continuously. (Shree Kileshwor Saving and Credit Cooperative, Annual report 2016.)

2.2 Structure of Organization

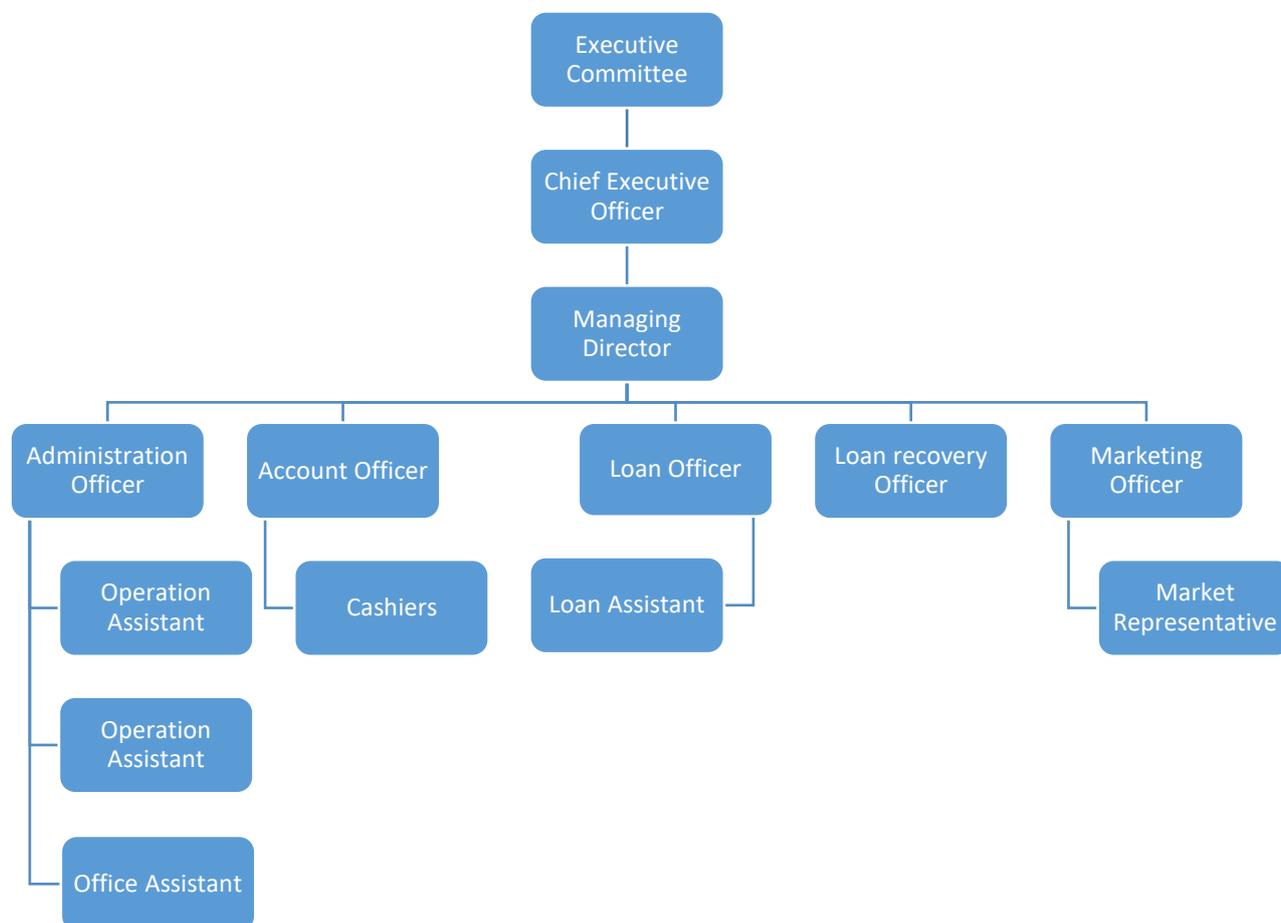


FIGURE 1. Organogram of Commissioner (Shree Kileshwor Saving and Credit Cooperative, Annual report 2016)

The management structure is hierarchal type of management. There are various mid line managers. All of them have their own terms and responsibilities. The overall managerial process of this cooperative is under the supervision and leadership is run by Executive committee of 13 elected members from every Annual General Meeting (AGM). The executive committee selects a Chief Executive Officer for day to day effective transactions in the organizations. Under chief executive officer, there is Managing Director to control all its employees and monitor the overall financial status of the organization. There are different heads under the managing director working in various fields for the effective administration and managerial process of the organization. The administration officer supervises and monitors the operation

assistants and Office Assistants for administrative purposes whereas an Account officer monitors the cashiers and cash related transactions. An account officer is the most important character in the banking sector who helps in functioning the cash management and account statements. A loan officer leads to its assistant in providing loans and check the real situations of the debtors so that the investment could be made in a safest way. In the banking sector, Loan recovery officer also plays an important role in the success of the organization. The officer checks the balance time and again and helps in collecting the interest and principal amount from debtors on time. The marketing officer plays a vital role to collect the saving from its customers and should have a proper knowledge and ability of dealing capacity to its customers. The officer supervises the marketing representatives and monitors their daily activities so that they can collect more saving. (Shree Kileshwor Saving and Credit Cooperative 2016.)

3 COOPERATIVES IN NEPAL

Cooperatives are considered the financial backbone of rural areas in Nepal. Nowadays, there are numbers of such organizations in Nepal established to fulfill the financial need in a convenient and safest way. All cooperatives are ruled by Department of cooperatives. It was established in 1953 aiming to fulfill the financial needs and initiate the process of development from various scattered sectors to a joint banking sector. The department of cooperatives is the implementing wing of the Ministry of cooperatives and poverty alleviation. Under this department, there are various other departments which monitors the cooperatives from micro level to macro level. The cooperatives are bound to render thee services within the territory assigned by District Division Sahakari Board. (Nepal Federation of Savings and Credit Co-operative Unions Ltd. 2015.)

In Nepal, the cooperatives were first started from Dhukuti, Parma, Guthi and other togetherness of the common people living nearby for the benefit of the community but now it has been established as a perfect solution for the financial crisis and the intention to meet the economic and social goals both in rural and urban areas. In 2010, the cooperative department was established under the Agriculture Ministry but later His Majesty King Mahendra revised and presented the operational acts and management in 2013. (Department of Co-operatives 2019.)

Business and vehicle loans are fast moving than other services. Further the co-operative knows that the success in the corporate banking sector is not a mass marketing exercise as it may be in retail banking; it is down to the quality of its relationship with its valuable customers. The brochure of its company highlights the ‘money’ the success of the company is based upon the relationship that you make on. According to Keith Alderson:

We treat our customers as individuals – we really get to know them and their businesses. Our success comes from a clear commitment to genuine, long lasting relationships (Alderson 2011).

There are many types of cooperatives which are contributing in different areas of people to uplift their living standard and minimize the financial problems. As reported in Department of Cooperative, there were 34,512 cooperatives in fiscal year 2017/18. These cooperatives are classified into various types according to their nature and type of work which is shown in the following table with the number of members. (Department of Cooperative 2018.)

TABLE 1. Statistics of Cooperatives in Nepal (Department of Cooperative 2018)

S.N.	Types of cooperative	Number	Board members			Members		
			Female	Male	Total	Female	Male	Total
1	Saving and Credit	13578	39205	58548	97753	1776089	1669465	344554
2	Multipurpose	4371	12326	12279	31605	618236	655541	1273777
3	Agriculture	10921	32575	43629	76204	614716	477549	1092265
4	Dairy	1658	3702	9151	12853	31748	74145	105893
5	Consumer	1423	2944	6587	9531	29150	41575	70725
6	Electricity	463	808	2972	3780	17870	63500	81370
7	Vegetables and Fruits	193	561	986	1547	10723	9544	20267
8	Tea products	108	170	686	856	2832	9131	11963
9	Coffee	155	408	758	1966	2917	4676	7593
10	Herbal	186	418	1069	1487	4887	6418	11305
11	Bee Farming	93	272	477	749	2187	2154	4341
12	Telecommunication	143	325	840	1165	5362	11691	17053
13	Health Services	128	323	746	1069	6322	8131	14453
14	Sugarcane	48	54	308	362	1229	1725	2954
15	Orange (type) JUNAR	45	222	147	369	890	1233	2123
16	OTHER	999	3199	4132	7331	88356	55589	143945
Total:		34512	97512	150315	247827	3213514	3092067	6305581

The Department of Cooperatives has classified the cooperatives of 15 major types. The statistics depicts that there is highest number of Saving and Credit Cooperative Limited in Nepal which encounters for 13,578 in number and there are approximately three lakhs members associated in it all over the country. This is followed by Agriculture Cooperatives which accounts for 10,921 and in which around 10 lakhs members are associated. Nepal is an agricultural a country hence there are large number of members associated in Agricultural Cooperatives. This is followed by Multipurpose Cooperative Ltd. and Dairy Cooperatives which accounts for 4,371 and 1,658 respectively (Department of Cooperative 2018).

Further, there are 1,423 Consumer Cooperatives in Nepal which has 70,725 numbers of members. Then, there is Vegetable and Fruits Cooperative Limited which has 20,2667 numbers of members in total. These members consist of General members and Board Members. Besides, tea products, coffee, herbal products business are also fostering in Nepal and cooperatives to support this business are also fostering currently. These are in the number of over hundred all over the nation. These cooperatives help people to start up business in the aforementioned areas and also invests in those business to earn profit. Tele-communication cooperatives are 143 in number which includes 17,053 numbers of members in total. (Department of Cooperative 2018.)

Health care cooperatives are also less in number although private health care business is fostering in Nepal. Abundant amount of health care is under government control and hence such health care cooperatives are low in number. These health care works in area of health insurance, health care financing, etc. Terai region in Nepal is famous for sugarcane farming. Every year abundant amount of farming is done in this region as cash crop. There are 48 sugarcane cooperatives all over the nation. These type of cooperative help farmers who are engaged in sugarcane farming and invest in sugarcane business. (Department of Cooperative 2018.)

The disaggregated data shows that in each type of cooperatives, the number of female members is lower than to the male. In each type of cooperative, the number of females is approximately half of the number of males. (Department of Cooperative 2018.)

3.1 Saving and Credit Cooperative

In Nepal, before the initiation of such cooperatives, people used to put their money in banks or invest their money either in purchasing fixed assets or giving personal loans in high interest rate against collateral. But later on, people did not pay back their loans and sometimes not even the interest which they were supposed to pay. Besides these, people began to run away leaving their collateral which was a headache for the investors. There were not any effective rules and regulations. Sometimes, people used to pay back their interest and principal by work or giving them their assets sometimes. And for the investors, they had to show huge amount of capital for starting a business and the banking process were also very long. But after the establishment of Saving and Credit cooperatives, such problems are wiped away. The banking processes are quite faster depending upon the type and the amount of money demanded. There are number of saving and credit cooperatives expanding in Nepal due to lack of effective supervision from concerned authorities of Nepal and hence many cooperatives are bankrupt. There are many cooperatives which are unable to pay not only the deposited money but also the interest for which they have deposited their lifetime savings. (National Cooperative Federation of Nepal 2018.)

Nowadays, such cooperatives have skilled manpower and marketing personnel, so that they go to door to door to collect the money. In such a way, they collect the scattered money from various sources and provide loans to the needy customers or invest in some profitable business works. Besides these, they can establish their branches through the permission of Department of cooperative or Division Sahakari Nepal and provide services. In this way, saving and credit cooperatives are playing a leading role in both rural and urban areas to collect the money from various people and solve the problem of needed ones which can be considered as a partnership in the economic development of the nation. (Nepal Federation of Cooperative of Nepal 2018.)

3.2 Multipurpose Cooperative

Multipurpose cooperatives are bigger cooperatives than the existing saving and credit cooperatives running in the country. They have larger areas of investment and credit services opening various branches in various parts of the country. Though the task is same, they have huge amount of capital and invest them accordingly. These cooperatives are profit oriented and serve the people according to their needs. They are being ruled and monetarized by District cooperative. (Department of cooperative 2018.)

There is different level of authorities to supervise the activities of financial transactions. There are various departments like Credit department, Loan approval department, audit department, managerial department, etc. Each level has their own areas of work and hence the work is done in a group and the profit is also distributed among the shareholders. (Department of cooperative 2018.)

3.3 Agricultural Cooperative

These cooperatives are dealt with agro products. Such cooperatives are run for the promotion and marketing of the agricultural goods. They support farmers to use the pesticides and other manures in a scientific way. Besides these, they arrange various programs and trainings to grow more cash crops and sell them in the market as well. They also build their own channel to sell their goods in the market. They can lease the land and cultivate the crops favorable to the season and market. They also help the farmers providing manures during crisis and make easily accessible through joint venture with local bodies and Department of Agriculture. (Department of cooperative 2018.)

Nowadays, there are many such cooperatives running to promote agro products and enhance the living standard of farmers as well. Even today, the farmers of Nepal use the same traditional methods to grow and use same means for farming. They do not know the quantity of pesticides to use. Due to lack of awareness, they think that the more use of pesticides helps in growing more crops which helps in reducing fertility of land. Therefore, such cooperatives are helping farmers to use pesticides and promote their products in the market. (Department of cooperative 2018.)

3.4 Dairy Cooperative

Due to lack of awareness and proper knowledge of marketing, people are not selling their products in the market. There are various products that can be made from milk. The farmers are not getting the actual price of their product so sometimes they demonstrate and protest their frustration by pouring milk in the road or stopping selling in the market. However, recently there are such cooperatives helping the farmers and other people to promote and sell milk in the market. (Department of Cooperative 2018.)

4 STRATEGIES OF FINANCIAL INSTITUTIONS IN NEPAL

Although the strategies of every organization are same and implemented for the betterment and upliftment of the public and economic development of the country. However, some strategies of the firms are: Increase the numbers of membership, Accumulation of capital from different levels, Promotion of productive business, Active participation of women in business, Poverty alleviation. (Nepal Federation of Savings & Credit Cooperative Unions 2018.)

4.1 Increase the numbers of membership

Every individual is doing any kind of work to sustain their life. But the saving comes only after expenditure and the saving of today is the capital for tomorrow to run any business or financial support. Therefore, every cooperatives aim is to increase the number of memberships so that they can collect money from different people and serve accordingly. Many numbers of members mean that the cooperative is very active, and it reflects that there are many people who are investing in the cooperative. It will be easy to gain the belief of people if there are many members of the community associated with the cooperative. This will directly affect the reputation of the cooperative so that people will invest their savings in the cooperative and high amount of deposits are also expected in such case. (Nepal Federation of Savings & Credit Cooperative Unions 2018.)

4.2 Accumulation of capital from different levels

The marketing officer or the employees of the cooperatives target to various people to save from their income and take loans in necessary. The amount collected from different sources can be utilized in a development project or the general public share can be issued if the company is growing faster. The capital could be fixed assets like land, vehicles or in cash. The marketing department is mainly responsible for collecting capital. This is done through increasing the corporate members or an individual. (Nepal Federation of Savings & Credit Cooperative Unions 2018.)

4.3 Promotion of productive business

The task of a cooperative is not only to collect the money but also invest those amounts collectively in the promotion of productive business. It helps in creating job opportunities as well as use of resources. It helps people who want to start up any kind of business by providing loan and earn profit from the interest later. This way, a cooperative helps people to promote the productive business. (Department of Cooperative 2018.)

4.4 Active participation of women in business

Nowadays in Nepal, women are also more conscious about their rights and role for the economic development as well as main roleplay both at home and service towards nation. So, there are so many cooperatives where the membership is only issued to female and various types of trainings and programs are launched for the economic development. They also focus on women empowerment and helps in encouraging saving and developing self-esteem. Although less female members, there are considerably increased participation of women in cooperatives than in past. There are also cooperatives which is run by only female members. Such cooperatives have been an example to the community. (Nepal Federation of Savings & Credit Cooperative Unions 2018.)

4.5 Poverty alleviation

The main theme of cooperatives is poverty alleviation either by conducting various trainings and programs for their economic development or helping them in giving loans to start their business. It helps not only in economic development but also indirectly helps in poverty alleviation. Poverty alleviation is an important task which cooperative does at community level by providing loan to the people to start up business. It is very difficult to start up any business without an investment. Loans from bank is too lengthy to process and hence, in such case cooperatives have been very good option from the people to get the loan without the lingering process. (Department of cooperative 2018.)

5 CUSTOMER SATISFACTION

Wherever in the world, each business tries to remain competitive and maximize profits. The most important thing in every business is to meet the client satisfaction. If the customer doesn't seem to be happy with what they are obtaining, then they will stop doing business with you and go to different places. The customers compare their expectations and their perceptions to see their level of satisfaction. This means that the company should be aware about their customers whether they are satisfied with the services or not. Therefore, the companies need to make them always happy and address their needs so that they come back again and again. (Anderson 2004.)

Client satisfaction is defined as an overall evaluation based on the total purchase and consumption experience with the good or service overtime. Through the process of marketing, the level of client satisfaction be assessed on how the services and goods are being rendered by the companies. The customers rank the level of satisfaction after perceiving the services rendered by the company whether by buying the products or using the products of the company. The customer quality and the expectations made by the customer determines the perceived value of the service rendered. The company providing the service should try to decrease the complaints from the customer and even the customers also should be loyal in giving the feedback about the service used. The customers should not be given a chance to make a complaint about the services rendered. (Anderson 2004.)

Customer satisfaction comes from the perception of customers' expectations being met. If the customers meet their expectations, then they will be coming back again but if not then they will go to another places. So glad customers seem doing business with an organization multiple time. Besides this, they also refer to refer the corporate to their friends and family. Therefore, satisfaction consists sales, services and profits. Customer satisfaction is somewhat of a brand-new concept because it was solely known within 1970s and worked additional on within 80s. There are two theories that designate client satisfaction; Disconfirmation theory and Expectancy value theory. (Allen 2019.)

It is not possible to mention what the client desires precisely and what is vital to them in business relations. The sole approach this may be done is by asking them. By asking customers their subjective opinions, we tend to meet up with the reality. This feedback is either pleasant or painful to listen to however that is not important what matters and the result is the truth. The painful results can be solved. If the

complaints are addressed in no time, then the customers are also happy and also will deliver a positive feedback with larger satisfaction and loyalty. Though this works, it is not a scientific technique to use. Likert type response formats are the ways to obtain additional depth out of an issue. They permit responses to be placed into degrees of satisfaction. It offers a spectrum of an occasional and a high level to be answered to. The low level suggests a negative response and therefore the high level suggests to a positive response. Respondents answered to the amount consequently to what their expertise was like about every specific case or item. Therefore, it is not an easy factor. Processes have to be compelled to be created friendly and incorporated into business. Asking customers concerning their expertise is simply one part of the method. The correct queries have to be asked in order to meet the target. Similarly, in this survey also, the customers are chosen randomly from different aspects of depositor's scheme. They are asked various questions regarding the services rendered by the organization. (Allen 2019.)

Customer satisfaction is related to the entire business process. For example, if a company produces a product and it is sold without any tests on the product then the goodwill of the company may decrease later on. Therefore, after the manufacturing of a specific product, it should be experimented first and then put on sale. Nowadays, customers are also so conscious that they review the feedback of the product and even they want to taste the product whether it is really good to purchase or not. If the quality of the product is cheap and it does not satisfy the customer, then they will not buy the product and go to another. Therefore, Customer satisfaction is a barometer that predicts the future customer behavior. (Hill, Roche & Allen 2007.)

The gap of expected service level obtained by the customer from the actual performance of the product is known as customer satisfaction. Therefore, the advertisements made on the product and the use of the product should be matching. So that the customer would get the maximum level of satisfaction according to his willingness. Customer satisfaction is the only way that can lead any organization into profitable business and run for long term in the business industry. (Tse & Wilton 1988, 1-7.)

Satisfaction of customers with the products of the company and the services provided by the company plays an important role in meeting the success of the company and leading the best product in the world. The meaningful advertisement and actual need assessment of the customer is a real way to meet the customer satisfaction. Though there are various ways to address such component, the effective and positivity feedback from the product leads to the intention of the customer. Once the product does not satisfy the client, it will not be taken twice. Therefore, the strategies should be made for long term rather than

using for current purpose only. The effective addressing of the customer complaints helps in competing with the market and takes no time in meeting the goal of the organization. (Hennig & Klee 1997.)

The service quality provided by the service provider in the Bank has succeeded in generating the loyal customers for long term. The fundamental requirement of the customer and the competitive marketing strategies should be applied before other organization attract the loyal customers. The words given and the services mentioned in the organizational chart should be implemented without any delay. Banks should be able to protect the assets deposited by the customers. Competitive facilities and charges should be made on the customers, otherwise there may be conflict and would be many options to enter into the market. The quality of behavior made on its customers and high rate of interest paid on the saved money will definitely help the firm to manage its customers for long term. It also helps in managing the goodwill of the organization and frees the organization taking the risk of bad customers. The satisfied customers do not only save their money but also encourages others to save their money in the same bank. (Gustafson 2005.)

The transaction of the satisfied customers makes a high ratio of turnover in the business industry. It enhances in high weight of measurement in Banking sector. The banks, therefore, should expand their banking empowerment components to its customers which makes the banking work easier and easily accessible. Banks should convey their advantageous strategies to its customers. It helps in managing the loyal relation between the customers and the Organization. A different unit should be maintained to solve the enquiries of the customers. A single dissatisfaction may lead to the loss of hundred and double the risk of losing the customer loyalty in this business sector. (Jamal & Naser 2002.)

5.1 Components of Customer Satisfaction

Any organizations willing to have the sustainable development and progress in their entire business should have positive contribution to meet the customer satisfaction. The exact addressing and fulfillment of needs of customers in the right way at the right time helps in getting the business success and paves the way for better goodwill of the company. It is also believed that when a customer is fully satisfied from the services, they are forced to come back again for the service. (Chen & Wang 2009.) According to Dick and Basu (1994), the customer satisfaction in loyalty is the main factor of loyalty. Therefore, there is a mutual relationship between customer satisfaction and customer loyalty. Some of the components if customer satisfaction is given below:

5.1.1 Product quality or service quality

Every customer wants to get the total satisfaction from the expenses they make for. They do not want to invest their money in vain. They always try to get the maximum satisfaction from the money they spend in buying the goods or wants the maximum output from the investment they make. It is a common thing that nobody wants to ruin their earning and invest their money for nothing. Therefore, if a businessman or the organization wants to make the maximum profit from the market then they should be able to give the reward for the customers money and the product quality or the service rendered should be high. The services should meet the expectation of the customers. (Coutts 2011.)

5.1.2 State of customers mind

It is not obvious that we can meet the need of each and every customer. When a customer is not in good state of mind, we cannot meet his level of satisfaction. Such cases are exceptional. When a customer is in the state of angry, whatever we do to fulfill his satisfaction it becomes useless. Our efforts do not work at that time. In such conditions we should leave them as we can do nothing. But the best level should be tried to meet his/her intention. But if the dissatisfied puts the negative feedback on the social sites or webpages then it may affect the entire business transaction. The share market value of the business company may be decreased and suffer from huge loss. Therefore, it is quite necessary to know the state of mind to whom the goods are made for and whom they are selling. (Coutts 2011.)

5.1.3 Equality behavior

The behavior among the customers should not be biased. Each and every customer has their own value and assumption. The customer paying the same amount for the same commodity should not be charged double or even a penny more to another customer. There should be fair transaction among the customers. For example, In the bank if a person comes to deposit his large amount of money and another with lesser than him then also both should be treated equally. It is not that the person coming with large sum of money do not need to queue for deposit and other should remain in queue. Such issues also may be the cause of customer dissatisfaction and there will be another way of option for depositing their money. The customers should not be given a single chance to diver their state of mind. It can create a huge loss of money for the organization. So, there should not be bias among the customers. (Coutts 2011.)

5.2 Relationship between customer satisfaction and customer loyalty

It is obvious that when a customer buys something from a company and if the person is satisfied with the product purchased then the person will again come to purchase another product of the same company. A loyal customer always satisfies his desire when he buys a product and do not leave any negative response. But a dissatisfied customer leaves a negative comment on the product he purchased, and it may lead to the decrease of market share value and profitability of the company. Therefore, a company should consider about the product that he is going to launch in the market. It is a vital aspect of the business that he should understand the relationship between customer satisfaction and customer loyalty are interlinked to each other which plays a vital role in the success of the business. Customer satisfaction is the main lead of determining the loyalty of a customer. (Dick & Basu 1994.)

A satisfied customer can be seen happy and his feelings can be seen in a happy mood after purchasing the product. The negativity about the product or the company is the most negative factor for the loss of the company. A dissatisfied customer does not say good aspect of the product. The person will spread the negativity about the product. They do not encourage others to buy that product. Since a recommendation also plays a vital role in the expansion of the business, the customer satisfaction and its loyalty play a vital role. (Dick & Basu 1994.)

5.3 Determinants of the customer loyalty

Customer loyalty is the most important factor for the success and meeting the goal of the company. Several researches have proved that the satisfied customer is a loyal and royal owner of the organization. So, they have direct impact towards organization. On the other hand, the dissatisfied customer is considered as terrorist or vendor. (Heskett, Jones, Loveman, Sasser, Schlesinger 2011, 72). Quality Service, Brand awareness, Customer satisfaction. The description is given below:

5.3.1 Quality Service

The quality of service plays the most important role in the success of the business as well as a leading point for the customers to come back again and again for purchasing or getting the service back. It is also a result of comparison between the expectation of the customer and the service he receives from

getting it (Grönroos 2007, 93). The customer services are comprised of customers' expectations including the supporting systems with complaints and also solving those complaints in a friendly behavior (Kim, Park & Jeong 2004).

5.3.2 Brand awareness

The brand name or tag of the product is the main symbol to identify a certain product or service. It helps the customers to recognize brands when they seek for the products. It helps them to save money and time because they are fully aware and fully assured from the company. The brand awareness in case of cooperative also plays a role because of the expansion of the cooperative in Nepal. The increased service limitation and its quality has made the branding in cooperative realm as well (Chen & Wang 2009, 1105-1123).

5.3.3 Customer satisfaction

Whatever a customer buys, he wants fully satisfaction from the product he purchases. A customer doesn't wish to have negative impact from the product purchased or with the service sought. The customer satisfaction plays vital role in the sustainability of the business. Therefore, when the product purchased meets the expectation, it encourages to come buy it again. (Chen & Wang 2009, 1105-1123.)

6 DATA AND METHODS

This section of the thesis discusses the data collection process and method in assessing the level of satisfaction. The study was carried out in a small village near the capital city of Nepal. The data presented in findings section are primary data which were retrieved after analyzing the data collected through interview. The type of study is quantitative. The quantitative study is defined as the research method which investigates the relationships based upon the numbers or within the measurable variables. Such kind of study expresses the findings in terms of numerical approaches and conclusions are drawn from most frequencies (Leedy 1993).

6.1 Study Approach

There were altogether 19 questions asked to the participants including their socio demographic status. The socio demographic status related questions were asked as warm up questions and later the topic was turned towards the satisfaction of the respondents towards the commissioner. In total, 25 participants were interviewed. Those respondents were the customers who visited throughout the study period in the cooperative. The findings below are demonstrated in Pie chart form so that it makes easy to observe the data. Every pie chart has a topic at the top and index at the side with labels. The sequence of the pie charts in the findings section aligns with the sequence of questions in questionnaire.

Questionnaire was used as a tool of data collection and face to face interview was done as a method of data collection. Open ended questions were avoided in order to make the research purely quantitative. The face to face interview method was chosen because there was probability that the illiterate people would participate in the study. Altogether, 25 customers of the cooperative were interviewed. The customers of the cooperatives were chosen randomly among who visited there. The interview had to be conducted in the local language so as to remove the language barrier. Therefore, the questions were translated in Nepali language. Firstly, the participants were described about the objectives of the research and the confidentiality of the data. Then the interview was started only after taking consent from the respondent. The data collection was done by the traditional method by using printed questionnaire forms.

After the data collection, the questionnaires were checked thoroughly so as to prevent the missing information. The data were entered in MS Excel. Then the data were analyzed manually and then frequency

tables were generated. Pie chart were used to illustrate the data. There are altogether 19 diagrams and all of them are illustrated thoroughly after each diagram. Each diagram is made according to the answers given by the respondents. The answers are well managed and kept in MS-Excel to make pie charts.

6.2 Validity and Reliability

Validity and reliability are important aspect of a research. The overall research must be valid and reliable when accomplished. A research when completed must be proved that it was valid and reliable. At many cases, it happens that the research cannot measure what it was actually supposed to measure. Therefore, these aspects are to be mentioned and explained clearly in a research. Validity concludes if the research completed has measured what it was actually intended to measure since the beginning of the study. For this, the tools and method used in the research must be valid. Many authors confirm the validity by preparing a questionnaire and also comparing the findings with the other studies. Here, in this study the comparison with other studies was not possible because very few numbers of studies have been done previously in the realm of cooperatives. However, the study could be valid because the study intended to measure the level of satisfaction of the customers of the commissioner company and hence, the study has successfully measured the level of satisfaction and has answered the research question. (Joshi & Saket 2015.)

The draft of questionnaire, which is the research tool in this study, was first prepared and then discussed with the supervisor of the thesis. Moreover, the questions were developed after the study from various previously done researches so as to maintain the validity of the tool. Face to face interview is also conducted in order to make the response more precise. The reaction of the respondent and their perception help to assess the level of satisfaction. In addition, there were few respondents who were illiterate and hence, face to face interview was done to make their response valid. Moreover, the interview was conducted in local language so as to validate the response from the clients. (Joshi & Saket 2015.)

On the other hand, reliability of the study is determined if the similar study findings can be reproduced time and again by maintaining the same research methodology. If the results are quite similar, then the research is said to be reliable. The well recognized Likert scale is used in the questionnaire in this study. This Likert scale is used all over the world when it comes to the assessment of satisfaction. It is widely used psychometric tool in social research. It helps to assess the human behavior, attitude and perception. The Likert scale consists of set of real or hypothetical situations in which the research participants are

asked to choose among the measurement level in the situation based upon their perception (Joshi & Saket 2015). Therefore, the study has been proved to be both valid and reliable.

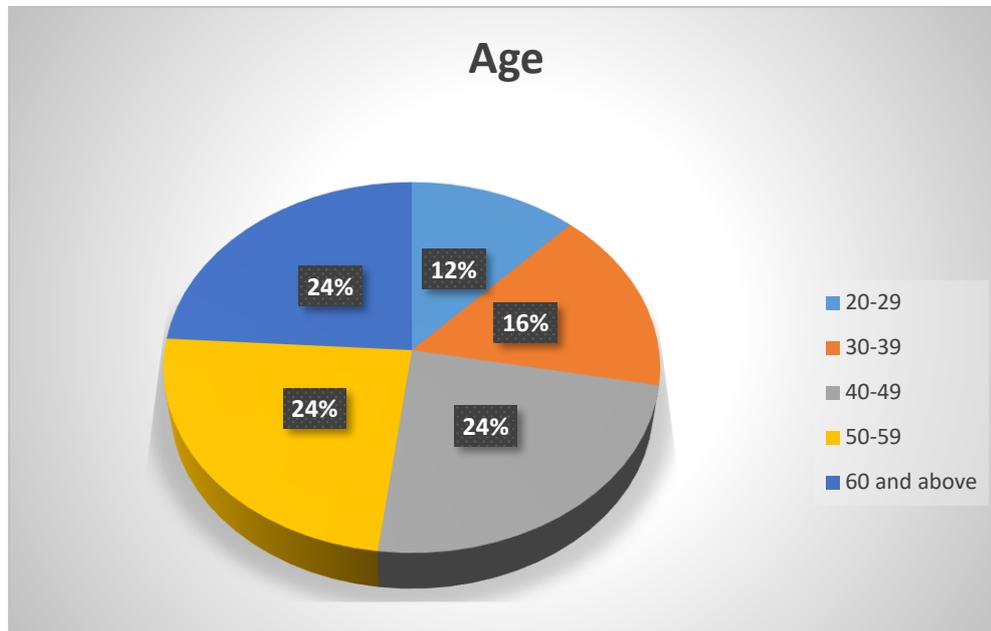


FIGURE 2. Age distribution of respondents

The figure above illustrates the age distribution of the respondents. The age distribution reflects the age range of the customers who participated in the study. It also provides socio demographic information which helps to know more about the perception of the respondents according to the age factor. The age range of respondents varied from 20 years to 85 years of age. There were 24 percentage of respondents who belonged to age group of 50 to 59. Further, the percentage of respondents of age group 40 to 49 was also equal i.e. 24 percentage. The respondents of age group above 60 years of age was also equal. There was a smaller number of participants who belonged to age 20 to 29 which accounts for 12 percentage.

However, majority of the respondents were from the age group 40 to 60 years of age while there were less respondents from age group below 25 and above 65 years. There was one respondent of age 85 who was able to participate in the interview. The objective of study was explained to the respondent and then interview was conducted in sequence. The information on age, education, occupation was asked as an ice breaking session and they were followed by the questions regarding the main research question of the study.

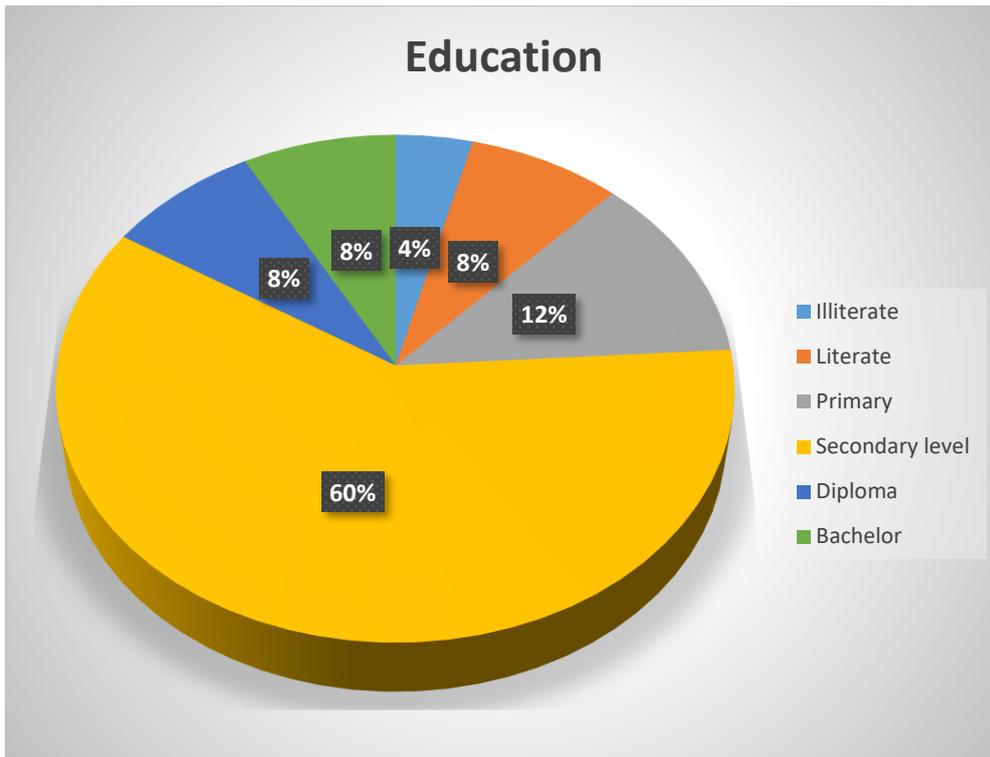


FIGURE 3. Education of respondents

The pie chart above illustrates the education of the respondents. We can observe that out of 25 respondents, more than half were educated till secondary level which is equivalent to grade 10. Very few were illiterate, and the number of graduated respondents were also low.

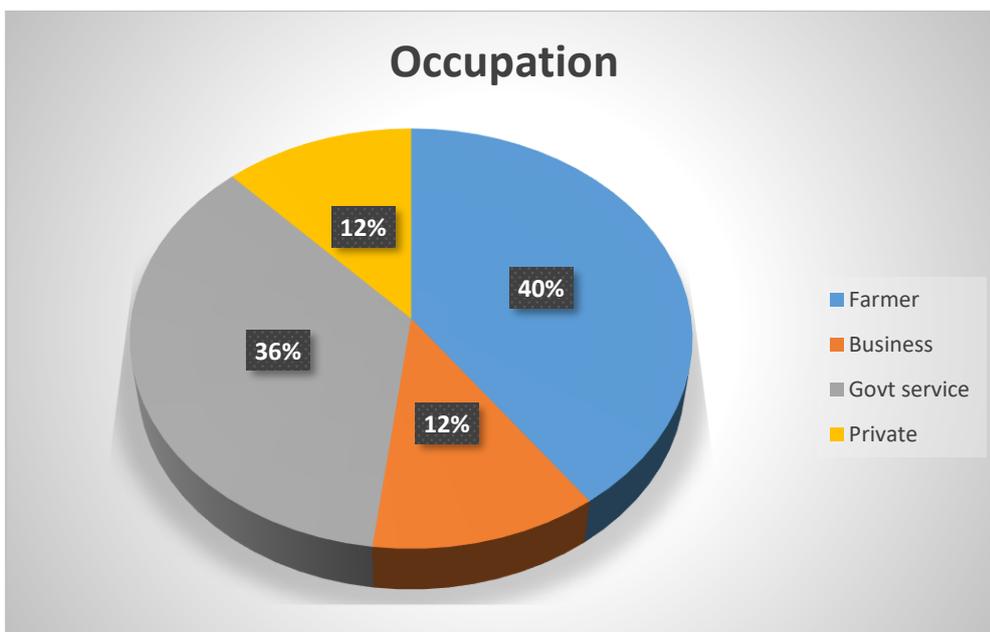


FIGURE 4. Occupation of respondents

The above pie chart shows the occupation of the respondents. This helps the commissioner to understand the occupation of its clients. The pie chart shows that majority of the clients were farmers which is followed by clients working in government sector. Few respondents were working in private company and were business persons.

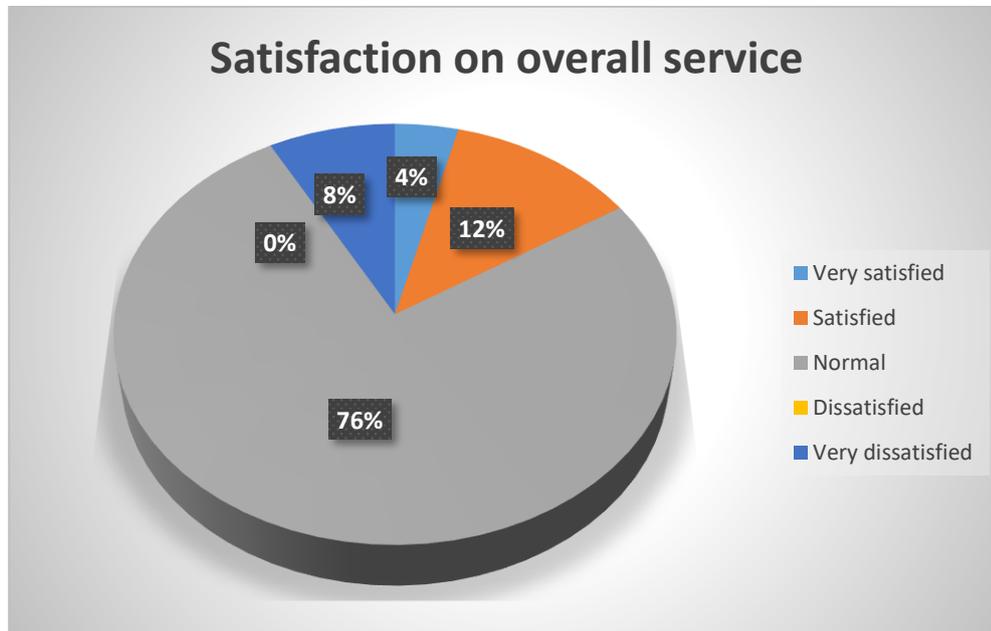


FIGURE 5. Satisfaction on overall service provided by cooperative

Regarding the satisfaction of the respondent upon overall service provided by the commissioner, it was found that one third of the respondents' reaction was normal i.e. neither dissatisfied nor very satisfied. The question was asked indifferently and hence more than one third of the participants expressed their normal level satisfaction. Four percent of them were very satisfied with the overall services while eight percent of them were highly dissatisfied with the overall service.

None of them said that they were dissatisfied with the overall services. This question was not asked precisely about any specific aspect of the service of the commissioner. It was about the overall service of the commissioner. This was the first question about the satisfaction; therefore, the later part was asked about satisfaction on specific aspects of the commissioner which helped to probe the participants about their satisfaction level.

The following questions were about probing on the satisfaction on each aspect of the commissioner and then the responses were sought in the measurement scale of the satisfaction by using the Likert scale.

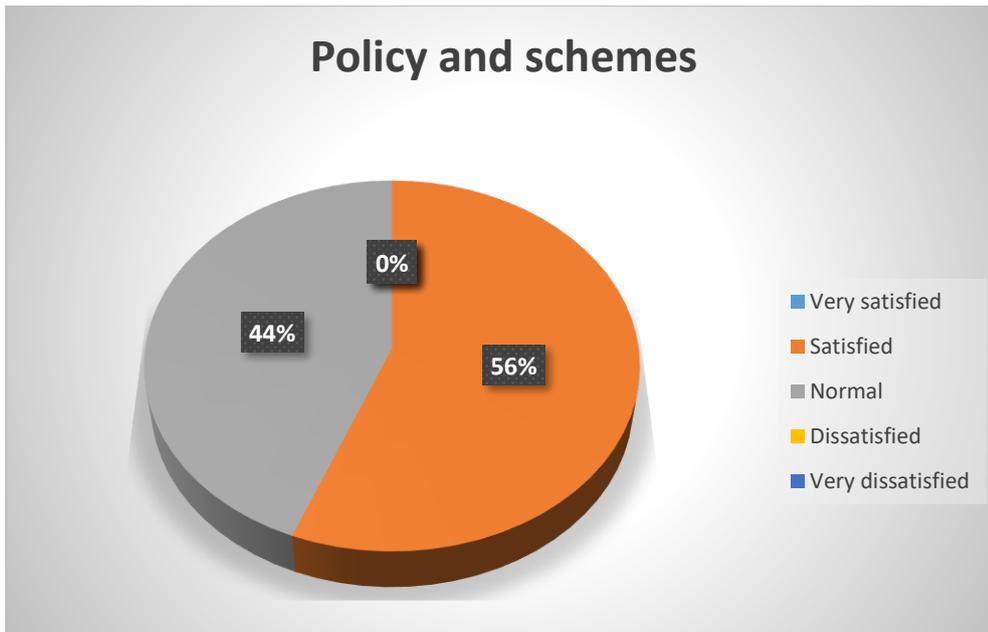


FIGURE 6. Satisfaction on policy and schemes provided by cooperative

The question was further divided down into specific components of the services provided to probe about the satisfaction upon each service component. The figure above shows the satisfaction of the respondents regarding the policy and schemes provided by the commissioner. It was found that more than half of the respondents were found to be satisfied with the policies and schemes provided. Further, 44 percentage of respondents were found to be normally satisfied. It was observed that none of the participants were dissatisfied about the policy and schemes provided by the commissioner.

The policy and schemes of a cooperative plays a significant role to affect the perception of the customers. The interest rate and other schemes and offers are the main factors those are considered while people choose a cooperative to deposit their cash or to seek any kind of loan services. The figure shows that the schemes of the cooperative has been able to convince the community people to be associated with it. This has helped to attract the customers.

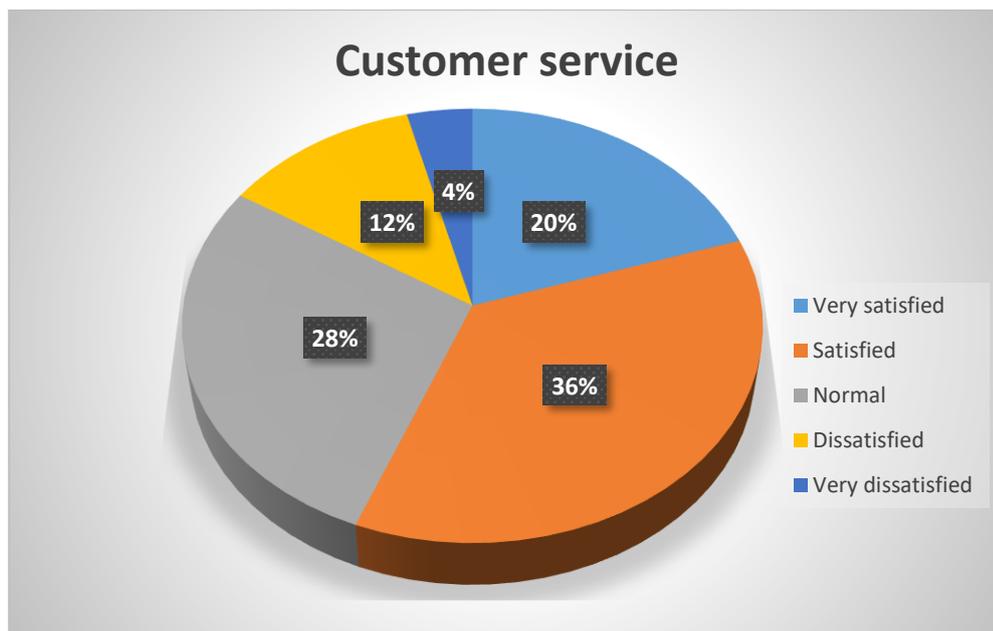


FIGURE 7. Satisfaction on customer service

When asked about the satisfaction regarding to the customer service, it was observed that 20 percentage of the respondents were very satisfied with the customer services, 36 percentage of them were satisfied. Less clients were dissatisfied with the customer service marked as 12 and four percentage out of 25 respondents.

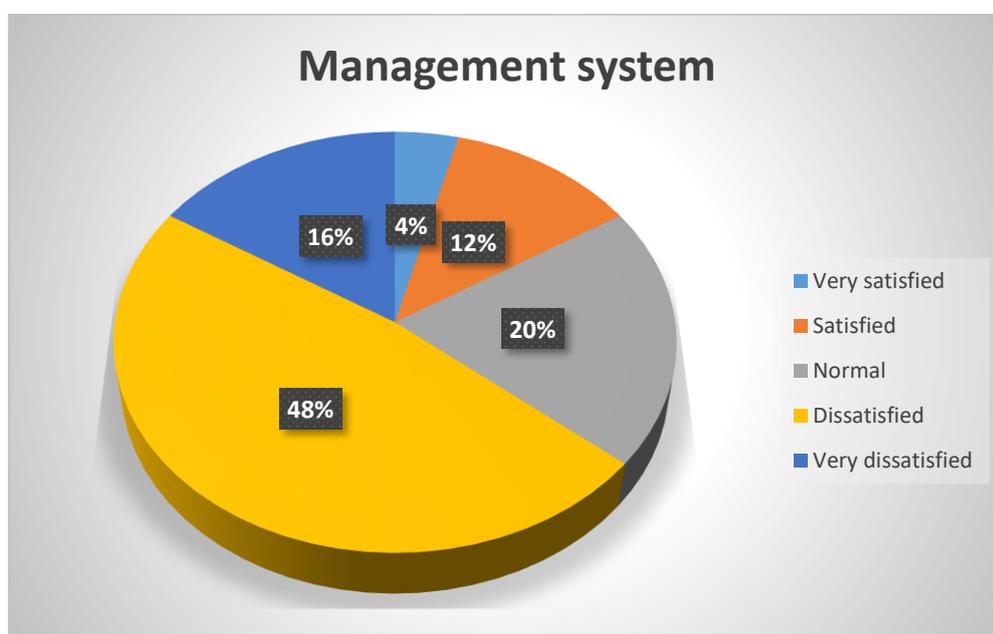


FIGURE 8. Satisfaction on management system of cooperative

It was asked to the respondents that if they were satisfied with the management system of the commissioner. It was revealed that 48 percentage of the respondents were dissatisfied with the management system of the commissioner followed by 16 percentage of them who are very dissatisfied. However, four percentage of them were very satisfied and 12 percentage of them were satisfied with the management system.

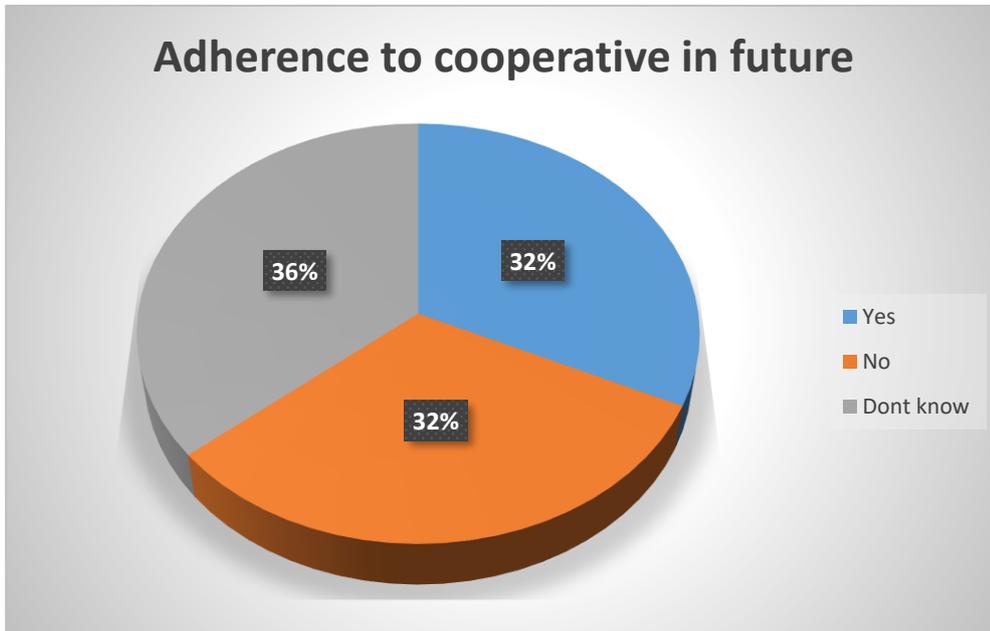


FIGURE 9. Adherence to the cooperative till next 5 years

When the respondents were asked if they will continue the service with the cooperative in next five years, it was found that 32 percentage of them would like to continue the service with the commissioner and 36 percentage of them had no idea about continuing service with the commissioner.

This question was asked as triangulation of data. This question also reflects the satisfaction of the customers towards the cooperative. The customers who are satisfied with the services of the cooperative are expected to continue the service in future, besides, those who are not satisfied with the services will try to discontinue the service in future.

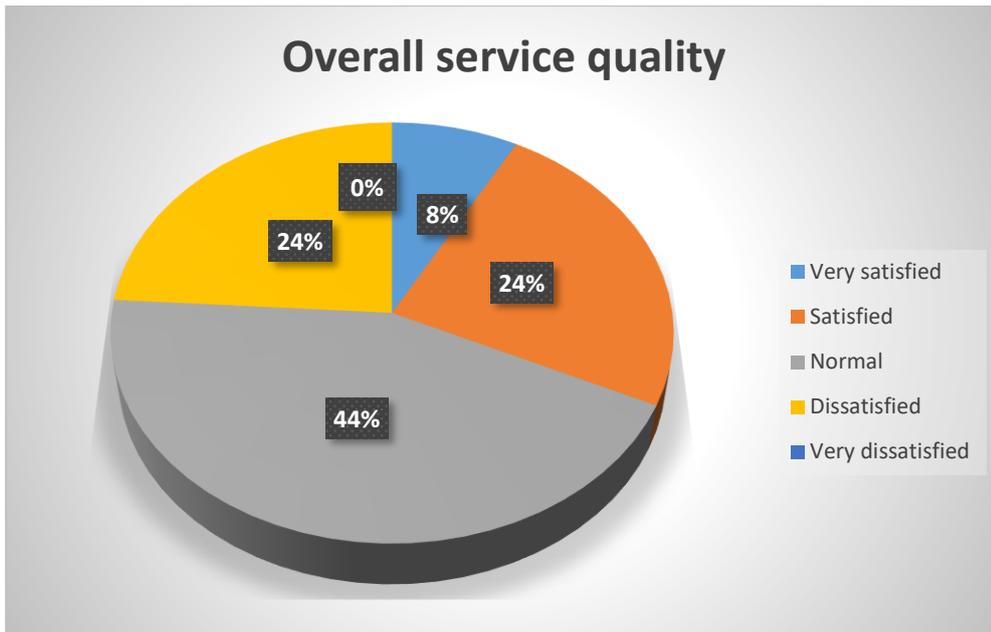


FIGURE 10. Satisfaction on overall service quality

The respondents were asked if they were satisfied with the overall service quality of the commissioner. The overall service quality included the infrastructure, book keeping system, customer service, etc. It was found that the 44 percentage of them had normal reaction regarding the quality of service, 24 percentage of them were satisfied with the quality of the services. Almost one fourth of them were dissatisfied with the service quality over there.

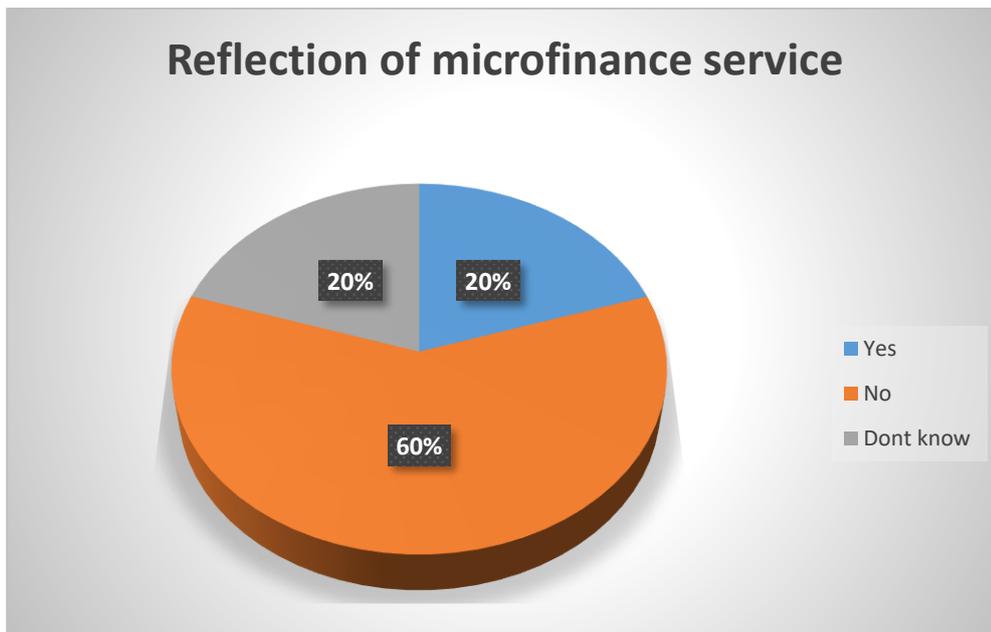


FIGURE 11. Availability of series that reflect microfinance service

The respondents were asked if the cooperative is also providing microfinance level of services to them. Among them, 60 percentage told that there are no any extra services provided by the cooperative which reflects the standard of micro finance. Currently, there is trend of providing extra services by cooperative like mobile banking, net banking, remittance services, etc. But it was found that there were no any extra services provided.

The cooperative is not providing any services beyond savings and credit. Therefore, majority of the respondents were certain that the cooperative is not reflecting any microfinance level services. Some respondents were unknown about the types of services provided by the cooperative and hence they could not respond to this question.



FIGURE 12. Purpose of visiting cooperative

The above figure shows the purpose of visit to cooperative. It was found that 48 percentage of them visit cooperative to deposit their savings or to collect their interest of savings. Similarly, 52 percentage of them visited for loan purpose. The picture reveals slightly more respondents who were interviewed had taken loan from the cooperative. The illustration does not reflect the total number of customers but only to those who were interviewed.

Customers also visit the cooperative to seek for suggestions on investing and other legal tasks. In major, the cooperative is only providing saving and credit services and hence there were no other services mentioned by the respondents during the interview.

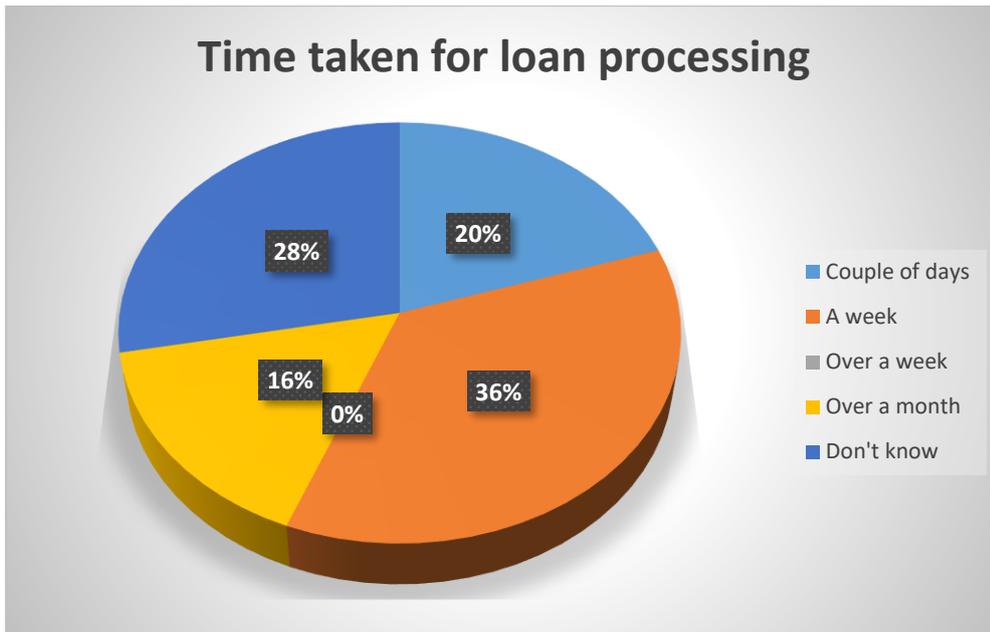


FIGURE 13. Time taken to provide loan

The pie chart above depicts the time consumed for the entire loan process. Among them, 28 percentage had no idea about the total time taken to process the loan. Twenty percent of them said that it takes only couple of days to provide loan while 36 percentage of them said that it takes a week to provide loan by the commissioner. Few participants i.e. 16 percent of them said that it takes over a month to complete the entire process of loan.

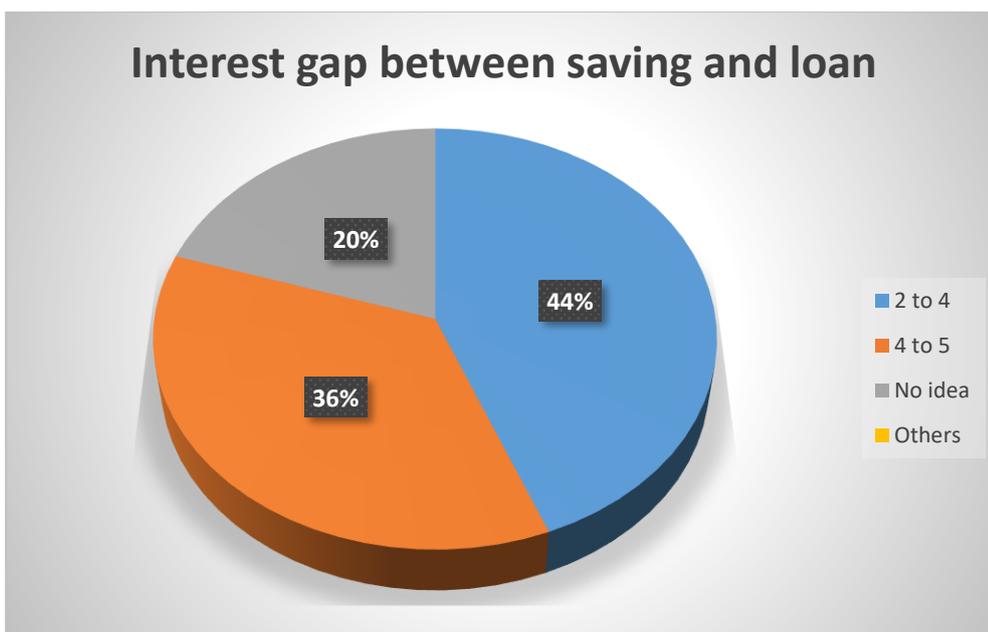


FIGURE 14. Perceived interest gap between saving amount and loan amount

The respondents were asked about their view about the interest gap between the loan provided and deposit taken by the commissioner. Twenty percentage of them had no idea about the interest gap while 44 percentage of them said that there should be 2 to 4 percentage gaps in interest. Similarly, 36 percentage of them said that there should be difference of 4 to 5 percent.

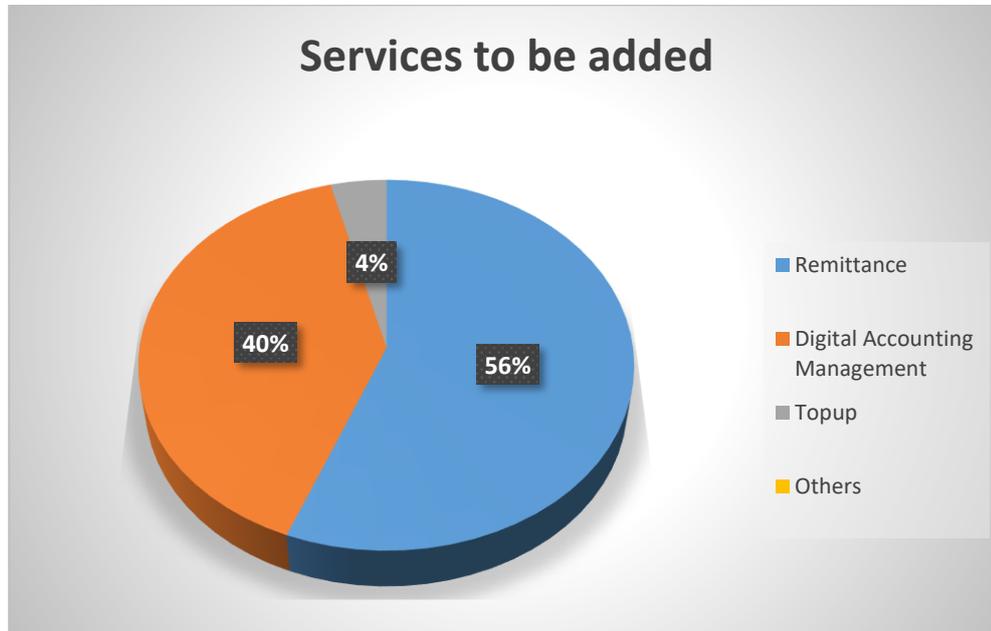


FIGURE 15. Services to be added in the cooperative

The respondents were asked about the services which can be added to the cooperative. About 56 percentage of respondents said that remittance service could be added for the convenience of the customers residing in the area. Similarly, 40 percentage of them said that the book keeping should be done based on digital account management i.e. using computer software rather than doing it manually in handwritten form. Few of them recommended to add top up services of services like mobile phone, Tv channels, etc.

Currently, remittance rate is significantly increasing in Nepal and hence the remittance service is in great demand. Digital accounting management means avoiding the traditional book keeping system and then introducing book keeping software. This helps to make the financial transaction more transparent.

Further, top up services mean the recharging of the prepaid mobile and channels. There are many television channels which needs to be recharged monthly in Nepal and also majority of people use pre-paid type of telecommunications services.

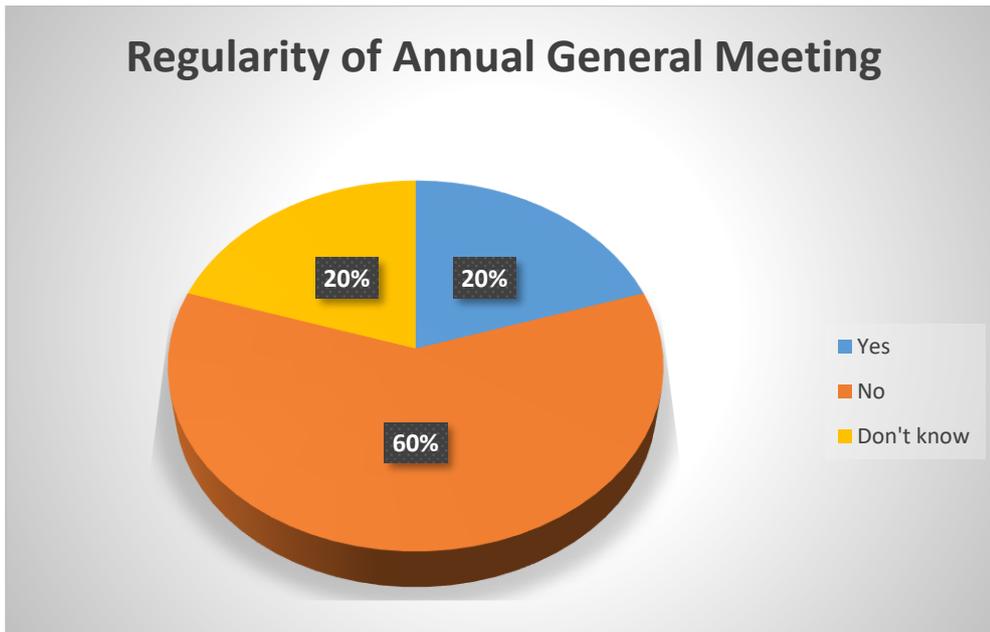


FIGURE 16. Regularity of Annual General Meeting

More than half of the respondents (60%) revealed that the commissioner has not been conducting Annual General Meeting on regular basis. While, 20 percentage of them agreed that they have been conducting Annual General Meeting however rest 20 percent of them had no idea about it.

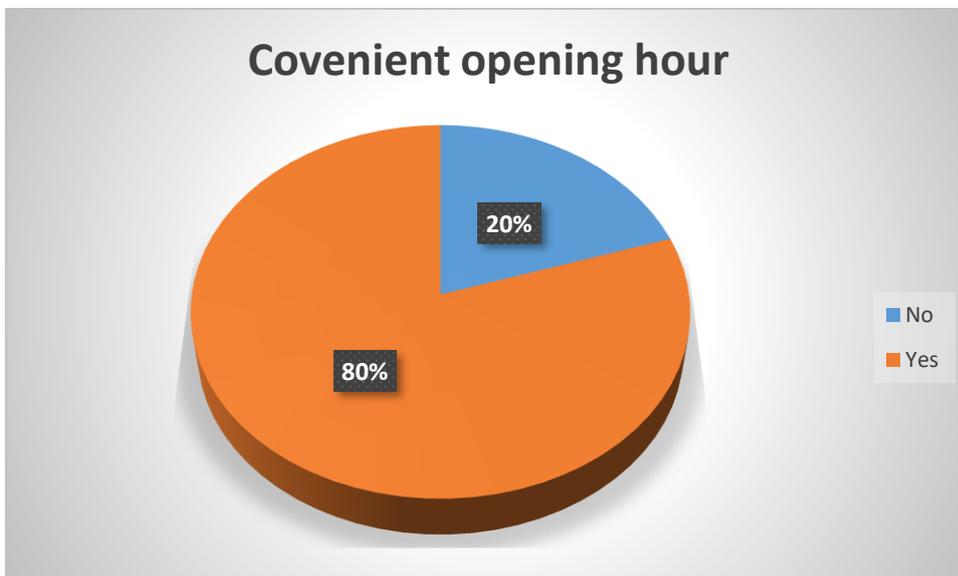


FIGURE 17. Perception on opening hour of cooperative

The respondents were asked if the opening hour of the cooperative is convenient for the clients. Majority of the respondents said that the opening hour is convenient for the clients while 20 percentage of them shared that the opening hour is not convenient for them.



FIGURE 18. Complaints in last 12 months

The respondents were asked that if there was any situation to make complaint about the services or anything related to commissioner. More than half of them (56%) said that they had not made any complaints in last one year. However, 44 percentage of them said that they had made complaint in last 12 months. It is a thoughtful matter that slightly less than half of the sample customers stated that they had made complaints in last 12 months.

The type of complaints was also probed during the interview. The complaints were generally about the conduction of AGM. This is the major complaints heard during the study. This matter does not reflect the transparency of the financial activity of the cooperative as stated by respondents. Moreover, when a customer comes to withdraw large amount of cash at an urgent situation, the cooperative could not provide the amount instantly. Customers had also made complaints about this matter.

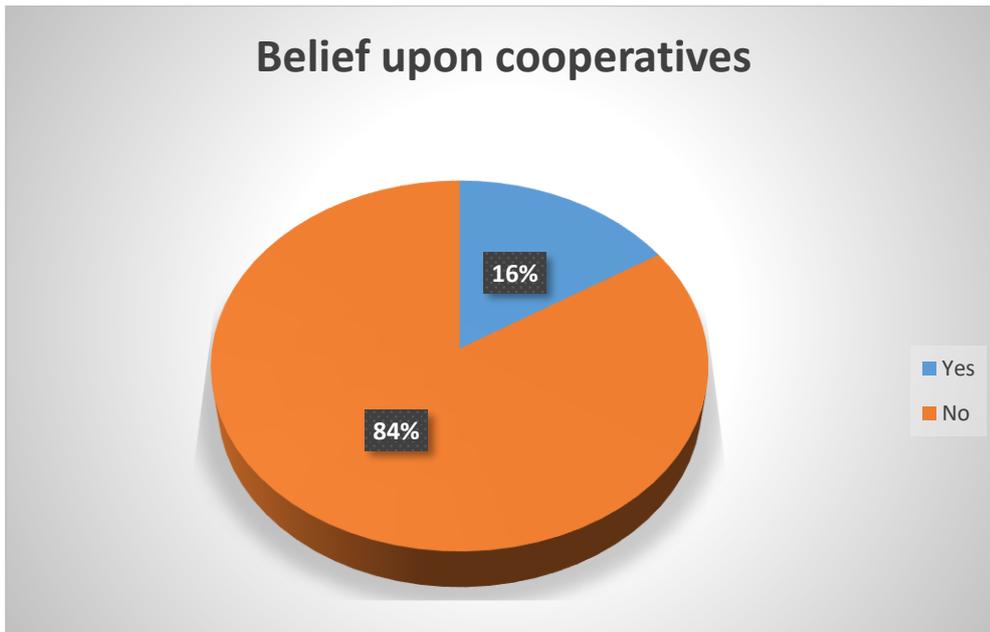


FIGURE 19. Belief upon cooperatives

The respondents were asked if any kind of act of fraud has affected their belief or confidence upon any cooperative located in the surroundings. Majority of the respondents i.e. 84 percent of them said that there has not been any act of frauds or any other suspicious act which affected the belief upon any kinds of cooperative. However, 16 percent of them said that there have been some incidents in other cooperatives which has affected belief.

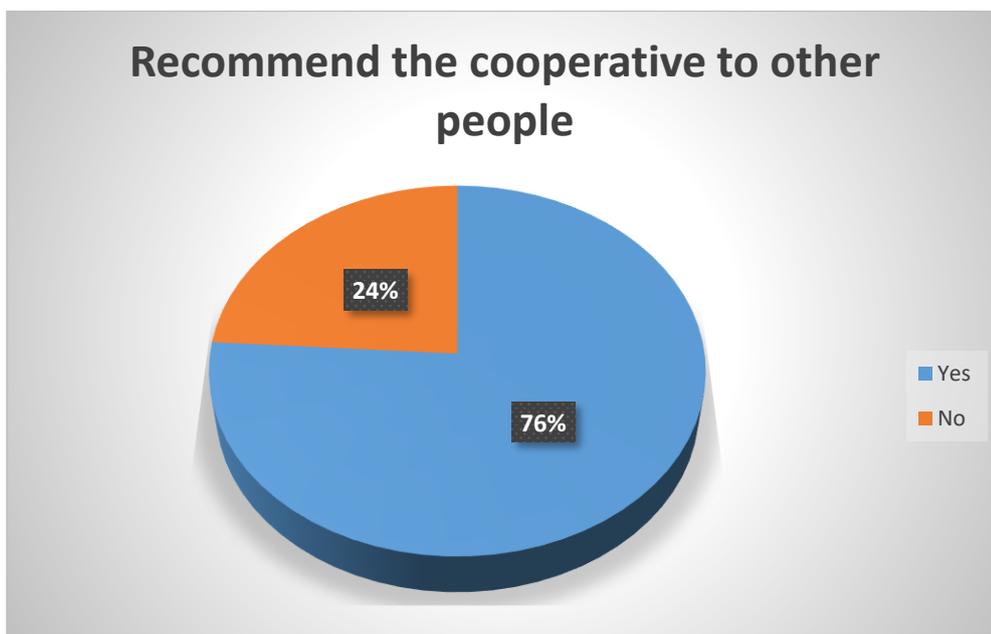


FIGURE 20. Recommendation to other people

The respondents were asked if they would recommend the cooperative to other people like family, friends or relatives. Upon this, 76 percentage of them said that they will recommend the cooperative to other people as well while 24 percent of them said that they would not recommend the cooperative to other people. There is high probability that the information regarding the recommendation would be bias because of the personal relationships between the customers and the commissioner. Despite of the low satisfaction level in the previous questions, the positive response when came to the recommendation is still high i.e. three fourth of the total respondents.

All the information explained above were the pie charts generated from the findings from primary data collection. The face to face data collection came out to be effective while examining the level of satisfaction. The reaction of the respondents during the interview can be studied while conducting face to face interview. Therefore, face to face data collection can be recommended when carrying out a survey about customer satisfaction.

7 DISCUSSION AND RECOMMENDATION

The questions in the questionnaire were sorted in chronological order i.e. the first few questions were related to the socio-economic situation of the respondents such as age, education and occupation. This was followed by the questions related to satisfaction towards the services provided by the cooperative. The age group ranged from 20 to 85 years of age. However, there were few respondents who were above 60 years of age. There was one respondent of age 85 who was able to participate in the interview. Regarding the education status of the respondents, it was observed that very few people were graduated and majority of them had studied equivalent to grade 10. Moreover, it was found that majority of the clients of the cooperative were farmers and very few of them were working in private and government services.

The clients were asked about the satisfaction towards the overall service of the cooperative. It was an ice breaking question which was followed by the questions about specific services. Since, it was the first question, majority of the clients had normal reaction about their satisfaction on overall services. Very few had shared that they were dissatisfied. This was followed by the question related to their satisfaction about policy and schemes. Here as well, almost half of them had normal reaction while slightly more than half were satisfied. Offers like interest rates in savings and loans, policies of the cooperatives, etc. were asked under this category. The clients were also asked about their satisfaction regarding customer services of the commissioner in which staff's behavior, phone services and flexibility in opening hours were asked. More than one third of them said that they were satisfied while rest had normal and dissatisfactory reaction.

Regarding the interest gap between the saving and loan, we had asked the respondents their perception that how much there should be gap between saving and loan percentage, upon which almost half of them said that there should be only 2 to 4 percentage of difference. This is actually what is being provided by the cooperative currently. It is providing 12 percent interest per annum in saving while it takes 16 percent interest per annum in loan. Therefore, the gap seems satisfactory to the clients.

The Annual General Meeting is mandatory to conduct every year inviting the shareholders, clients, stakeholders and local people. In the meeting, the Treasurer of the cooperative presents all the financial information to the people of the entire year. It is done in order to maintain transparency of the financial activities of the organization. It is an important event of the cooperative which helps to gather people

and market a cooperative as well. However, the annual general meeting has been held only twice since its establishment. Therefore, this kind of irregularity affects belief upon the cooperative.

The respondents were asked what kind of services needs to be added in the cooperative to improvise its services. More than half of them said that remittance service needs to be added because many local people travel to the capital city to get the remittance services. There is no any single cooperative in the village which provides remittance service. Hence, it would be good opportunity for the commissioner to increase its customers if there is remittance service.

The respondents were asked if the opening hour of the cooperative is convenient for the clients. Majority of them said that it is convenient. The cooperative opens in the morning from 7 am to 2 pm. After the office hour, if clients come to visit the cooperative, the Chairperson of the cooperative provides services. It is because the cooperative is located at the home of the Chairperson and hence, he is available any time. This is the reason that majority of the people do not need to return back without service although its operating hour is lesser.

It was revealed that almost half of the respondents shared that they had to complain about managerial things and service quality in last 12 months. Some people still complained that the interest rate for the loan is high. Some complains were done when the cooperative could not provide interest amount to the clients who have fixed deposit on time. Moreover, few of the respondents also have complained when it took longer time to process the loan. In addition, the complain about irregularity of Annual General Meeting were also done during last 12 months. The cash collected from the clients are deposited to an A grade bank in nearest town. Therefore, if some clients come to collect huge amount of cash through cheque then they won't be able to pay on the same day. The cooperative need to withdraw cash from the bank and provide to the customer which may take more than one day. Therefore, in case of urgency, cooperatives might not be able to provide huge amount instantly. This is one of the drawbacks of local cooperatives in Nepal which are compelled to deposit cash in higher level like finance, banks, etc. for the safety of the cash. Few people have complained about this issue which is genuine. Limited cash is deposited in the cooperative so if there is less amount of money to be withdrawn then there is not any issue, but it might take longer time if we are going to withdraw huge amount of cash.

The cooperative can expand its business and increase considerable number of clients if the following improvement are implemented.

Quality of services

The quality of services includes infrastructure of cooperative, customer services and also management system inside the cooperative. The cooperative should be established in its own building rather than in a small room in Chairperson's house. The waiting place needs to be adequate and comfortable. Therefore, quality of services needs to be improved by introducing new technology and improving customer behavior.

Addition of services

Add remittance service so that the local people would not need to travel to nearest town to seek the service. Majority of the young people are out of the country and they send money to their family for various purposes. Hence, the remittance services could make a remarkable increment in number of customers. It is high time to introduce digital management of book keeping and accounting in the cooperative.

Reaching the unreached clients

Mobile camp can be conducted in areas which are far away from the cooperative. Topographic challenge still exists in Nepal and also in the study village and some people would be unable to visit the cooperative. This helps clients to deposit their amount and apply for loan without difficulties on travel. This saves time of clients and hence would be an attractive scheme. Such camp can be conducted in few areas once in a month.

Transparency of finance

Annual General Meetings should be conducted regularly which reflects the transparency of financial transaction. It helps to strengthen belief of clients upon the cooperative. Moreover, such events help to bring together clients, other local people and stakeholders and marketing can be done, and oral feedbacks can be taken from the clients during the event.

8 CONCLUSION

A cooperative is established to uplift the economic status of the local people by investing their money and seeking loans when needed. It helps to mobilize cash and earn interest from the deposited cash. The commissioner, Shree Kileshwor Saving and Credit Cooperative Limited had been established to serve the local people.

From the findings it can be concluded that almost half of the respondents were dissatisfied with the management system and only one third of the total respondents were sure about continuing service with the cooperative. The overall service quality was also either poor or normal as said by respondents. Only one third of them were satisfied with the quality of the services. The book keeping is done manually and in handwritten form which is traditional way. Various software has been introduced to make book keeping easier and systematic, but the cooperative is not using any kind of software which reflects very traditional trend and its clients are not satisfied with this system. Moreover, the cooperative has been established in only one small room where cash desk, accounting and everything regarding customer services are done within the single room. This looks very congested inside and there is no adequate space to place chairs and tables so that people can sit and wait for their turn. This has affected the satisfaction level of the clients towards the cooperative. The interior design of any office plays vital role and puts huge impression on the clients. The waiting places should be adequate and comfortable. Therefore, the commissioner needs to improve its internal design.

Nowadays, there is trend in Nepal that cooperatives are also providing services meeting the level of microfinances, which means adding extra services like remittance, mobile application, top up services which helps to recharge mobile phones, TV cable channels, etc. When asked about question related to these services, majority of them said that there were no such services in the cooperative. The people are obliged to go to other places to receive the remittance. If such services are included then, the customers also would be happy, and the transactions also will increase.

Despite various pros and cons of the cooperatives, almost three-fourth of the clients told they will recommend the cooperatives to other people. The clients' perception was, the cooperative is comparatively good at providing timely services in comparison to the other local cooperatives. The founder of the cooperative lives in the same building which is also helping the customers to receive and withdraw money beyond the office hours.

To conclude, the cooperative has limited services providing currently and there have been few issues of late loan processing and late withdrawal services. There are services which can be added in the cooperative and could be a good opportunity. The clients have overall positive perception towards the services and hence it can be determined that the cooperative has good impression among the locals in comparison to the other cooperative of the area. From the findings, it is concluded that majority of people have positive perception towards the cooperative in comparison to others.

This research has examined the level of satisfaction and has also explored the customer needs. The Likert scale used as a means of measuring the level of satisfaction has been proven effective as in other studies. A qualitative method using focus group discussion or in-depth interview is also an effective method to identify the level of satisfaction among the customers. But such kind of research would require high amount of resources and time. Therefore, when carrying out the study like this with various limitations, quantitative method will also give a satisfactory result. This kind of study will help a cooperative to formulate strategies through bottom of approach. Such study can be used as a guideline by the future researchers.

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**CLIENT SATISFACTION SURVEY
SHREE KILESHWOR COOPERATIVE LIMITED
2018
(Interview Questionnaire)**

Date:

Name of Interviewer:

Name of Interviewee:

A. Socio – demographic information

Age	
Education Level	<ol style="list-style-type: none"> 1. Illiterate 2. Literate 3. Primary (upto class 5) 4. Secondary (From class 6 -10) 5. Higher Secondary (11 – 12 class) 6. Bachelor 7. Master or above
Occupation	<ol style="list-style-type: none"> 1. Farmer 2. Business 3. Government Service 4. Private Service 5. Others (....specify)

B. Client Satisfaction about the service

1. Are you overall satisfied with the facilities provided by the cooperative?	<ol style="list-style-type: none"> 1. Very satisfied 2. Satisfied 3. Normal 4. Dissatisfied 5. Very dissatisfied
2. Are you happy with our policy and schemes?	<ol style="list-style-type: none"> 1. Very satisfied 2. Satisfied 3. Normal 4. Dissatisfied 5. Very dissatisfied

3. Are you happy with our customer service?	<ol style="list-style-type: none"> 1. Very satisfied 2. Satisfied 3. Normal 4. Dissatisfied 5. Very dissatisfied
4. Are you happy with our management system?	<ol style="list-style-type: none"> 1. Very satisfied 2. Satisfied 3. Normal 4. Dissatisfied 5. Very dissatisfied
5. Would you like to continue with our service for next 5 years?	<ol style="list-style-type: none"> 1. Yes 2. No 3. Don't know
6. Overall service quality of the organization?	<ol style="list-style-type: none"> 1. Very satisfied 2. Satisfied 3. Normal 4. Dissatisfied 5. Very dissatisfied
7. Does this cooperative reflect the standard of Micro finance services?	<ol style="list-style-type: none"> 1. Yes 2. No 3. Don't know
8. What is the main reason for coming to this cooperative?	<ol style="list-style-type: none"> 1. Saving only 2. Taking loans 3. Others (..... specify)

9. How much time do they take to provide loans?	<ol style="list-style-type: none"> 1. Couple of days 2. A week 3. Over a week 4. Over a month 5. Don't know
10. What should be the interest gap between Saving and Loan products?	<ol style="list-style-type: none"> 1. 2 to 4% 2. 4 to 5% 3. No idea 4. Others (..... specify)
11. What services could be added to enhance the Co-operative?	<ol style="list-style-type: none"> 1. Remittance 2. Digital Account management 3. Top up recharge (Mobile phones and TV subscriptions) 4. Others (..... specify)
12. Do this cooperative conduct Annual General Meeting (AGM) regularly?	<ol style="list-style-type: none"> 1. Yes 2. No 3. Don't know
13. Is the opening hour of this cooperative convenient for you?	<ol style="list-style-type: none"> 1. Yes 2. No
14. Did you have to complain to the officials on any matters during last 12 months?	<ol style="list-style-type: none"> 1. Yes 2. No

15. Do the frauds in cooperatives has affected your confidence/belief upon this cooperative?	1. Yes 2. No
16. Do you recommend this organization to others?	1. Yes 2. No

THANK YOU FOR YOUR VALUABLE TIME!