

Jarmila ŠALGOVIČOVÁ, Jana URDZIKOVÁ

A SATISFIED CUSTOMER – IN THE LIGHT OF ISO STANDARDS

This paper focuses upon the significance and position of customer as a driver of success of organisations not only from the wood industry. At the same time, it emphasises the position of business entity in relation to the customer and stresses the variety of customer purchasing habits. It focuses upon the importance of a comprehensive and systematic approach to resolving complaints and claims within organisations. The article was written within the framework of Institutional project No. 1/0290/09 “Integrated Communication of the Quality-Oriented Organisation” and the institutional project entitled “Distance Education in the Quality of production, customer protection and market surveillance”.

Keywords: customer, organisations, satisfaction, dissatisfaction, complaint, claims

Introduction

The significance of the wood industry in the Slovak economy results from its specific mission and role in the entire national economy. In the basic structure of industrial production the wood industry represents a significant source of economic income in the national economy; this sector depends entirely on processing of renewable, domestic, primary raw materials. In 1989, after the initial recession, the wood industry in Slovakia started to develop promisingly. However, the current complicated economic situation, showing all signs of crisis, has affected this area significantly as well. Nevertheless, there is hope for improvement since at present wood is returning to furniture, building, architecture and design industries, despite the overwhelming exports in the past, and this could alter the complicated situation as well as strengthen the competitiveness of the wood industry. One of the ways to improve this situation is striving for satisfaction of consumers of wood products.

Jarmila ŠALGOVIČOVÁ, Slovak University of Technology, Bratislava, Slovakia

e-mail:jarmila.salgovicova@stuba.sk

Jana URDZIKOVÁ, Slovak University of Technology, Bratislava, Slovakia

e-mail:jana.urdzikova@stuba.sk

Relationship: business entity/organisation and the customer

Any business entity that wishes to achieve a desired level of success must flexibly and effectively react to changes in the market. The customer is the only one to determine which products are of good quality and thus which business entity is competitive.

Through their behaviour, the customer is a driver of effective production without losses and without holding excessive stock. Therefore, the main aim of a successful organisation is to satisfy customer demands. ISO 10001:2007 defines the customer as an “organisation or person who receives a product, e.g. consumer, client, final user, retailer, beneficiary – the receiver who benefits from the product, purchaser [ISO 10001:2007]”. In relation to organisation customer may be internal or external. The term ‘customer’ also includes potential customers. In simple language, a customer is anyone to whom we pass on the results of our activities.

The relationship between an organisation or business entity and the customer plays a significant role in the competitive environment. Organisations ensure the quality of their products and customers expect and consume quality products. To unify a preview of the issue of the mentioned relationship the author drew the scheme (fig. 1) showing the connection between both interested parties leading to customer satisfaction. Everything starts and ends with the customer, and therefore, from a strategic viewpoint, it is important for organisations to focus on customers, to know and understand them, and especially, to accept customer needs, requirements and desires in business operation.

From creation of a need to product evaluation by customer, they go through individual phases [Urdzikova 2005; Cook 2008]:

- a) Seeking – initial stage of decision-making process – in this phase a need is created. The need can arise from an internal stimulus of a person or be induced by external stimuli (stimuli from the surroundings). The phase of seeking gradually moves on to the decision-making phase.
- b) Deciding – this phase is strongly influenced by many factors. On the basis of information, feelings, product appearance, etc., various alternatives appear that are assessed by the customer who gradually selects the right supplier (organisation).
- c) Implementing – purchase decision – depends upon the results of the previous phase. Nevertheless other company tools of customer care may still influence the customer.
- d) Evaluating – after purchase the customer recognises the actual value of the obtained item: whether the original expectations were too high, how the supplier (i.e. organisation) reacted to changes in expectations etc. This phase again is linked to the first phase.

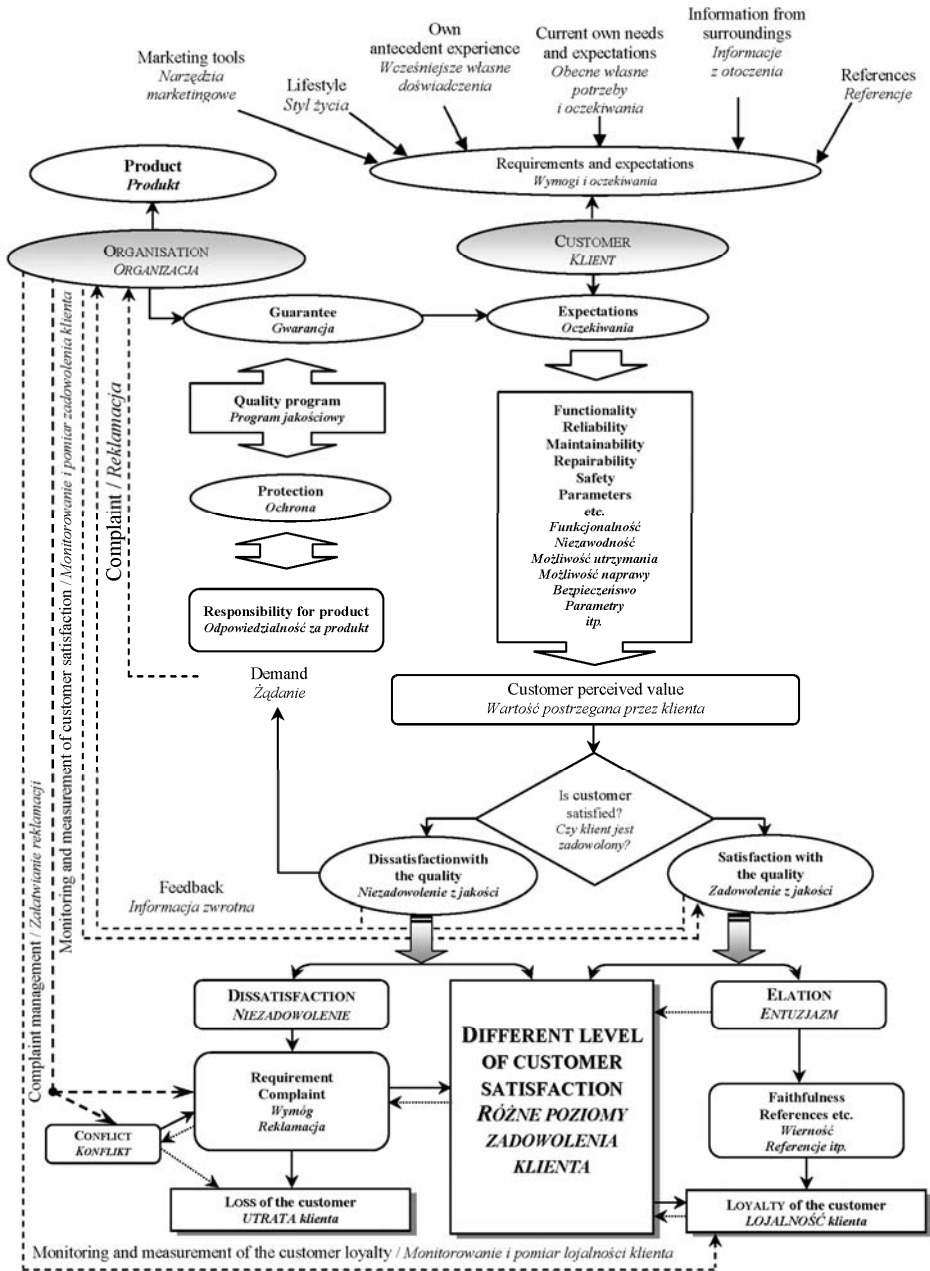


Fig. 1. The connection between an organisation or business entity and customer leading to customer satisfaction

Rys. 1. Powiązanie pomiędzy organizacją lub podmiotem gospodarczym a klientem prowadzące do zadowolenia klienta

In the evaluation phase the customer observes the actual value of the product, compares it with their requirements, internal preconceptions, expectations and wishes on the basis of which the sensation of satisfaction or dissatisfaction with the given product appears. Therefore, customer satisfaction can be understood as customer's positive feelings about fulfilment of their needs by a particular product within a given time. On the other hand, customer dissatisfaction can be understood as customer's negative feelings about fulfilment of their needs by a particular product within a given time. It follows from the above that if the expected result is achieved or exceeded the customer is satisfied, but if the expected result does not meet expectations the customer is disappointed and dissatisfied. Therefore, buying a product the customer purchases its value without side effects and risk if possible.

A dissatisfied customer as a reason for improvement in organisations

A lot has been written about customer satisfaction and loyalty. Therefore we will focus upon the other and less pleasant aspect. i.e. customer dissatisfaction. If it is underestimated and unresolved its consequences are more far-reaching.

We have already mentioned that customer dissatisfaction can be understood as a negative feeling about the fulfilment of needs in a given time and with a particular product, i.e. if the actual result does not meet expectations. We connect customer dissatisfaction with feelings of disappointment, even anger, which arise from results of the comparison of expected and actual product performance. The greater the difference between expected and actual product performance is, the greater customer dissatisfaction is.

Therefore, it is necessary to monitor factors, either objective or subjective, that result in an increase in customer dissatisfaction. Objective factors influencing an increase in dissatisfaction include such things as variability of choice, impossibility to try a product or impossibility to return a product. Apart from little information about a product, the set of subjective factors influencing an increase in dissatisfaction includes mainly those that arise from the customer's personal profile. A significant role is played by customer indecisiveness and low self-confidence which leads to increased monitoring of other alternatives, even in the post-purchase phase, and is a reason why on purchasing a product such customers seek reassurance from people in their surroundings.

Dissatisfaction with a product can lead to such negative consequences as change of brand, biased non-acceptance which means that the customer not only refrains from buying a given product from organisation, but also refrains from buying different categories of products from that organisation, giving preference to competitors and spreading a negative message in their surroundings regarding the product, brand and the business entity. The organisation not only loses the customer, but this can also lead to serious consequences, including negative

advertising which means that the customer expresses their dissatisfaction through negative personal communication with people in their surroundings regarding the product, organisation and brand. It is important to bear in mind that customers express negative experiences considerably more often than any positive experience.

It follows from the above that in extreme cases customer dissatisfaction with a product may result in destructive consequences for organisation that may even wind up. Therefore, it is necessary to carry out regular monitoring in this area.

The most common expressions of customer dissatisfaction are complaints and claims. ISO 10002:2004 and ISO 10001:2007 define a complaint as an “expression of dissatisfaction with an organisation related to its products or the process for dealing with a complaint itself, where a reply leading to a solution is explicitly or implicitly expected [ISO 10001:2007; ISO 10002:2004]”.

The number of registered complaints and claims in an organisation is an objective indicator of customer dissatisfaction. However, it is necessary to stress that for various reasons zero claims and complaints in an organisation cannot serve as a measure of quality since they it is not a guarantee that the organisation has only satisfied and loyal customers. Therefore, monitoring claims and complaints can only be considered as a partial or additional indicator of customer satisfaction.

A proof of the significance of monitoring and effectively resolving claims and complaints from customers within organisations and of the seriousness of resolving those issues is the fact that even the International Organisation for Standardisation deals with those issues, which work results in a systematic approach to resolving claims and complaints that is described in the following standards:

- ISO 10001:2007 – Quality Management – Customer Satisfaction – Guidelines for codes of behaviour for organisations,
- ISO 10002:2004 – Quality Management – Customer Satisfaction – Guidelines for resolving complaints in organisations,
- ISO 10003:2007 – Quality Management – Customer Satisfaction – Guidelines for resolving disputes outside the organisation.

Standards making the abovementioned triumvirate are conceptually connected and together they represent a comprehensive approach to all phases of addressing complaints and claims from customers. The purpose of this approach is to provide a comparative base to assist organisations and their customers to carry out business in markets whose borders are being removed. Fig. 2 shows how those standards are interconnected. For organisations they represent guidelines for successful resolution of the majority of complaints within an organisation without the necessity of using other time consuming and unpleasant methods.

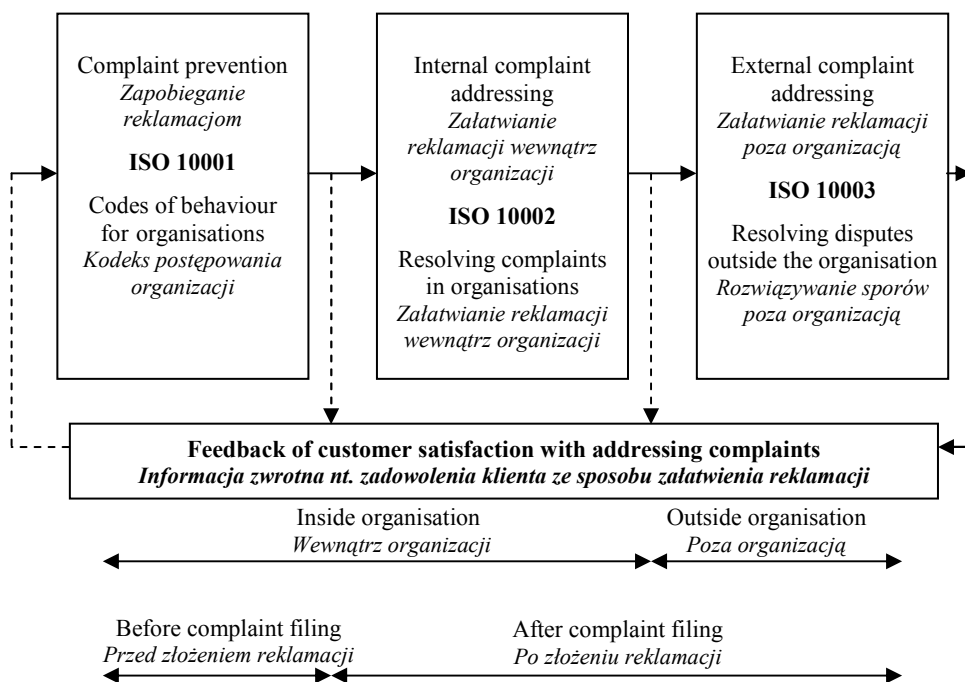


Fig. 2. Comprehensive approach to all phases of addressing complaints and claims from customers [Dee et al. 2004]

Rys. 2. Wszeczhstronne podejście do wszystkich faz zalotwania reklamacji i roszczeń klientów [Dee i in. 2004]

Complaints and claims that are properly and quickly resolved by an organisation will probably maintain or even improve customer satisfaction. Apart from this, information regarding complaints and claims may assist an organisation in improving the quality of products and activities.

External dispute resolution processes are designed for resolving complaints and claims that cannot be addressed using internal processes. Similarly to resolving claims and complaints a properly resolved dispute can maintain or increase customer satisfaction and provide important feedback for quality improvement.

The mentioned standards are compliant with Quality Management System standards ISO 9000:2005, ISO 9001:2008, and ISO 9004:2000, and support targets through effective application of the process for resolving complaints, claims, and disputes. They can also be applied independently or be interconnected. However, if they are applied together, they can become part of a wider and integrated scope for greater customer satisfaction through a code of behaviour, addressing complaints, and resolving disputes.

Standards are voluntary, non-binding, and recommended guidelines for behaviour and activities which organisations will accept and apply in their operation or ignore.

Discussion

It is necessary that the issue of resolving complaints, claims or disputes becomes common knowledge not only for the professionals but also for the lay public, using a different approach to individual groups of the public. The very title of this paper indicates that the customer is a key ‘element’ in the market environment. We commonly approach the relationship of ‘organisation – customer’ (fig. 1). We either represent the interests of an organisation and its position and promote its interests or sometimes we are customers with needs and wishes, who publicly or privately convey their positive or negative feelings which express satisfaction, praise and appreciation or, on the other hand, dissatisfaction, complaints, and claims. It is important to identify and monitor various manifestations of post-purchase behaviour of customers and to bear in mind that customers often recall the negative experience much more often than positive.

References

- Cook S.** [2008]: Customer Care Excellence: how to create an effective customer focus. Kohan Page, London
- Dee J., Karapetrovic S., Webb K.** [2004]: As easy as 10001, 2, 3. World Quality [3]: 29–36
- ISO 10001:2007.** Quality management – Customer satisfaction – Guidelines for codes of conduct for organizations
- ISO 10002:2004.** Quality management – Customer satisfaction – Guidelines for complaints handling in organizations
- ISO 10003:2007.** Quality management – Customer satisfaction – Guidelines for dispute resolution external to organizations
- Urdziková J.** [2005]: Satisfied and loyal customer – The foundation stone of business success. Quality [2]: 24–26

ZADOWOLONY KLIENT W ŚWIETLE NORM ISO

Streszczenie

Przedstawiono znaczenie i pozycję klienta, jako siły napędowej sukcesu, nie tylko w przemyśle drzewnym, oraz podkreślono pozycję podmiotu gospodarczego w relacji z klientem. Skoncentrowano się na znaczeniu wszechstronnego podejścia do załatwiania w zgłaszanych reklamacji i roszczeń.

Słowa kluczowe: klient, organizacje, zadowolenie, niezadowolenie, reklamacja, roszczenia