PRODUCT'S QUALITY AND ITS IMPACT ON CUSTOMER SATISFACTION A FIELD STUDY IN DIWANIYAH DAIRY FACTORY

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ABSTRACT

The basic aim of addressing this topic is to Provide a conceptual framework that defines the basic concepts related to quality as one of the main entrances to the administration, where the focus was on the quality of products and Customer satisfaction in terms of indicators and the results evaluated. For the purpose of achieving the objectives of the study a model was built to determine the nature of the relationship and its impact between the dimensions of the independent variable (the product of the performance, features, reliability, conformance, durability quality .The level of service, product beauty, received quality). And the dimensions of the dependent variable, which include (market share, customer retention rate, Attract new customers, cost-effectiveness and the number of consumer products) that are consumed by the customer Elevating of the number of customers. The study found most important results as the quality is considered as the source basic and important as it leads to pleasing the customer and increase loyalty and increase the degree of profitability in the medium and long term in the organization. Since the quality lead to complacency and satisfaction leads to loyalty and allegiance to lead to profitability. While it was one of the important conclusions is that the services provided to customers have a positive effect and there by get the organization on the customer's confidence because there is a strong relationship between the quality of services and the rate of return the customer of the institution. And customer loyalty Private Label product-specific trade is consider as a declaration taken from the customer's mouth And dissemination of experience with people And instruct them to buy. The study recommended the need to establish a new culture of quality within the company. Focusing on a set of values, which makes it imperative for all employees in the company's commitment to achieving continuous improvement.

KEYWORDS: *Customer satisfaction, Product quality*

JEL CLASSIFICATION: M31

1. INTRODUCTION

The recent decades witnessed major development in services department that consist a great importance in countries economics which left a great deal of rivalry under these circumstances there is some kind of awareness within researchers and those who are interested in the productive activities and the importance of quality in presenting services or improving the product and its impact on customer satisfaction also creating a competitive trait increasing guidance in production and services establishments.

The evolvement of global economical state represented in market economics like the phenomenon of globalization and the technological developments as well as the emergence of new products, the challenges of national competitiveness increased, the establishments grew to be threatened of

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dropping market In case of their incompetence of facing these challenges and keeping up with the growing demands of consumers also its essential to leave old production ways and follow new ones while inserting critical improvement on all performance components.

The technological improvement allowed the establishments to embody the idea of the fastest production which contributed greatly in improving the mass of production and the expansion of market as well as the build up of competitiveness which lead to the variety of production giving the consumer the freedom in choosing in between alternative products taking in consideration their level of quality and price which forced establishments to direct attention to providing high quality products with reasonable prices in a way that doesn't favor high quality over cost.

As a result for that this research sheds the light on the most important ways to determine the relation between the quality of product and customer satisfaction.

In order to connect with the previous research efforts and to increase mental enrichment of these subjects, the current study held in its folds a scientific methodology presented in a frame of three chapters, the first one include research methodology, the second and third chapter present the theoretical framework of the study, the fourth chapter describe data analysis of the factory while the fifth chapter deals with the criticism and recommendations the study came with.

There is no doubt that the responsibilities and tasks or Al-Qadisyiah dairy factory flowing from their main goals are constantly evolving due to changes and development in the internal affairs, alongside with the rapid upgrowth of dairy productivity level, surely a situation like this forms different kinds of obstacles followed by some inquiries that will push the process of making an inclusive and continuous method for all the fields and activities in all factory branches. The study found most important results as the quality is considered as the source basic and important as it leads to pleasing the customer and increase loyalty and increase the degree of profitability in the medium and long term in the organization.

2. RESEARCH OBJECTIVES, HYPOTHESIS AND METHODOLOGY

The study issue
There is no doubt that the responsibilities and tasks or Al-Qadisyiah dairy factory flowing from their main goals are constantly evolving due to changes and development in the internal affairs, alongside with the rapid upgrowth of dairy productivity level, surely a situation like this forms different kinds of obstacles followed by some inquiries that will push the process of making an inclusive and continuous method for all the fields and activities in all factory branches.

The Study importance
1. Making use of the effectiveness of the production system in the different sections of the factory.
2. The urgent need for the management of organization specially those of diwaniyah dairy factory for those kind of studies concerned about evolving and developing performance in organizations
Information is used to help those responsible on heading the organizations on the fixation and the persuasion of their goals

The Goals of the study
   1. Shedding more light on the concepts of product quality in productive organizations like Al-Diwaniyah dairy factory.
   2. Determining the main axes that the quality management stand upon in the current study.
   3. Rating the chances of applying product quality in productive organizations.
   4. Based on the study some recommendations will be extracted targeting the elevation of productive organizations to the stages of ambition and the levels of perfection.

The study assumptions
There is a linkage with a statistic indication between the product quality and external customer satisfaction There is an effect relation with a statistic indication on product quality over external customer satisfaction.

The Study Prototype

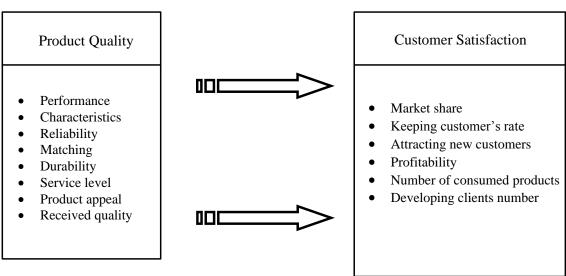**Independent Variable**   **Certified variable**

Product Quality

- Performance
- Characteristics
- Reliability
- Matching
- Durability
- Service level
- Product appeal
- Received quality

Customer Satisfaction

- Market share
- Keeping customer's rate
- Attracting new customers
- Profitability
- Number of consumed products
- Developing clients number

Figure 1. The study prototype
Source: made by author

3. PRODUCT QUALITY

Theoretical framework
   a. The concept of quality:

Table 1. Shows a number of researchers' definitions on the quality concept:

Authors	Year	Knowledge concept
Parasurman	1990	Quality is defined as the interaction between the customer and the service provider, since the customer sees the service quality through comparing his expectations of this service with the actual performance.
(Dade)	1994 P.3	Or it's the characteristics and specifications of a product or a service that generates the ability to fill explicit and implied needs Quality is reaching the gap between the consumers' expectations for the product's quality and their realization of the actual performance of that product. (Parasurman, et.al)
(Tenner)	1995	defines it as an essential working strategy largely understood in the consumers' expectations in and outside whether these expectations are explicit or implied.
(Evans)	1997	sees quality as the mark for using any product or service that has to meet the consumers' expectations
(Heazer & render)	2001	Many researchers addressed the concept of quality defined quality as the overall characteristics of a product (service or a ware) that shows and reflect the product's capacity to fulfill explicit and implied needs
Muhammed Ashioni)	2005	Quality is the constant development of the product the meet up with the consumer needs with the least costs (Basics on total quality control & total quality management
(Hoffman, Bateson)	2011, p:4	Quality is a standard of correspondence between the actual performance of the service with the customers' expectations or the difference between the customers' expectations and their realization of the service's actual performance.

Source. prepared by the researcher

The researcher views quality as a group of characteristics that define the product enabling it the satisfy the consumers' constant needs.

b. The concept of overall quality management

Table 2. Shows a number of researchers' definitions on the quality concept:

Authors	Year	Knowledge concept
(Lakes & Mahanty,)	1993	Sees that the overall quality management is a way to improve or enhance the work flexibility and effectiveness in general, it is the way to arrange and involve the branches of the organization on the level of both individuals and branches, and all other levels to evolve them. It is also a way to continue improving the brand and the services offered for the customer.
Hoffherr	1994 P:3	Overall quality management is an important management philosophy to make the institution faster and more flexible since this way has a system focusing on directing the effort of every employee to earn the trust of the consumers, while stressing on the constant motivation styles to get the customers needs.
(British standards institution. BSI, Dale & Plaunkeet	1995, P:2)	It's a management philosophy adopted by all the company's activities to fill the consumer, society needs and their expectations the goals of the organization is to do things with supreme efficiency and an effective style to cover the effort of all the workers.
Madu	1995	The success of overall quality management cannot happen without the full commitment of the top-level management it is also important to take in consideration the customer's satisfaction when determining the concept of quality and its ways.
(Daft)	2001	Pointed out that quality management is a big change in the thinking of all the subordinates and managers, it needs a wide range of participation on the level of the organization in optimizing quality, training employees, involving them in authority.

Source: prepared by the researcher

From what was previously mentioned the researcher sees that the concept of overall quality management is to share with all the members of the organization, it targets long term success and the documentation of programs and procedures, the application of the rules and regulations that aims to achieve a quantum leap in the specifications of the product and to fulfill the customer's desires.

c. The Dimensions of overall quality
Many researchers discussed the dimensions of overall quality were classified as follows:
- The dimensions of customer's service
- The dimensions of service quality
- The dimensions of data quality
- The dimensions of electronic service

In this research the discussion is about the dimensions of product quality in terms of the opinions of both (Geneva, 2011), (Grvin, 1987, 104)
- Performance: the essential functional traits of the product
- Characteristics: secondary traits that complete the main traits

- Reliability: The chance of an existing flaw in the product in a specific time
- Matching: the level of functional characteristics that is compared with the given standards
- Durability: How much you can use the product before it depletes.
- The level of service that depend on the speed of service provider, efficiency and ease of fixing the product.
- The attractiveness of the product that depend on how the product is presented; texture, smell, taste
- The quality linked with the product's reputation

(Macdonald, 1998) sees that the benefits of classifying quality management in productive organizations are:
- Taking care of customers through adopting an effective management pattern with the customers, since the customer whether being inside or outside is the corner stone in the organization
- Applying this concept helps sharing with the employees and involving them in the organization by reaching to a more decisive actions as result of the increase of ideas given by the employees.
- Motivating employees that gives them the positive impact to get them to work in the organization
- Increases the productivity of the organization as a result of enhancing employees performance and the working process as a whole
- Constant development of operations specially that the global credentials and the competitive circumstance surrounding the main sector are in a rapid and continuous change
- Increases the marketing portion of the organization because of low costs of the service and the increase of customer satisfaction on the presented services
- Increase the organization profit that results form the attraction of new customers desiring in dealing with this organization and their services.

(Al-Swidi and Peschel, 2001) Pointed out that there are many reasons that justify the importance and the necessity the apply quality management in organizations:
- The overall changes in all life domains
- Considering market as the base of rating quality and the foundation of its success or failure
- Useful use of information technology
- Increasing the edge of competition while working on achieving growth, success and surviving the market
- big Financial crises that hit the global markets all around the world

4. CUSTOMER SATISFACTION

The Concept of satisfaction

Form what was previously presented the researcher sees that the process of filling customer needs is one essential reason that created organizations and the one that keeps competition running as well as being responsible for surviving the market. That's why organization always thrive to satisfy its clients on all service levels and the quality of their products.

Table 3. Shows a number of researchers' definitions on the satisfaction concept:

Authors	Year	Knowledge concept
, (Daniel)	2001: P:22	Customer satisfaction was defined by many researchers and scholars sees that satisfaction is the impression of reward received by the customer after making the sacrifice of purchasing a product
Kottler,	2001	Pointed out that satisfaction is a positive impression from the customer side towards the consumed product, this impression is formed by comparing the customer expectations versus the actual product performance
(Belin ,)	2002, P:7	Finds that satisfaction is a psychological state following the purchase of a product or trying a service translated by a temporary feeling resulting from the difference between the customer expectations and the actual realization. Being parallel with the pervious time with the service.
(Hesselin and Wiele ,)	2004	Sees that satisfaction as the positive impact made by rating all the aspects of a relation with another.

Source: prepared by the researcher

Measuring the external customer satisfaction

External customer satisfaction is considered a foundation in organizations, and it's the path to cement their position in a competitive environment on which only those a with competitive background that cannot be cloned can survive in the current competitive environment it is necessary for the organization not to suffice with only customer satisfaction but also to measure it to identify its level

The first -Measuring customer satisfaction methods (Daniel Ray 2000, P:46)
- Market share

Measuring market share is linked with the work progress with its clients and its variation for every single client, this proportion can shrink in case of customer dissatisfaction and vice versa.
- Keeping customer rate

Customer keeping ratio can be measured through the rates of activity done with the current clients
- Bringing new clients

In order to increase the level of activity, the organization exert maximum efforts to widen its base with clients or to count the total work done with the new clients.
- Profitability

Profitability can be gauged through measuring profit from every client.
- Quantity of products consumed by the client

If the clients has more that one product of the same company in a non-monopolistic environment this is a fair example on his satisfaction with the organization and its products
- Evolving the clients number

 If the clients umber is constantly increasing, this is a sign that the products or services suffice or exceed the client's expectations which generates a feeling of satisfaction

There are also other alternative measuring methods:
- Repurchase agreement rate
- Loyalty rate
- Number of clients' complaints
- The quality and quantity of financial returns

Customer satisfaction challenges

Laurent (2004) pointed out few challenges that face customer satisfaction

- Internal and external vision of quality

The caliber of quality was based on what the organization owns of technological engineering, Human resources, productive resources on the extent of their availability they are considered quality of the product.

As for the external vision of quality and environment it is from one customer to another

- Service Quality

The organization takes in concern monitoring service quality or product quality, the customer is only responsible for getting that service, that's why the organization has to take procedures to present the service in the right shape in case of an error with the service the organization most pursue and convince the customer.

- Quality makes profit

There is a linkage between quality and profit, it is considered a competition source of the organization leading to customer satisfaction increasing loyalty, elevating the organization profit on short and long term. This means that quality leads to satisfaction, while satisfaction leads to loyalty and loyalty leads to profit.
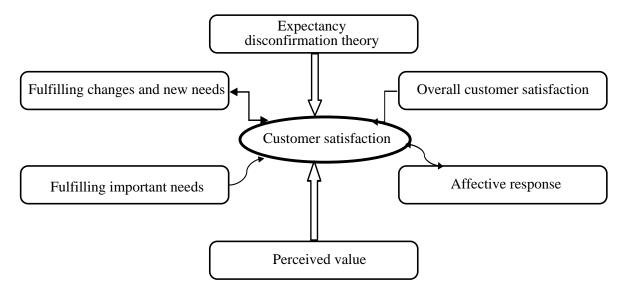

Figure 2. Dimensions of satisfaction
Source: Laurent (2004)

Determiners of satisfaction

The majority of researchers agree on the point that satisfaction determiners falls in three main dimensions; prediction, actual performance, matching\ non-matching

- Prediction

Generally it can be agreed on that prediction are mere expectations of the customer specialized in the appearance of occurrences whether being positive or negative, customers maybe forced to use different kinds of predictions, (Serad, 2005 , p:160)

The main sides of prediction that the customer weaves on the quality of the product are:

a. predictions of the characteristics of the service

The characteristics found in a product or a service that the customer sees convincence in (Sahn, 2004)

b. Prediction on the benefits or the social costs, linked with reaction whether being positive or negative towards the customer as a result of using the service.

c. Predictions on the costs of service

They are expectations on costs that the customer must commit to get the service or product.

- Actual performance

The importance of performance in studies concerned with satisfaction is being a simple measurement that can be counted on to express satisfaction.

- Alignment \ Non- Alignment

When the actual performance aligns with the expected performance we call this alignment, when the actual performance deviates from its expectations this is called non-alignment, it serves as a positive when the actual performance exceeds the expectations.

Future suggestions:

1. The need to test the study prototype in sections other than the productive one to make sure that that there is the ability to rate the results it reached for.
2. Testing the interactive relationship between product quality and customer satisfaction and the impact of this relation on performance results.
3. Testing the impact of product quality on the external client satisfaction in new industrial organizations.

5. CONCLUSIONS

Customer satisfaction prioritized as a strategic working tool. Customer satisfaction has a positive impact on the company's profit. Customer satisfaction is the foundation of every successful work, since customer satisfaction leads to repurchasing customer loyalty for the trademark, and sharing positive feedback with other people to buy the product

Services presented for the customer has a positive impact thus, the organization gets the customer trust there is a close relation between service quality and the rate at which customers return to the company.

Quality represents an important scale for organization's success, survival and continuity.

Although there is a clear contrast on the opinions of the specialists and scholars about the characteristics that distinct high quality organization and their studies there is wide agreement on the importance of the role it plays in the success of these organizations and it's distinction form traditional organizations

Although lately many organization realized the importance of quality, some didn't get the dimension s of the methods that enables them to put this concept under execution. The organization tends to rate the feeling of the consumer on the level of their product quality without rating their feelings on the organization itself.

6. SUGGESTIONS AND GUIDELINES

Preparing high level training programs and continuous seminars in which the high management receive constant training targeting giving them confidence as not to hesitate on the changes that's going to happen for the company upon taking the new system, while explaining it's philosophy, the mental framework, and the conditions of its application and success.

Translating the goals of improving quality in the message of company in the shape of clear specific phrases and practices. Creating new culture inside the company focusing on new values that impose commitment on all members of the company to achieve continuous improvement. The company has to start working on it's internal and organizational structure and to impose needed upgrades to move

on and get a global quality certificate. Encouraging the company's managers to produce researches to know and improve the management application that suits the inclusive quality management.

Taking care of creating an informational database in the company enabling it make simple decisions in scientific steps. Upgrading the level of service presented to the customer which allows to create a competitive trait between organizations and their survival of the company.

Focusing on the decisions that target activity mainly and not only focusing on the results since companies that aim for high performance has to make sure on determining the means that enable it to reach results that it thrives for , efficiently and effectively.

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