Article

Improvement overseas customer satisfaction

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Abstract: How to improve the overseas customer satisfaction? This question is the focus of this research. Hence, the aim is on improving overseas customer satisfaction. However, customer satisfaction is the main focus. Customer are the reason we are in business and customer satisfaction is what keeps them coming back. It takes a tremendous effort to gain a new customer and only seconds to lose one. Service must be exemplary if we want to sustain and grow our customer base and ultimately our business. In a small company it is very evident if customers are dissatisfied. People complain directly to the proprietor. The situation is very different in a large company. Customers are dealt with by many different people. There are multiple touch points for any single customer which could cause dissatisfaction – the sales representation, the customer service team, the delivery people, the finance department and so on. The managers of the company undoubtedly have hundreds of customers, possibly scattered around the world, and the only way they can know for sure how satisfied they are by carrying out a survey. This brings with it a number of potential problems and the survey itself is the least of these. Measuring customer satisfaction is easy compared to the task of implementing improvements.

Keywords: customer satisfaction, value of the customers, Importance of customer satisfaction , improvement of customer satisfaction

Customer satisfaction

Nigel Hill and Jim Alexander (2006, 2) have defined customer satisfaction as a measure of how the organization’s total product performs in relation to a set of customer requirements. Johnson and Gustafsson (2000, 50) define satisfaction as a customer’s overall evaluation of the purchase and consumption experience with a product or service. Customer satisfaction can be defined as a positive reaction towards a product or service. If the outcome does not meet the expectation, the customer is dissatisfied. If the outcome meets the expectations, the customer is
satisfied. (Flinck-Heino 2009, 9) Codotte, woodruff and Jenkins (1987) define customer satisfaction as "conceptualized as a feeling developed from an evaluation of the experience." There is general agreement with Kotler (2003) that "customer satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance in relation to his or her expectation." (Bashir 2009-2010)

Another definition is “Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation.” (Wikipedia 2011)

The value of the customers

A fundamental tenet of customer relationship management is that organizations win by attracting and keeping the most valuable customers. The most important assets of the firm are long-term customers. Firms should know the long-term value of their individual customers. The lifetime value of the customer should be measured which will help the organization to realize the importance of keeping the existing customers. To understand the worth of the customer it is important to think broadly about the ways in which customers add value to the firms. Recognizing the value of a customer will lead to better decisions about how to expand the business activities. Most businesses understand the costs of acquiring a customer, but they are unaware of the costs of losing a customer. There are several reasons behind the customers stop doing business with the firm, such as uncertainties of moving away, not understanding the value of the customer’s death and so on. Poor service, poor goods, and the quality which does not meet the customer requirements are often the results of the giving the value of the customers away. Here value does not refer to the price it refers to the perceived benefits stood to be gained in the context of price. Based on the appropriate understanding of the customer situation and needs firm should create the essential values (Gupta, Lehmann & Stuart 2004.)

Customer value and value of the customers in business have a different interpretation and that should not be confused. Customer value refers to what the customer gets in a product or service whereas the value of a customer in business is the stand which keeps the company in running a business. The primary aim of the business organization is to make a clear attempt in creating customer value in order to attract and retain customer to deliver quality as well as the superior value of the business to the customers. Implementing an effective marketing strategy concept by offering qualified goods and services of the company will meet and exceeds the expectations of
customer needs better than other competitors. (Jobber & Chadwick 2012.) For the long-term survival of the company and for the success customer value can be taken as an important prerequisite. In this competitive market, understanding the way of the customer’s judgment and value a service or a product has been crucial. Although the research of the customer value in many areas stands still it has already generated a lot of fruitful insights into the value creation process from customer and company perspectives. The value of the customers could not be gained at once services need to be enhanced. And one should always remember that prospective customers may become profitable in future. Based on figure 3 it is illustrated that how the value of the customer could be gained. Improvement of quality, enhancement of quality, prompt action, improvement of productivity, customer relationship and cost management are the major factors to be considered regarding to get the value from the customers.

FIGURE 1. Customer Value Tree (Adapted from Beaumont & Leland 1996.)

In the above figure, customer value tree is presented clearly pointing out the key major factors in retaining the value of the customers. As customer value is evaluated on the benefit of the product or service that is perceived by the customers. Therefore, the product or services should be reliable, durable and also should be featured one. On the other hand, the price of the product determines
the value of the customers. Customers seek the product and services prior to the payment of the price. If the product price meets the expectations of the customers the value will increase simultaneously otherwise it may decline. However, it is also very important to maintain the relationship with the customers along with price, product and so on. Regular contact will grab the attention of the customers and also help to create the best image of the organizations. This shows that the organization is more concerned about their customers’ needs and desires. Moreover, customers also feel like the organization is keeping effort on meeting customers’ satisfaction which creates the possibility to be a long-term oriented customer of the organization.

**Importance of customer satisfaction**

Customer satisfaction is extremely important because it is the way of getting feedback from the customers in a way that they can use it to manage and improve their business. Customer satisfaction is the best indicator of how the business looks like in the future. Customer satisfaction helps in doing SWOT analysis that could help them to develop their business in an advance and in a systematic way. Besides this, it will also help in making the right decision to use the appropriate resources while manufacturing the products. Similarly, it maintains the relationship with the existing customers and also creates the possibility to acquire others. (SSRS research 2016.) When products are bought customers expect perfection instead of quantities. There are varieties of products that are similar in the market and sometimes it is difficult to distinguish which one is qualitative and durable.

This is the great opportunity for the business organization doing marketing of their products and services to understand what exactly customers are seeking for. Customer satisfaction is a key indicator of the marketplace that evaluates the success of the organization. People have varieties of tastes and choices and therefore, satisfaction also differs from one person to another. It also may vary the expectation of the consumer depending on the option they may have, such as the national and international market (Kotler & Keller 2006.) A technique for assessing the customer satisfaction should also have to go through the international market procedure to meet the requirement internationally. In the process, granting the satisfaction to the customer in both physical and technological aspects has changed drastically. However, there is still no method of measuring customer satisfaction. But the feedback from the customer can be taken as a crucial tool for measuring customer satisfaction. (European Institute of Publication Administration 2017.) On
the other hand, it’s cheaper to retain customers than acquire new ones. To make a customer’s cost lot of money. Marketing team spends lots of money and time in convincing their excellence. Customer satisfaction is a primary aim of every company. Customer satisfaction ensures the customer wants to return to purchase the 19 service. Satisfied customers are more likely to recommend their friends and families which will help to grow the business. A totally dissatisfied customer decrease revenue, whereas satisfied customer has a positive effect on profitability.

**Measuring of customer satisfaction**

Measuring customer satisfaction offers an indication of how successful the company is at providing products or services to the marketplace. It helps the company make great improvements. Measuring customer satisfaction helps the company to find the gap between customers’ current needs and future needs and keep changing on it. A company or an organization can understand how the customer feels about its products or services and can know customers’ expectation through measuring customer satisfaction. Enterprises’ commitment to quality service and enhanced customer experience can be difficult to complete without measurement. The purpose of measuring customer satisfaction is to see where a company stands in this regard in the eyes of its customers, thereby enabling service and product improvements which will lead to higher satisfaction levels. One way of measuring customer satisfaction is obtain customer input from several channels such as surveys, or customer complaints and combine this information to get an accurate measurement. (Measuring Customer Satisfaction)

Customer survey questionnaire is one of the best ways of determining customer expectations and measuring satisfaction. It ensures the company can collect valuable information from their customers so improving the products or services at any moment. A few of the possible dimensions the company could measure include quality of service, speed of service, pricing, complaints or problems, trust in employees, the closeness of the relationship with contacts in The firm, types of other services needed, and positioning in clients’ minds. (Why and How to Measure Customer Satisfaction).

**Four Important Steps to Improving Customer Satisfaction**

1. **Identify Satisfaction Levels (And the NPS) and What Is Driving Them**

The starting point for any improvement plan is to know the current level of customer satisfaction and what is driving it. Let us assume that a survey has been carried out and a company achieves
an overall satisfaction score of 7.8 out of 10 and a Net Promoter Score of 24%. Further examination shows that the key drivers of the overall satisfaction score are the speed of response to enquiries, certain aspects of quality, and a general lack of innovation. It is determined from the survey results that any failings on any or all of these three factors have a marked effect on the overall satisfaction score for the company. Having invested in a customer satisfaction measurement program and arrived at an understanding of where the company stands, what should be the next steps?

2. Establish Workgroups to Determine Strategies and Tactics for Improving Customer Satisfaction

Intuitively, people who are at first exposed to customer satisfaction findings believe that the way forward is to examine individual responses and deal with each of them in turn. When an adverse comment is shown in a customer satisfaction report the usual cry from someone in the audience is “tell me who said that”. Salespeople understandably want to visit customers who have given them a low score and put them right.

However, this is not to be recommended. Firstly, the respondents who have fed back their customer satisfaction scores and comments usually do so in the belief that their responses are confidential. It would be embarrassing to a respondent if they were to criticize a sales representative in confidence and then have to face that person who had learned what was said.

Furthermore, the likelihood is that any failure to adequately serve one company is likely to be evidence that the same failure exists within a wider group of customers that have not been polled in the survey. The way forward is to address systemic issues, not individual or granular ones.

It is an obvious point to make, but improving a customer satisfaction score requires someone to sort out those factors which are pulling the score down. Following up on the earlier example, this would mean improving the speed of response to customer contacts, rectifying aspects of the quality problems, and becoming more innovative. How to do this?

Most customer satisfaction initiatives are seen to be the responsibility of the marketing department – but this must surely be wrong. The solution to improving customer satisfaction should be a companywide responsibility.

It is worth considering setting up workgroups that devise an action plan and ensure that it is followed through. In the example which is being considered, there could be a workgroup dedicated
to improving quality, one taking responsibility for customer service, and the other for driving innovation.

Small workgroups of four or five people are more likely to make progress than larger ones where there could be too much debate and too little action. The composition of the workgroup should include someone with a deep understanding of the issue that is under consideration – for example, quality, service or innovation. However, it may be appropriate to include people from other disciplines as they will provide a wider context and offer fresh challenges and ideas that come with an outsider’s view.

Any plan for improving customer satisfaction must address fundamental issues, some of which may be strategic, or long-term and which require a significant financial investment. However, there are also sure to be issues that can be addressed which cost very little, can be done easily and although their impact could be quite small, they are worthwhile doing in order that everyone feels progress is being made. These can be simple things such as ensuring that everyone has a standard voicemail message on their mobile phone or that everyone has a consistent sign-off at the end of their e-mails. A very good start would be to make a comprehensive list of all the touch points that a customer comes into contact with and identify where most problems occur.

3. Have the CEO Approve the Strategies and Communicate the Importance of Making Improvements within A Tight Timescale

Communicating customer satisfaction initiatives throughout a large company is not easy. Firstly, the company may have hundreds if not thousands of employees and it would be a costly exercise and one that would take forever, to make presentations of the findings and action plan to every employee. However, not everyone needs to see the detail or to hear about the actions that are outside their area of responsibility. Dissemination programs can be devised to communicate the right information, to the right groups, in the right way. This could involve cascading presentations to team leaders who in turn inform the people they work with.

One solution adopted by a company implementing an improvement programme was to make a 10-minute film featuring the CEO of the company, who used this opportunity to give his support to the initiative. It included summary presentations from the communications team who were able to clearly state the problems and solutions, and presentations from members of the workgroups outlining what is expected from everyone. The film was shown on the company intranet and on
screens placed around areas where people congregate, such as the restaurants and lobby areas. The involvement of the CEO is crucial. Customer satisfaction is the responsibility of the Board as it is a company-wide philosophy and not the responsibility of any single person or group of people. If the CEO identifies improved customer satisfaction as one of his or her key initiatives, it will be more readily picked up as key initiatives for staff members down the line.

4. Establish Simple Measures to Check That the Program Delivers Improvements

We live in a survey weary world where it is not practicable to return to customers at too frequent intervals to ask for feedback. Indeed, customers are likely to be frustrated if they are constantly pestered to rate customer satisfaction and if they feel that little or few improvements are being made. It can take an inordinate amount of time for improvements to become evident and recognized in the marketplace. This is another reason why some things need doing quickly so that customers can see that a start has been made.

Although the Board may be impatient for a dashboard that frequently delivers customer satisfaction measurements, these may not be possible within a tight, relatively small customer base. Most customer surveys are carried out annually unless there are a large number of customers from which samples of customers for interview can be taken on a regular basis to measure progress. However, for the majority of business to business companies, measures must be found other than customer satisfaction surveys.

There are many different measures that can be used as a proxy for customer satisfaction. Internal measures related to the subject of improvement will be relevant. For example, if a required improvement is faster deliveries, measurements can be devised that track the speed with which an order is dispatched. If improvements are required in the frequency with which customers are contacted, measurements can be introduced to show how many visits are made to customers, how many phone calls are made, who makes them, the purpose of the call, etc. If the problem is product quality, measures can be taken of the quality as it comes off the production line or leaves the company.

In addition to such obvious measures of improvement, a company could introduce a self-policing measurement. The customer service teams could be asked to give their views on the scores that they believe individual customers would award them. If these ratings prove to be overgenerous
when finally, customers give their views in the annual survey, it would be easy to think of repercussions. Bonuses and personal development programmers could be affected.

**Conclusion**

In this White Paper I have explained how to interpret customer satisfaction scores and more importantly how to use these to improve customer satisfaction in four important steps:

1. Identify customer satisfaction levels and what is driving them
2. Establish workgroups to determine strategies and tactics for improving customer satisfaction
3. Have the CEO approve the strategies and communicate the importance of making improvements within a tight timescale
4. Establish simple measures to check that the program delivers improvements

A constant improvement in customer satisfaction should be in the mission statement of virtually every company. The benefits are huge. There will be a reduction in customer churn. There will be increased loyalty. And, not least, there will be increased profitability. In work carried out by Anderson, Fornell and Lehmann more than 16 years ago, and never challenged since, they determined that for every one percent per year increase in customer satisfaction over a five year period, there is a cumulative increase of 11.5% in net profitability.

Increasing customer satisfaction is not complicated, but it is hard work – and it is worth it. Customer satisfaction is paramount for businesses to be successful. Happy customers become spokesperson for your company — they tell their friends and family about their satisfaction, turning into exponential growth.

**References**


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Not mentioned.

Conflicts of Interest
There are no conflicts to declare.