



Methods of Measuring Customer Satisfaction

Ahmed Faiz Malik PhD, Research Faculty, Jaipuria Institute of Management. Lucknow.

KEYWORDS :

Customer satisfaction is the overall impression of customer about the supplier and the products and services delivered by the supplier.

Following are the important factors that could affect customer satisfaction:

- Department wise capability of the supplier.
- Technological aspects of products and services.
- Type and quality of response provided by the supplier.
- Supplier's capability and efficiency to commit on deadlines.
- Customer service provided by the supplier.
- Complaint management.
- Cost, quality, performance and efficiency of the product.
- Supplier's personal etiquettes and friendliness.
- Supplier's ability to manage whole customer life cycle.
- Compatible and hassle free functions and operations.

The above factors could be widely classified under two categories:

1. Supplier's performance of product and services:

The supplier's behaviour mostly depends on the behaviour of its senior subordinates, managers and internal employees. All the functional activities like customer response, direct product and maintenance services, complaint management etc. are the factors depend on skilful and trained the internal and human resources of the supplier.

2. The second category is regarding the products and services:

a) This depends on the capability of supplier to how to nurture the products and service efficiently and how skilled the employees are. It's all about how the skills are implemented to demonstrate engineering, re-engineering and technological aspects of the products and services.

b) The quality and efficaciousness of the products is also an important factor that enables compatible and hassle free functions and operations. This bears to lower maintenance and higher life of the product which is highly admired by the customers. If the product is having some problem or compatibility issues and requires frequent maintenance and support than the customers could get irritated and possibilities of sudden divert is there which lead to supplier's financial loss.

c) In the same way if the product is expecting huge amount of financial and manual resources then customers could get a feeling of dissatisfaction and worry. However, if these aspects are handled efficiently by giving class services and dealing with complaints effectively then dissatisfied customers could be converted into long time satisfied customers and retaining them becomes easy.

It is practically impossible for the supplier to provide all the above explained features. There are always some positive as well as negative features in products and services which could lead to delight or irritate customers. The final opinion is the sum of overall experiences which a customer percept. But it is also true that more the positive aspects, the more the customer is satisfied. Hence the aim of the supplier should be always to enhance these positive feelings among all the customers to increase customer satisfaction. The supplier must identify how to enhance these positive aspects to maximum level by analyzing the customer's data and information using CRM system. The individual liking and disliking of customers differ from customer to customer. It is hence required to target a customer and identify individual requirement to make them satisfied.

Probable Solutions:

Having discussed the above factors that affect customer satisfaction we can say that higher the satisfaction level, higher is the sentimental attachment of customers with the specific brand of product and also with the supplier. This helps in making a strong and healthy customer-supplier bonding. This bonding forces the customer to be tied up with that particular supplier and chances of defection are very less. Hence customer satisfaction is very important panorama that every supplier should focus on to establish a renowned position in the global market and enhance business and profit.

Methods for Measuring Customer Satisfaction

Unhappy customers (90 %) will never purchase from you again. The number 1 objective of any business should therefore be the creation of happy customers. Businesses that create happy customers grow and flourish, while the ones that have unhappy customers stagnate and perish. Yet for it is observed that this objective is severely under-represented in companies' goals and metrics.

This is partly due to the fact that measuring customer satisfaction is not as straightforward as measuring revenue streams or website visitors, making it hard to set up clear goals. There is however some great metrics and tools out there designed for this purpose. Let's go through some that can be applied in the business today.

1. Surveys to Measure Overall Satisfaction

This assesses your customers' experience with your product or service. It's the direct response to perceived quality based on the perceived needs and expectations customers had. Overall satisfaction can be measured through a survey conducted from your customers after they finished the purchase process. Monkey has a comprehensive set of surveys you can use to assess your customer's satisfaction.

2. **Flog:** Another great tool that we recommend you to experiment with is Flog, an app that allows you to create professional looking surveys that can easily be implemented via e-mail, link, or on your website as a pop-up.

3. Objective Measurement Approach for Loyalty

Customer loyalty is an excellent mirror for customer satisfaction as it's used to describe the behaviour of repeat customers, as well as those who offer good ratings, reviews and testimonials. Loyalty can also be measured via a survey after the purchase process, it is however more powerful to measure the actual behaviour than the intention.

This can be done with the Objective Measurement Approach. Recommended by Bob Hayes in Business Broadway, this framework allows you to analyse the historical records inside your CRM system - for example purchase scores or online behaviour - and relate them to other metrics related to your business model, such as consistency of subscription renewals.

4. Apps for Attribution Satisfaction

One of the best ways to measure the satisfaction regarding a certain product or feature (could be with your support service) is by providing a reasonable context which customers can relate to. Asking your customers whether the support team was friendly or whether they felt rushed allows you to understand how important these elements are for the whole picture.

5. **Qualaroo:** One popular tool to assess attribution satisfaction is a platform which allows you to gather the answers from these ques-

tions as well as set up the linking webpage from your website in order to make it easy for your customer's to let you know their review.

6. Temper : Another easy and interesting tool is an app that allows you to monitor the customer mood, spot frustrating experiences for further development, and clearly understands customer satisfaction regarding different pages, different products or scenarios.

7. Measure your Exit and Abandonment Rates with Tracking Tools

A high exit or abandonment rate measured in your analytics tool is a direct behavioural indication of customer dissatisfaction. Exits and abandonments are natural phenomenon in ecommerce, but an unnatural high percentage indicates that your page and process could be optimised.

It's hard to make a judgement about exactly what is wrong with your page based solely on the numbers inside your tracking system. To get insight about the true causes it is useful to implement a feedback tool on these pages, for example a live chat window that pops up after a certain time.

8. Net Promoter Score

This may well be the most popular way of measuring your clients' loyalty. It measures the likeliness of a customer referring you to someone else. The customer is asked how likely he would recommend you on a scale from 1 to 10. If they give you 9 or 10 they are promoters while those who mark you 6 or less are detractors. Assessing your NPS score is quite easy. Take the percentage of all the respondents who are standing as promoters of your brand and subtracts by the percentage of detractors. This is an excellent benchmarking metric. Make sure you understand the context in which the question is being asked, to whom and when, and try to use the opportunity to ask those detractors what can you do to improve your service.

9. "Things gone wrong"

This is a negative measure and your goal is to minimise its score to zero points. What you'll be measuring with the TGW is the rate of complaints per product you sell. In the worst possible scenario your score is 1 or higher, meaning that you get at least 1 complaint per unit sold. TGW is calculated by dividing the number of complaints by the total number of units sold.

However you should be careful when analyzing the results from this measure as many people don't autonomously complaint, they simply never buy from you again. Therefore having a good TGW score doesn't necessarily mean that things are going well.

Conclusion:

The framework given above can enable managers to determine which customer satisfaction elements have the greatest impact, and how much money should be spent to improve particular customer satisfaction elements. This makes it possible to hold customer satisfaction programs accountable, in the way that other business programs are held accountable, by forcing them to demonstrate their benefits with respect to bottom-line profitability.

Another problem is that successful schemes quickly copied by **competitors**. The scheme looks as though it might be successful in increasing levels of accessibility, availability and conspicuousness, or in adding to the perceived value of the brand, it is quickly copied by competitors. The classic example of such imitation is the airline frequent-flier programs – there are now no major airlines without such a scheme. When widespread copying happens, any benefit gained is likely to be ephemeral.

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