

A MODEL OF CUSTOMER QUALITY

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ABSTRACT

Enterprises are dependent on their customers, therefore the fundamental question they must answer is: "How well are they serving their clients now, and what will they need to do to serve them better in the future?" One way to get an answer is to place yourself in the role of the client. This paper defines quality as the customer's perception of the value of the supplier's work output. Starting from this definition we set forth a model of customer's satisfaction as part of the global quality system. The model has three main parameters: perceived service quality, perceived value and customer's expectations. The model has been validated by simulation, using an initial data set obtained from questionnaires applied to 15 potential clients. The relation client quality – global system quality is also discussed.

Keywords: quality, client quality, customer's expectations, quality model, simulation

1. INTRODUCTION

Maintaining and improving a long-term relationship with the client is an objective leading to a continuous improvement of the degree of customer satisfaction.

Nowadays, the "first sight" of a customer requires an individual interaction with the customer (or groups of clients) in order to better understand his actions, expectations and, where necessary, the type of business - e.g. investments, IT field – as well as to render useful the services and products provided by the client. This is a prerequisite of a trustful relation which should be maintained and strengthened by means of a quality service appropriate for each product.

According to EN ISO 9000:2001 – Quality management systems. Vocabulary and fundamental principles – the customer is defined as: an organization or individual that receives a product, e.g. consumer, buyer, end user, retailer, beneficiary and purchaser.[10]

PDCA (Plan-Do-Check-Act) Methodology is applied to all organizational processes and it can also be the underlying element of the present study of "customer quality".[8]

How to identify customers – those who are influenced by product quality and the necessary processes to accomplish quality objectives. Customers can be either influenced if the objectives have been attained, or affected, if the objectives failed to be attained. Input-output flowchart (figure 1.) .[2, 4]

A customer is any individual influenced by a product or process. This matter should be analyzed in order to identify who is subject to influence.

The need for customer identity analysis becomes even more obvious at a thorough study of unsaleable product proliferation.

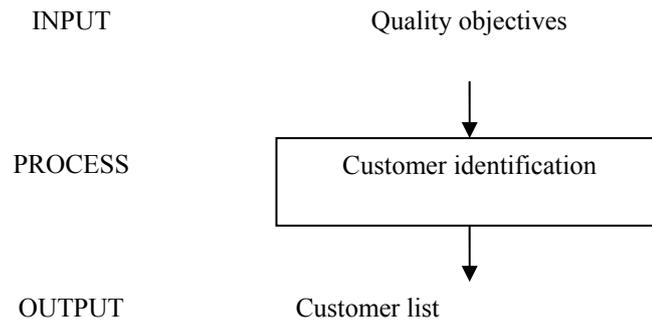


Figure 1. Input – output flowchart [4]

The flowchart is one of the elements employed for customer identification. The increase in the number of products and processes entails an increase in the number of customers. The flowchart helps to identify previously omitted customers.

It is well known that suppliers need feedback from their customers; in most cases, the only type of feedback was represented by their various acts of dissatisfaction: complaints, claims, reimbursements, civil suits, etc. Not very much attention has been given to an experience-sharing type of feedback meant to support planning achievement (figure 2.).[4, 12]

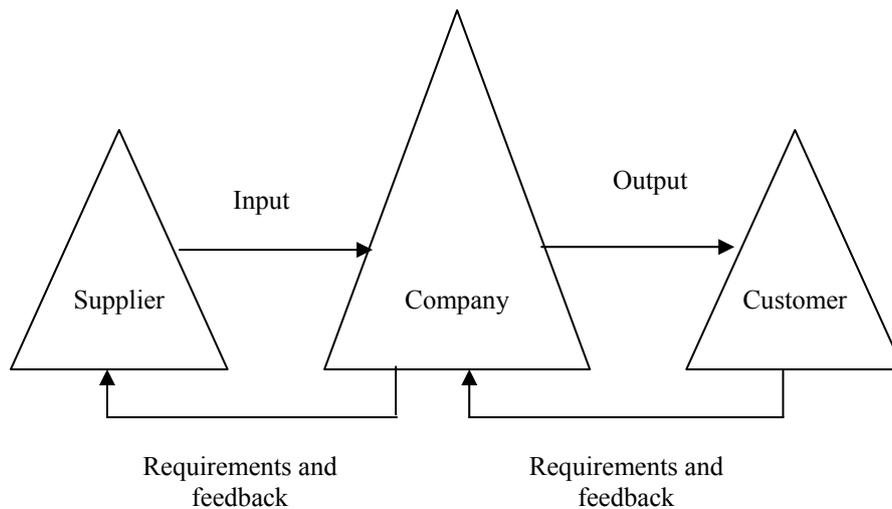


Figure 2. Customer-Supplier pattern (Source : AT & T) [12]

One of the most efficient planning instruments is “Quality House” or “quality function deployment”: customers, needs, effects.

Customer classification is necessary for priority identification and earmarking resources according to relative customer importance and consequences. Some examples of such clients are big equipment-producing companies, large commercial networks, influential non-governmental organizations, mass media, trade unions.

2. CUSTOMER-ORIENTED PREOCCUPATION

The best way to find out customers' needs is to become a customer yourself.

People are, to a great extent, their own customers, in view of representing any situation, where the same person performs a series of interconnected activities, regardless of the fact that the individual may be a physician, nurse, maintenance mechanic, civil servant or housewife. Their common denominator is the fact that they become their own customers. This has a positive effect on quality, and it becomes more obvious while processes undergo changes, since change makes people their own customers. A thorough knowledge of the connections among various operations enables the team to identify existing quality problems and, in most cases, to solve them.

The status of customer provides unmediated information about: the way customers spend their time, types of activities on which they spend their income, unpleasant activities, unsolved problems.

Quality is the result of a process which integrates/fuses customer - producer and its supplier, each of them performing internal processes, as well. Connections among processes imply the existence of a physical, as well as communication, channel.

J.Juran considers, in this respect, that the producer should perform a triple function, by evaluating the product from his own point of view, the beneficiary's perspective and general one. In view of identifying customer's needs the producer should: [7, 8]

- To behave as if he were the customer,
- To develop communication with the customer,
- To actively search the market, since most customers do not voice their opinions (cca. 85%),
- To simulate usage,
- To analyze causes for customer loss.

Kotler mentions a certain way of perceiving value by the customer as compared to the producer. Value is the result of the difference between perceived value (referring to the quality of product, services and created image) and perceived price (referring to money paid, time and energy consumed, and certain psychological influences). Satisfaction is the result of the perceived quality of a product, not its confirmed quality. [3, 7]

Apart from needs, the customer has a certain behavior as well.

3. FISHBEIN PATTERN = CONNECTING CUSTOMER BELIEFS TO EMOTIONAL RESPONSE

Emotional response to a product brand has two factors: the strength or weakness of customer's beliefs regarding brand and its characteristics, as well as customer evaluation or his feelings about those characteristics (figure 3.). [4, 5, 12]

If our aim is to change emotional response, it is necessary to create message which will modify beliefs.

$$A = \sum_{i=1}^m B_i E_i \quad ; \quad \begin{array}{l} A \quad = \text{attitude towards the brand} \\ B_i \quad = \text{belief that brand has characteristic } i \\ E_i \quad = \text{ } i \text{ characteristic evaluation ; } i = 1, 2, \dots, m \end{array} \quad (1)$$

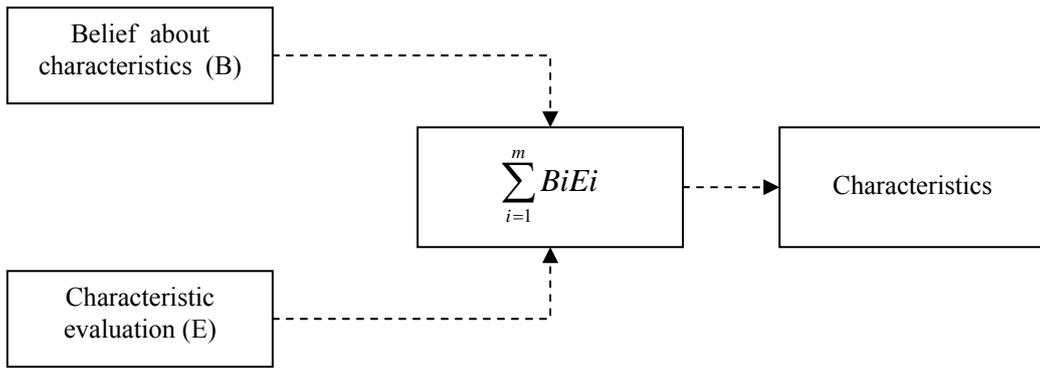


Figure 3. [4, 5, 12]

4. CONSUMER OBJECTIVES AND BEHAVIOR

Customer satisfaction is a successful factor essential for a company's existence and growth.

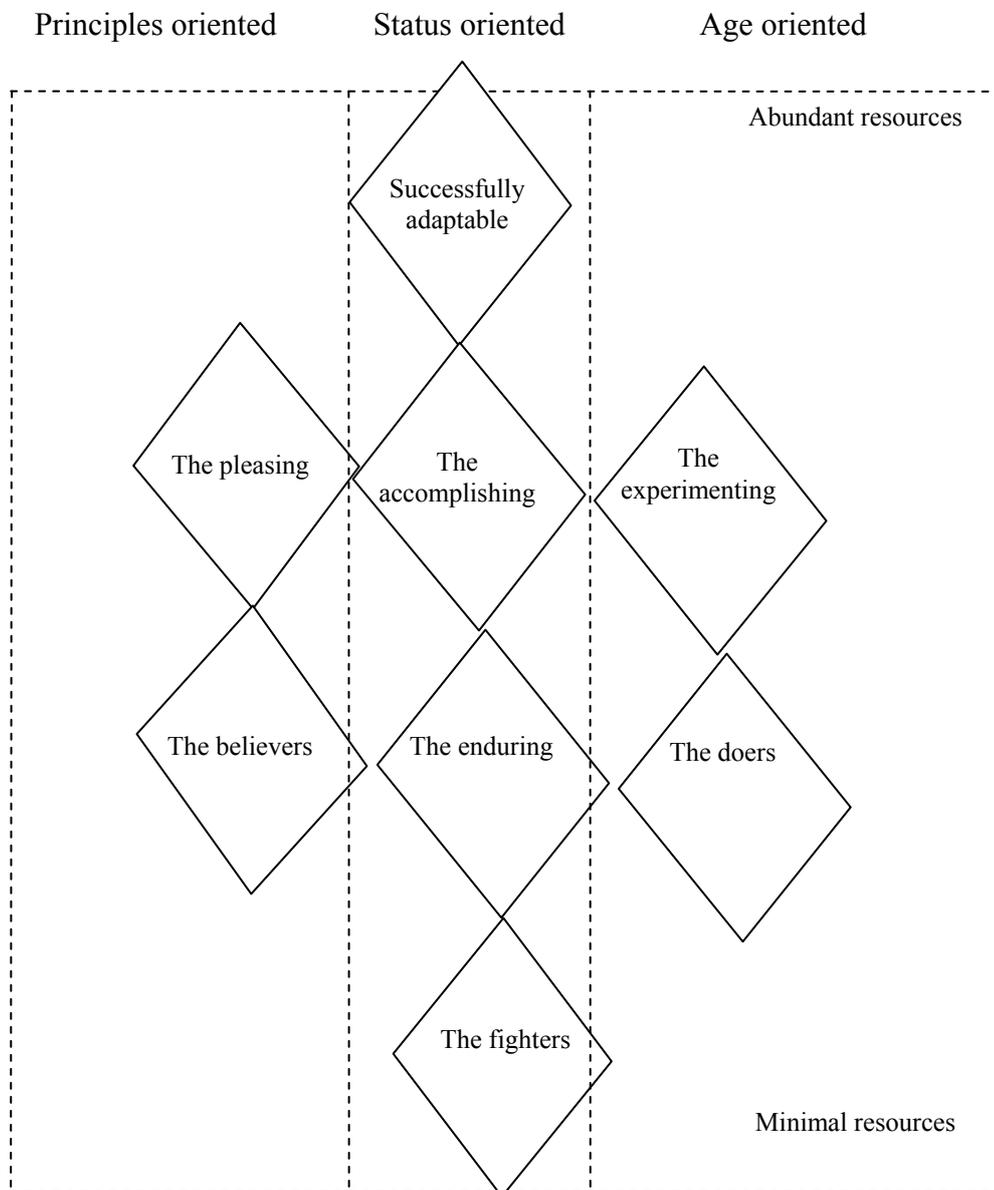


Figure 4. Consumer objectives and behavior

Customer satisfaction is an important indicator of the quality supplier-customer relationship. It defines the customer's perception of the supplier's services and behavior. The increasing relevance of this interface is also shown by the evolution of terms, from a descriptive to a more active form (figure 5.). [1, 3, 5, 8]

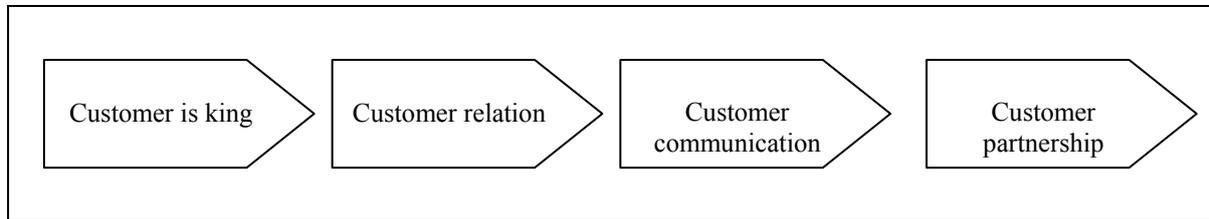


Figure 5. Names of customer-supplier interface [1]

It is expensive to attract a new customer, therefore the loss of a customer means the loss of that investment as well as the necessity to re-invest in order to attract new customers. A satisfied customer is faithful. The dynamics of customer satisfaction process entails an advantage in competition. The result is: more frequent, more coherent, less expensive orders. A satisfied customer is a good and prompt payer.

An increase in the degree of satisfaction leads, simultaneously, to lower costs, due to the diminishing number of complaints. All the efforts aimed at making the customer satisfied lead to an increase of the rate of turnover and profit.

The degree of satisfaction is conditioned by the extent of the difference between reality and expectation and it is measured by means of the following indicator: product QUALITY LEVEL. [3]

To conclude, customer global satisfaction depends on three components: perceived service quality, perceived value and customer expectation.

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