

Customer Satisfaction

“Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service”.

In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

- First, customer satisfaction is a non-quantifiable sentiment, something that customers cannot put into words or, worse, numbers.
- Second, customer satisfaction is easily influenced by many environmental variables that make it almost as unreliable as not measuring anything at all.

With all the current attention given to customer satisfaction and service quality measurement, you are undoubtedly aware that customer satisfaction is one of the single strongest predictors of customer retention. Measuring customer satisfaction is a great way to focus your business development on the areas that will really make a difference to your customers. Using technology to improve customer satisfaction isn't all that complicated, but you'll want to know what your options are. The first way that you can start to improve customer satisfaction is by determining how many of your customers return for another purchase.

Customers

Customer loyalty and satisfaction levels can be determined by analysing the data gathered from survey questions. Customer Satisfaction Surveys can help your organisation with the following:

- Discover new product and service development ideas
- Determine what makes your customers loyal
- Understand customer issues and relationships
- Achieve a competitive edge with satisfied customers

Customers will respect and trust you only if they respect and trust what you sell. Customers will not risk an uncertain experience with a competitor when they know they will get more than they expect from you. Customer satisfaction is the key to success.

Customers primarily form their expectations through past purchasing experiences, word-of-mouth from family, friends and colleagues and information delivered through marketing activities, such as advertising or public relations. Customer Relationship Management or CRM is a corporate level strategy that concentrates on establishing and maintaining long-lasting relationships with its customers.

Satisfaction

Satisfaction applies equally to the feeling of fulfilment after a particular achievement, the sentiment of fullness after a rather enjoyable experience and the recognition that one's expectations have been — mostly — met by an event.

There's an old formula that customer satisfaction leads to customer loyalty, which leads to increased revenues from the same customer. Customer satisfaction is important because a happy customer will continue to buy from you. Companies not only know the importance of customer satisfaction, but are taking the necessary measures to ensure that they can provide it to their customers. There's probably no other market where the Internet has been more enthusiastically embraced as both a delivery vehicle and a way to ensure customer satisfaction.

Online solutions have become an integral component in creating, and maintaining customer satisfaction. Most organisations fail to realise the value they collect in the form of feedback, and misdirect the results to measure customer satisfaction. You should consider measuring the satisfaction levels of employees, and then developing action plans to improve employee satisfaction. Customer satisfaction with the PC industry is not necessarily bad, but it could be much better. Apple is still the leader in terms of satisfaction with service and products, but its overall ranking dropped by five percentage points this year.

Service

Service is a feeling, and you know what it is - whether it's good or bad.

Service will in turn generate free word-of-mouth advertising (because people like to tell memorable stories) that will in turn help build your business. Organisations are increasingly interested in retaining existing customers while targeting non-customers; measuring customer satisfaction provides an indication of how successful the organisation is at providing products and/or services to the marketplace.

How satisfied are they with your products and services? What are their needs and expectations of your products and services?

You need information about the service(s) your company provides...

- What aspects of your services/products are most important to customers?
- What aspects of your services/products most affect customer retention?

For some businesses that means repeat buyers for more of the same product or service.

For every business, it means buyers for additional products and services. If you sell services, get into the habit of doing something extra for every customer or client without charging for it. And announce new products or services to them before you announce them to the general market. Develop an incentive for them to tell associates and friends about the value of your products or services. You are in the business of satisfying customers regardless of what products or services you provide.

Customer Loyalty is Priceless.

Loyalty is relationship-based, focusing on the overall customer experience, and is predictive of how a customer will make future decisions.

By effectively leveraging results from a customer satisfaction survey, an organisation can respond to their customer's needs in ways that increase revenue as well as improve customer and employee satisfaction and loyalty. Today, with greater customer choice and declining loyalty, creating deep and trusted customer relationships is more essential — and more elusive — than ever.

Take this for example: A company's Customer Advocacy office was charged with creating: A closed-loop feedback process with which customer satisfaction is regularly measured, action is taken and management is provided with accurate and timely reporting. A forum where customers could provide the company's senior management with regular constructive feedback and a corporate culture where all employees focus on customer satisfaction and loyalty. Now that's nurturing loyalty.

Customer Satisfaction is OK but Customer Loyalty is Priceless. How can we better satisfy our customers' needs? Creating loyalty should be the highest goal of customer development. Customer loyalty assessment stems from the unfortunate fact that customer satisfaction does not necessarily ensure your customer will purchase another vehicle, or return back to your service department.

Measuring Results

Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation.

Because satisfaction is basically a psychological state, care should be taken in the effort of quantitative measurement, although a large quantity of research in this area has recently been developed. These factors are emphasised for continuous improvement and organisational change measurement and are most often utilised to develop the architecture for satisfaction measurement as an integrated model.

This provides the measurer with a satisfaction "gap" which is objective and quantitative in nature. The "gap" is described as two different measures (perception and expectation of performance) into a single measurement of performance according to expectation. The customer is asked to evaluate each statement and in term of their perception and expectation of the performance of the organisation being measured. Most organisations fail to realise the value they collect in the form of feedback, and misdirect the results to measure customer satisfaction.

And finally...

Since generating an accurate measure of customer satisfaction is much more demanding methodologically than simply carrying out a customer survey, there are some common mistakes made by organisations when they lack the professional expertise to conduct this type of exercise.

In today's business environment, customer satisfaction is just as important as quality and value. Most Marketers would agree that customer satisfaction is vital to staying in business; however, many fail to systematically, strategically, and periodically measure it.