Sunil Kumar
*B.Com, MBA, LLB (HONS),
UGC-NET, India*

Customer satisfaction from PAHAL (DBTL) scheme among LPG domestic customer

Sunil Kumar

Abstract
The customer satisfaction is much admired topic in marketing practices and researches based on the customers. The customer is king and the main objective of every organization is to increase the number of satisfied customer so as to increase loyalty as well as the revenue. This study is conducted with the aim to know the satisfaction level of the LPG domestic customers towards the DBTL (Pahal) scheme launched by the Government for the customer who opted for subsidy. The structured questionnaire used to collect the data and data was analysis by using statistical method to find the satisfaction level of the LPG domestic customer.

Keywords: Consumer satisfaction, DBTL (Pahal) scheme, Liquefied Petroleum Gas (LPG), LPG Domestic customer

1. Introduction

The Government through a wide network of distribution makes the Liquefied Petroleum Gas available to the domestic consumers in cylinders. The Oil Marketing Companies through many plants supplies to distributors to serve more than half of the population of country and deliver more than 3000000 cylinders daily. It is a matter of concern that the huge amount of subsidy is being provided to consumers imposing a huge burden on the Government. This fact has not been effectively communicated to the consumers; there has been a growing sense of entitlement on part of the consumer to the subsidy. Apart from the lack of awareness of the huge subsidy burden, the pricing of domestic subsidized LPG below the market price has also led to diversion of subsidized LPG to commercial purposes, which unnecessarily adds to the subsidy burden of the exchequer. LPG being an essential commodity, its supply and distribution has been regulated by various regulations to control the trade and illegal diversion. However, the prevention of such activities has at best been minimal, primarily due to the large scale of the LPG supply chain. The DBTL scheme launched on 1st June 2013 and covered 291 districts. As many customers faced problems in linking their Aadhar card, the Government launched the modified version of scheme keeping in mind the issues faced earlier. The new DBTL scheme was launched on 15th November 2014 for the 54 districts of the country. For the remaining districts, the scheme has started on the first day of new year that is 1st January 2015. Not only the government made some significant changes in the scheme, they renamed it to " ***Pratyaksh Hanstantarit Labh or PAHAL***". Under this scheme more than 15 crore consumers spread across 676 districts of the country will be covered. The only way to prevent this diversion is to move LPG in the supply chain at one market price so that the incentive for diversion is eliminated. This is the backdrop of the Direct Benefits Transfer for LPG (DBTL) Consumers scheme.

1.1. Objective of PAHAL (DBTL) Scheme

Following are the key objectives of the scheme: a) Remove incentive for diversion. b) Protect entitlement and ensure subsidy to the consumer. c) Improve the availability/delivery of LPG cylinders for genuine users d) Weed out fake/duplicate connections e) Allow self selection in subsidy

1.2. Benefits of scheme to LPG Consumers:
i. LPG Consumers get LPG subsidy in cash directly in their bank account automatically. ii. With removal of incentive for diversion, the entitlement will be protected. iii. Improved availability of new LPG connections in the market. iv. Reduction in back-log due to reduced diversion.

Correspondence:
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1.3. Pricing under PAHAL (DBTL) Scheme

In the districts where PAHAL (DBTL) has been launched, domestic LPG cylinders will be sold to those domestic LPG consumers who have joined the scheme (CTC consumer) at Market Determined Price (does not include subsidy) from the date of launch of the scheme.
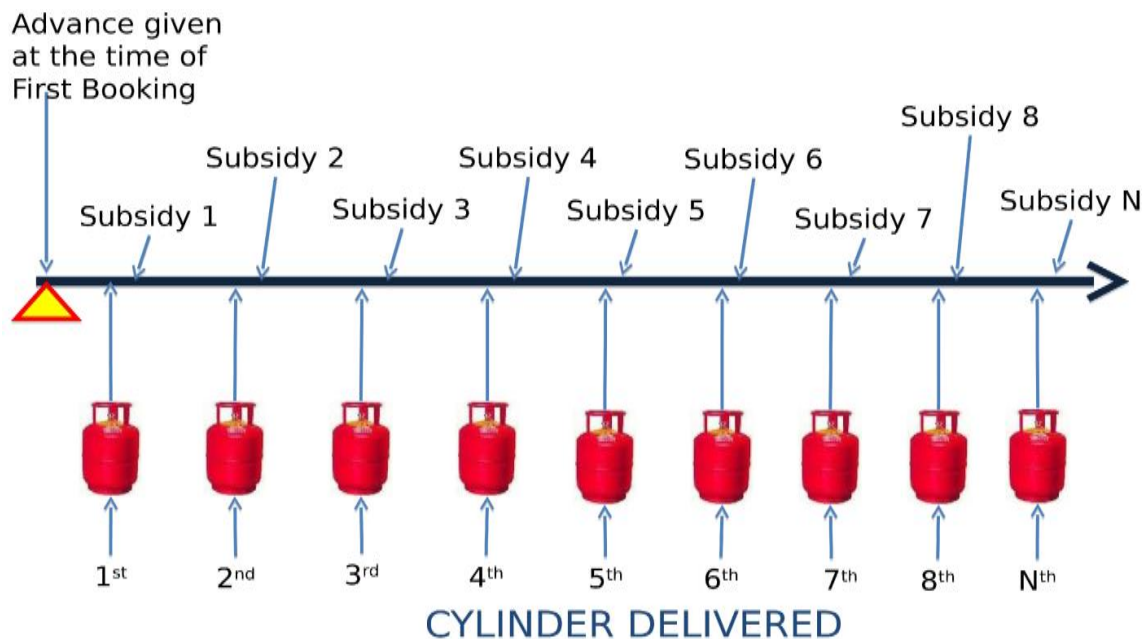
1.4. Process to Join Pahal (DBTL) scheme

a) Aadhar holders
Update aadhar to LPG distributor
Link your aadhar to bank account

b) Non aadhar holders
Update your bank a/c to LPG connection.
Update your LPG ID to bank.

1.5. How the subsidy is provided to the LPG customers

Note:
'N' denotes the prevailing cap of the subsidized LPG cylinder applicable in a financial year

Source: http://petroleum.nic.in

The LPG Company transfer the advance subsidy in the bank a/c of customer after submission of document to LPG distributer and to bank by the customer thereafter when the customer came for refilling of cylinder the LPG distributor charge the market price to the customer and the subsidy amount transferred to his bank a/c directly. This subsidy is valid for first 12 cylinders in a financial year which starts from April to March. If a customer wants to purchase more than 12 cylinders in a financial year then he will not be credited subsidized amount into your bank account.

1.6. Customer satisfaction review of literature

Cardozo's (1965) initial study of customer effort, expectations and satisfaction. Despite many attempts to measure and explain customer satisfaction, there still does not appear to be a consensus regarding its definition (Giese and Cote, 2000). Customer satisfaction is typically defined as a post consumption evaluative judgement concerning a specific product or service (Gundersen, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts prepurchase expectations with perceptions of performance during and after the consumption experience (Oliver, 1980). The most widely accepted conceptualization of the customer satisfaction concept is the expectancy disconfirmation theory (Barsky, 1992; Oh and Parks, 1997; McQuitty, Finn and Wiley, 2000). The theory was developed by Oliver (1980), who proposed that satisfaction level is a result of the difference between expected and perceived performance. Satisfaction (positive disconfirmation) occures when product or service is better than expected. On the other hand, a performance worse than expected results with dissatisfaction (negative disconfirmation). Studies show that customer satisfaction may have direct and indirect impact on business results. Anderson et al. (1994), Yeung et al. (2002), and Luo and Homburg (2007) concluded that customer satisfaction positively affects business profitability. The majority of studies have investigated the relationship with customer behaviour patterns (Söderlund, 1998; Kandampully and Suhartanto, 2000; Dimitriades, 2006; Olorunniwo et al., 2006; Chi and Qu, 2008; Faullant et al., 2008). According to these findings, customer satisfaction increases customer loyalty, influences repurchase intentions and leads to positive word-of-mouth.

2. Objective of the Study

- To study the awareness of consumers about Pahal (DBTL) scheme.
- To identify the satisfaction level from the services provided by the LPG distributor, Banks and the company as well as the govt. of the customers from Pahal (DBTL).

- To know the overall satisfaction of the LPG domestic customers about Pahal(DBTL).

3. Research Methodology
The research is based on the LPG domestic consumer about satisfaction level from the different services linked with Pahal (DBTL) scheme.

3.1. Area of study
This study is conducted in the district Jind (Haryana).

3.2. Data sources
Both primary data and secondary have been used for the study purpose. The primary data are collected by visiting on the booths of Lakhaya milk with the help of a structured questionnaire. The secondary data has been collected by referring to Journals, Articles, and Magazines and various relevant websites.

3.3. Sample size and sampling methods
100 respondents; which includes existing LPG domestic customers in district Jind. Structured questionnaire is used to gather information at LPG cylinder refilling points.

4. Data Analasys and Interpretations
4.1 Satisfaction from all services about the DBTL (Pahal) scheme

Sr. No.	Particulars	Yes	No	Can't say
1	Timely information about scheme by the company	98	1	1
2	Satisfy from the services provided by the distributor about scheme	94	4	2
3	Satisfy from the services provided by the bank about scheme	99	1	0
4	Satisfy from the services provided by the helpline no.	47	2	51
5	Satisfy from the first subsidy transfer and subsequent subsidy transfer	99	1	0
6	Satisfaction from the grievance redressed about scheme	23	0	76

The 98% Customer satisfied to timely information about DBTL scheme to them. 94% satisfied from the services provided by the distributors, 99% from the services by bank, 47% customers satisfied from helpline and 51 % say can't say because they not used helpline no. The 99% customers satisfied from the first subsidy and subsequent subsidy transfer in their A/c. The 23% satisfied from their grievance redressed by the company. 76 % can't say are those who not have any grievances about the scheme.

4.2 Overall satisfaction

Highly satisfied	satisfied	Neutral	dissatisfied	Highly dissatisfied
58	31	7	3	1

The 58% customers are highly satisfied and 31 % are satisfied from the DBTL scheme. The 7% natural, 3% dissatisfied and 1 % highly dissatisfied from the DBTL scheme

5. Tools and Techniques for Analysis
The questionnaire is based upon five ranks and to analysis the responses given by the respondent the simple percentage and average with tabulation presentation tools applied on to reach on the results.

6. Findings
- The awareness about the Pahal (DBTL) is very high as the 98% customers timely get the information about the scheme.
- The satisfaction about the services provided by the company, distributors, banks, Government and the helpline is very high.
- The overall satisfaction of the LPG Domestic customers about the Pahal (DBTL) Scheme is also very high.

7. Limitations
- The study is limited to Jind district only and sample size is confined to 100 only.
- There may be personal bias of the respondent while answering the questionnaire.
- Financial limitation is also there.
- The study is conducted in the rural areas hence the illiteracy of the respondent may affect the result of the study.

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