



CUSTOMER SATISFACTION

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- The most important asset of any organization is its customers
- Satisfied customers pay their bills promptly which greatly improves cash flow – the lifeblood of any organization

It is a measure of how products and services supplied by a company meet or surpass the customer's expectations.

Customer expectation is the needs, wants, and preconceived ideas of a customer about a product or a service.

If customer expectations are met then the customer is satisfied.

WHY CUSTOMER SATISFACTION?

Customer is the boss of the market.

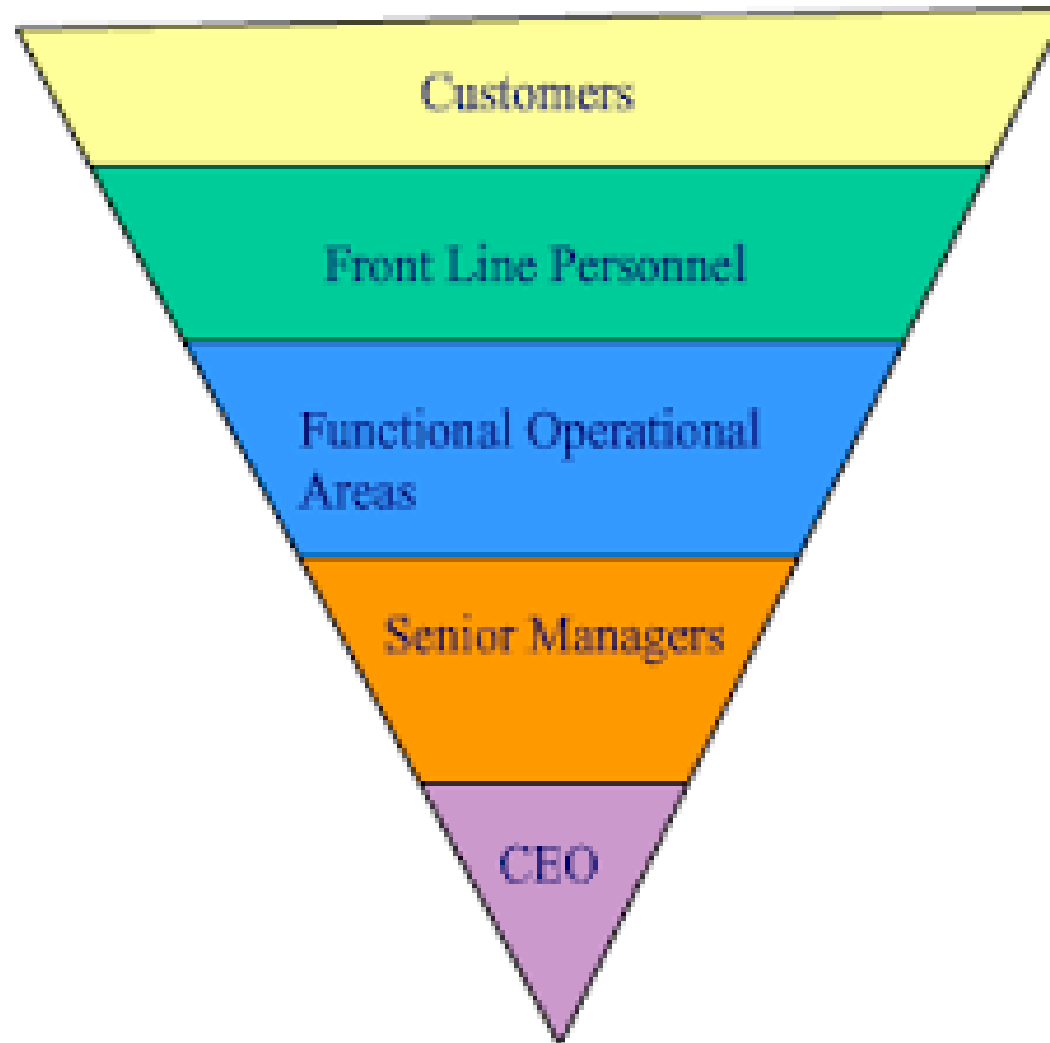
Customer dictates market trends and direction.

The organization is dependent on the customer and not the other way round.

Customer satisfaction means loyalty towards the organization.

The satisfied customers will help in bringing the new customers by the “word of mouth”.

ORGANIZATIONAL HIERARCHIAL DIAGRAM



TYPES OF CUSTOMER

➤ INTERNAL CUSTOMERS

➤ EXTERNAL CUSTOMERS

- Internal Customers

- Every person in a process is a customer of the previous operation.
- Applies to design, manufacturing, sales, supplies etc.
- Each worker should see that the quality meets expectations of the next person in the supplier-to-customer chain

TYPES OF CUSTOMER

External Customer - those who receive the final products. occurs normally at the organizational level

- External customer can be defined in many ways who
 1. Use the product and services
 2. Purchase the product or services
 3. Influence the sale

External Customer : fall in three categories

- Current customer
- Prospective customers (Introduction of fast food)
- Lost customer

CUSTOMER PERCEPTION OF QUALITY

American Society for Quality (ASQ) Survey shows that important factors that influence purchasing are

- PERFORMANCE

- Availability
- Reliability
- Maintainability

- FEATURES

- SERVICE

- WARRANTY

- PRICE

- REPUTATION

Customer Feedback

To focus on customer, an effective feedback program is necessary, objectives of program are to:

1. Discover customer dissatisfaction
2. Discover priorities of quality, price, delivery
3. Compare performance with competitors
4. Identify customer's needs
5. Determine opportunities for improvement

Customer Feedback Tools/Method

- Comment Card
- Customer Questionnaire
- Focus Groups
- Toll Free Telephone Number
- Customer Visits
- Report Card
- Internet & Computer
- Employee Feedback

Customer Complaints

Why customer FEEDBACK/COMPLAINT is necessary

- To discover customer dissatisfaction
- To identify the customer needs
- To discover relative priorities of quality
- To compare performance with the competition
- To determine opportunities, for improvement

Customer Complaints

ASQ SURVEY REVEALS THAT ABOUT

- 1. 1.5% COMPLAINTS REACH TOP MANAGEMENT**
- 2. 20% TO FRONT LINE PERSONNEL**
- 3. 80% DON'T REPORT**

Service Quality

➤ Reliability

- Perform promised service dependably and accurately. Examples: delivered home heating oil on schedule, correct diagnosis and treatment of a medical problem.

➤ Responsiveness

- Willingness to help customers promptly. Example: avoid keeping customers waiting for no apparent reason.

➤ Assurance

- Knowledge and courtesy of employees. Ability to convey trust and confidence. Example: being polite and showing respect for customer.

➤ Empathy

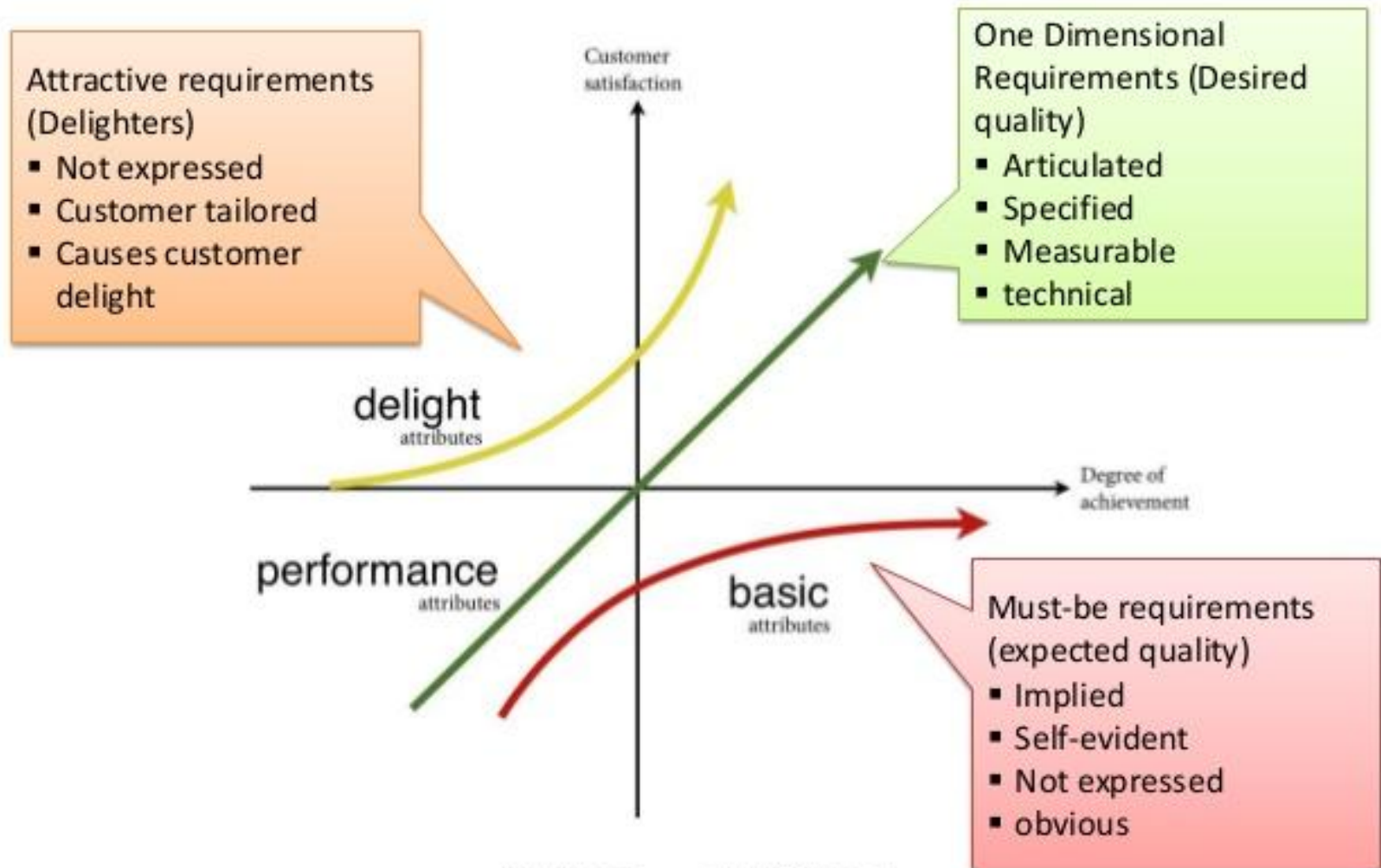
- Providing caring, individualized attention to customers. Example: being a good listener.

➤ Tangibles

- Physical facilities and facilitating goods. Example: cleanliness.

Translating Needs Into Requirements

The **KANO** Model



CUSTOMER RETENTION

It means “retaining the customer” to support the business. It is more powerful and effective than customer satisfaction. For Customer Retention, we need to have both “Customer satisfaction & Customer loyalty”.

The following steps are important for customer retention

1. Top management commitment to the customer satisfaction.
2. Identify and understand the customers what they like and dislike about the organization.
3. Develop standards of quality service and performance.
4. Recruit, train and reward good staff.
5. Always stay in touch with customer.
6. Work towards continuous improvement of customer service and customer retention.
7. Reward service accomplishments by the front-line staff.
8. Customer Retention moves customer satisfaction to the next level by determining what is truly important to the customers.