A LITERATURE REVIEW ON THE DETERMINANTS OF CUSTOMER SATISFACTION

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Abstract
The literature review investigates the factors that determine customer satisfaction, specifically in the life insurance and banking industries. This study highlights the intricate nature of swiftly evolving market dynamics, wherein elements like corporate reputation, service excellence, and perceived worth exert a substantial influence on customer contentment. The approach employed entails a methodical examination of the existing body of literature, elucidating the interconnectedness among variables that exert an impact on customer satisfaction. The research findings indicate that customer satisfaction is primarily influenced by service quality and company image, with perceived value playing a pivotal role in this process. The difficulties associated with assessing customer perceptions and addressing feedback underscore the necessity for the creation of meticulous measurement techniques and efficient response mechanisms. Ultimately, comprehending these factors thoroughly is crucial for devising efficient tactics to fulfill customer expectations and facilitate sustainable business expansion. Additionally, it emphasizes the importance of persistent dedication and ongoing enhancement.

Keywords: Customers, Determinant, Satisfaction

1. INTRODUCTION
Customer satisfaction is a crucial factor in the highly competitive contemporary business environment. Customer satisfaction serves as both a measure of company performance and as the primary basis for business continuity and expansion. In the current age, where consumers can easily obtain information, a company's success is not solely dependent on the quality of its products or services. It is also influenced by the company's ability to fulfill customer expectations and requirements (Insyroh & Setyowati, 2018). Comprehensive comprehension of the imperative of Customer Satisfaction is indispensable for any business entity aspiring to endure and progress. The level of customer satisfaction directly influences customer loyalty. Customer satisfaction significantly increases the likelihood of repeat transactions in the future. Customer loyalty is a valuable asset for a company as it not only decreases the expenses associated with acquiring new customers, but also establishes a consistent and dependable customer base.

Content customers have a tendency to endorse a company's products or services to their acquaintances and relatives, creating a favorable perception that can enhance the attractiveness of the business (Andison & Augustine, 2017). The level of customer satisfaction plays a crucial role in establishing and enhancing a company's reputation. In the era of social media and online reviews, every customer experience has the potential to rapidly become widely known to the public. Unsatisfied customers have a tendency to communicate their unfavorable experiences, which can have a detrimental impact on the company's overall reputation. Conversely, contented customers serve as effective advocates for a business, offering favorable testimonials that can enhance the confidence of prospective customers (Andison & Augustine, 2017).
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The degree of customer satisfaction can serve as an indicator of a company's success in meeting market expectations and adjusting to evolving customer demands. An analysis of customer satisfaction can yield valuable insights for enhancing products or services and ensuring companies remain pertinent in a dynamic market. Customer Satisfaction serves as a metric for assessing the overall well-being of a business (Prabowo et al., 2023). In the age of globalization and intensifying business competition, it is imperative for companies to enhance Customer Satisfaction (customer satisfaction). This phenomenon is in line with the evolving consumer behavior, which is becoming more dynamic and intricate. Hence, conducting research on the Determinants of Customer Satisfaction holds great significance in gaining a comprehensive comprehension of the specific factors that truly impact customer satisfaction. This enables companies to develop more efficient strategies in enhancing the quality of their products and services (Winarno, 2019).

Amidst a swiftly evolving market, conducting research on the Determinants of Customer Satisfaction can assist companies in pinpointing the crucial factors that impact customer perceptions and preferences. Through comprehending these components, organizations can prioritize resource allocation towards addressing factors that genuinely contribute to enhancing customer satisfaction. The shift in consumer paradigm, from solely focusing on product quality to encompassing the entire customer experience, highlights the necessity of gaining a more profound understanding of the psychological and emotional factors that impact customer satisfaction. Factors such as the perceived value, trustworthiness, and convenience can exert a substantial influence on both purchasing choices and levels of customer satisfaction (Cho, 2020). This research aims to uncover the intricate dynamics underlying these psychological factors.

Each market segment possesses distinct preferences and requirements. Therefore, acquiring a profound comprehension of the factors that impact customer satisfaction can assist companies in tailoring their strategies more effectively to align with the unique characteristics of each segment. Furthermore, this research is gaining significance in light of the swift advancements in technology and the ongoing process of digital transformation. These modifications generate fresh prospects and difficulties that can greatly influence customer contentment. Thus, it is anticipated that this study can offer the necessary understanding to aid companies in effectively addressing these ever-evolving market dynamics. Therefore, by conducting research on the factors that influence customer satisfaction, it is anticipated that companies can enhance their understanding and develop more efficient, groundbreaking, and enduring strategies to boost customer satisfaction. This, in turn, can facilitate long-term business expansion.

2. IMPLEMENTATION METHOD

This study employs the Systematic Literature Review (SLR) methodology as the primary approach to investigate and gather literature pertaining to the factors influencing customer satisfaction. The selection of the SLR method was based on its capacity to offer a methodical and clear structure for the identification, evaluation, and integration of pertinent prior research. The process of conducting a systematic literature review (SLR) involves several key steps. These steps include establishing specific criteria for selecting relevant studies, conducting a thorough search of the existing literature, evaluating the quality of the studies that meet the criteria, and conducting a comprehensive analysis of the findings (Zhu et al., 2018). The SLR method offers benefits in cultivating a comprehensive comprehension of factors that have been examined and uncovered in prior research. By employing this method, researchers are able to investigate significant discoveries that are
coherent and offer a more precise representation of the most recent advancements in research on the factors influencing customer satisfaction (Akhigbe et al., 2017). Furthermore, by employing the SLR method, researchers can detect potential lacunae in the existing literature and suggest avenues for future research.

3. RESULTS AND DISCUSSION

Based on the SLR results of 8 journals that match the keywords searched, namely Customer, Determinant, Satisfaction the following results were obtained:

<table>
<thead>
<tr>
<th>No.</th>
<th>Article Title</th>
<th>Writer</th>
<th>Research Findings/Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Determinants of Customer Satisfaction in Fast Food Industry: The Case Study of KFC Viet Nam</td>
<td>(C. Nguyen et al., 2019)</td>
<td>The research results show that the main factors that determine customer satisfaction at KFC Vietnam are Food Quality, Atmosphere, Price and Service Quality. Among these factors, atmosphere has the most significant impact on customer satisfaction, followed by food quality and price.</td>
</tr>
<tr>
<td>2</td>
<td>Influence of the Determinants of Online Customer Experience on Online Customer Satisfaction</td>
<td>(Jaiswal &amp; Singh, 2020)</td>
<td>Findings show that economic value, personalization, after-purchase experience, and customer service are the main factors that customers use in assessing their overall experience and satisfaction when shopping online.</td>
</tr>
<tr>
<td>3</td>
<td>Examining The Key Determinants of Customer Satisfaction Internet Banking Services in Bangladesh</td>
<td>(Jahan et al., 2020)</td>
<td>This research concludes that service quality of internet banking services, security and ease of use have a positive impact on online banking customer satisfaction. This research also provides several managerial implications for banking business managers.</td>
</tr>
<tr>
<td>4</td>
<td>An Empirical Study of Determinants of Customer Satisfaction of Banking Sector: Evidence from Bangladesh</td>
<td>(Gazi et al., 2021)</td>
<td>The research results also show a positive correlation between customer satisfaction and service quality dimensions in the Bangladesh banking sector. This research finds that in the domestic banking industry, service quality dimensions (namely, clarity, reliability, and empathy) have a significant positive impact on customer satisfaction.</td>
</tr>
<tr>
<td>5</td>
<td>Determinants of Customer Satisfaction and Customer Loyalty Over City Market Citra Raya</td>
<td>(Yanuar Rahmat Syah &amp; Angga Negoro, 2020)</td>
<td>The results of this research determine that factors such as company image, service quality, and price have no effect on increasing perceived value, customer satisfaction, and customer loyalty.</td>
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Determinants of Customer Satisfaction and Customer Loyalty in Amhara Credit and Saving Institute (ACSI): The Case of Waghimera Zone Sekota Town (Amha, 2020) - The research results show that service quality, company image, and price have a positive and significant relationship with customer satisfaction and customer loyalty.

Determinants of Customer Satisfaction in Healthcare Services (Allahham, 2013) - In general, consumer satisfaction is important for attracting and retaining customers; also the concept of consumer satisfaction is a relatively new concept in hospitals in Syria, therefore the findings of this research can be used by hospitals to increase customer satisfaction levels.

Determinants of Customer Satisfaction and Loyalty in Vietnamese Life-Insurance Setting (HT Nguyen et al., 2018) - The results of statistical analysis show that customer satisfaction in life insurance services can be explained significantly by factors such as company image, service quality, and perceived value.

Customer satisfaction in life insurance services can be attributed to specific factors, namely company image, service quality, and perceived value, which have a significant impact. These factors significantly impact customer perceptions of life insurance services and determine the level of customer satisfaction with their experience (Nguyen, 2020). The perception of a company's image plays a crucial role in influencing customer satisfaction. An affirmative corporate image has the capacity to foster a favorable perception among customers, enhance trust, and inspire customer loyalty towards the life insurance services provided. The primary factor in enhancing customer satisfaction is the implementation and upkeep of strategies aimed at cultivating a favorable corporate reputation (C. Nguyen et al., 2019).

Customer satisfaction is greatly influenced by the quality of service. Customers generally exhibit a favorable reaction towards prompt, effective, and amiable service. Superior service quality can generate favorable experiences, enhance customer contentment, and possess the capacity to foster enduring loyalty (Cho, 2020). Hence, life insurance companies must prioritize and consistently enhance the caliber of their services as a fundamental component of their strategy to augment customer contentment. The consideration of perceived value is crucial in assessing customer satisfaction and should not be disregarded. Satisfied customers are more likely to perceive life insurance services as providing good value for money. Companies must ensure that the services they provide offer additional value that aligns with customer expectations. The findings of this study offer significant understanding for life insurance companies regarding the factors that influence Customer Satisfaction (Nguyen, 2020).

Companies can enhance their strategies to meet customer expectations and foster long-term business growth by focusing on and enhancing corporate image, service quality, and perceived value. This can be achieved by paying close attention to these factors and
making improvements accordingly (Amha, 2020). The determinants of customer satisfaction exhibit intricacy, encompassing various challenges that companies must surmount in order to attain optimal customer satisfaction. An essential obstacle lies in the swiftly evolving market dynamics. Consumer preferences and expectations can be greatly influenced by shifting consumer trends, advancements in technology, and external factors such as the economic climate. It is imperative for companies to possess the capability to promptly comprehend and address these changes in order to guarantee that the elements impacting customer satisfaction remain pertinent at all times (Andison & Augustine, 2017).

The intricate nature of psychological and emotional factors presents an additional obstacle. Although research indicates that customer satisfaction is influenced by factors such as perceived value and trust, comprehending the intricate interplay between these factors and the ripple effects caused by changes in one factor necessitates a more comprehensive investigation. Thoroughly exploring the psychological and emotional aspects of customers is crucial for gaining a comprehensive understanding of the factors that genuinely contribute to satisfaction (Prabowo et al., 2023). The presence of diverse market segmentation creates difficulties in identifying the appropriate determinants for each segment. In order to effectively cater to diverse markets, companies must adopt a segmented approach, wherein they thoroughly comprehend the distinct needs and preferences of various customer groups. It is crucial to identify the most pertinent factors for each segment in order to develop efficient strategies. Measuring customer perceptions presents an additional difficulty. Quantifying intangible factors like service quality or perceived value can pose challenges, often due to their subjective nature (HT Nguyen et al., 2018). Hence, it is imperative for companies to devise meticulous and dependable measurement techniques in order to obtain precise understanding of customer perceptions regarding specific factors.

The significance of addressing customer feedback is inherently challenging. It is crucial for companies to have the capability to promptly and efficiently address customer feedback, particularly in relation to aspects that may require significant time and resources to modify. Timely and efficient response mechanisms are necessary to rectify emerging problems and uphold customer confidence (Allahham, 2013). Executing Customer Satisfaction Determinants necessitates a comprehensive approach. Companies should establish effective monitoring systems, embrace enabling technologies, and allocate resources to continuous market research. In addition, fostering transparent communication with customers, promptly addressing their feedback, and enhancing internal operational procedures can effectively enhance customer relationships (Gazi et al., 2021). By adopting this approach, companies can successfully surmount obstacles and execute efficient tactics to attain maximum Customer Satisfaction.

4. CONCLUSION

The literature study on the Determinants of Customer Satisfaction concludes that there are intricate and demanding aspects to comprehending and enhancing customer satisfaction. Evidence indicates that variables such as corporate reputation, level of service excellence, and perceived worth exert a substantial influence on customer contentment across diverse industries, encompassing life insurance and banking services. Companies must adopt an adaptive and holistic approach due to the rapidly changing market dynamics, the intricate nature of customer psychological and emotional factors, and the necessity for meticulous market segmentation. Furthermore, the difficulties associated with assessing customer perceptions and promptly addressing feedback underscore the significance of
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establishing meticulous measurement techniques and efficient response mechanisms. To address these challenges, the implementation of Customer Satisfaction Determinants necessitates ongoing endeavors, meticulous market surveillance, and a dedication to incessantly enhancing service quality. This literature study affirms that comprehending the factors that impact customer satisfaction is crucial for developing successful and enduring strategies to meet customer expectations and foster long-term business expansion.

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REFERENCES


