

Thesis proposal on customer satisfaction analysis as way to success at the b2b le...

[Business](#), [Company](#)



ABSTRACT

Customer satisfaction is a major concern to any business that intends to increase its sales. This research will be based on the need to understand what customers expect from business in an effort to improve success of a business. The research is planned to use a qualitative approach to collect data on the research topic. As can be noted in previous researches, customers' satisfaction is an important contributor to the success of a business and hence it cannot be ignored. This research proposal gives the significance of collecting accurate information on consumer satisfaction; this is because previous findings have shown that incorrectly designed data collection procedures may result in inaccurate findings and consequently leading businesses to make wrong decisions. All these studies will be limited to the business to business level of commerce.

INTRODUCTION

Customer satisfaction

Customer satisfaction involves measuring how the services and products provided by a company meet customer expectation. By definition the term refers to the number of customers who feel that their transactions and dealings with a company exceed their expectations. Customer satisfaction is a significant indicator on the performance of a business especially now that businesses have to compete for clients. Marketing in an organization will involve initially understanding the customer as it is easier to satisfy their needs this way. Customer satisfaction involves measuring the level at which products and services provided by an organization meet the expectations of

the customerii. Meeting the customers' needs is vital that way the business has a competitive advantage over othersiii. It is also a way of retaining existing customers and attracting new ones. Understanding the customer is a start off point to better products and services that will satisfy the customer. Issues concerning customers are who the target markets are, what gives them value, how to bring them closer and how to serve them better once they are part of a business.

Customer satisfaction is however different from the perceived superiority of a company's products. This is because satisfaction is based on meeting the consumer's expectations. A product may be luxurious and superior but still rate as less satisfying than an inferior product because customers attach an expectation to each product based on what they need satisfied. Customer satisfaction is however a significant influence on the quality of a product as surveys on this area also indicate the loyalty of consumers to certain products and also the customer's purchase intentions. From these surveys the marketing department is then able to brand themselves in a way that meets the customer's expectation. On its part the production department ensures that its products meet consumer expectations indicated in the survey.

Customer Satisfaction on a B to B Level

Marketers operating in this level of commerce use one basic concept: they allow the larger business to respond to customer's needs as a small business. Businesses that are successful have realized the need to be proactive rather than reactive when it comes to customer satisfaction on the

business to business level. These successful businesses have noted that most of their efforts to understand whether customers are satisfied may not give the true picture of the market. This is because most paper surveys conducted by businesses within their offices are only filled by unhappy clients. Also the surveys only tend to be based on what is wrong and not what is positive or what needs to be improved. Businesses operating on the B2B level need to react before they get results from these surveys; these businesses should not wait for customers to come to them and tell them what they want but rather they should go to the customer to find out what the customer wants and whether they are getting it.

Since no business can function without customers or consumers of its products, customer satisfaction is hence a key driver to success in businesses at any level.

Statement of the Problem

All businesses should endeavor to meet their customers' expectations so as to maintain their loyalty. This can only be done through analysis of customer satisfaction by the businesses. In the business to business level, firms should also seek to do the same. However this information is not readily available and some of the firms do not place emphasis on understanding customer satisfaction. This is because most of the businesses want to focus on activities that increase their revenue and consider analysis of customer satisfaction an extra cost. What most businesses do not understand is that customer satisfaction plays a key role in success of the business. Hence

businesses need to ensure that they conduct analyses of customer satisfaction levels to ensure their success in business.

Research Questions

What is the importance of customer satisfaction in the business to business level?

Is customer satisfaction analysis a key driver to success in the business to business level?

What are the unique aspects of customer satisfaction surveys in the business to business level?

How is customer satisfaction achieved in the business to business level?

Research Objectives

The business to business level of commerce is unique from other levels in that the number of consumers involved is fewer though consumption volumes remain high. This means that loss of one consumer in this level translates to a huge decrease in the consumption volumes. It is hence important to understand what expectations consumers in this level have and how these expectations can be satisfied to ensure customer satisfaction. The research aims at ensuring this satisfaction is achieved by the various firms in the B2B level.

The research also aims at focusing on how firms in the business to business level can improve how they get information on customer satisfaction as a way of improving their success. The research will also aim to identify some of the problems associated with common customer satisfaction surveys and the inaccuracies brought about by these problems.

Justification for the Research

It is important to improve success in all levels of commerce as this will help in growing the economy. It is hence significant to understand how to increase success of businesses in the B2B level by analyzing how they satisfy customers.

Significance of the Research

Findings from this research can be used to improve businesses in the B2B level as it focuses on how they satisfy their customers. Findings can also be used by businesses in this level that wish to modify how they get information on customer satisfaction. This is important as incorrect data collection procedures in analyzing customer satisfaction may give inaccurate findings and hence a firm may make uncalled for decisions and strategies.

Limitation of the Research

Since most of those involved in the business to business level are busy people, it is hard to get them to spare time to participate in a research like this. Also some of those who participate may give incorrect or generalized information so as to finish quickly and go back to their duties.

LITERATURE REVIEW

Importance of Customer Satisfaction Analysis in the B2B Level

Businesses in this level need to conduct surveys on customer satisfaction so as to get a more insightful understanding of what their customers need, the target market's composition and who are their competitors. These analyses

also give the business an in-depth understanding of the trends in the market, customer loyalty, customer requirements, market structure, and the key satisfaction drivers or consumers. The literature discussed in this section is on secondary data available on the research topic and objectives of the research stated in the previous chapter. The literature covers concepts, models and theories on the research topic that have been developed from previous researches.

According to a study conducted by InfoQuest in the area of customer satisfaction and its relation to success of a business, it was established that a customer who was totally satisfied contributed 2.6 times more revenue than one who was somewhat satisfied. The study also found out that revenue from a customer who was totally satisfied was 14 times more than that of a client who was dissatisfied. This study also noted that a customer who was totally dissatisfied decreased revenue at a rate similar to 1.8 times what the customer who was totally satisfied contributed. These findings indicate that customer satisfaction has a major impact on the revenue made by a business and consequently on the success of the business on the B2B level. It is hence important for businesses to understand their customers and to conduct periodical market surveys to understand whether the business is meeting customer expectations. The research findings also indicate that in case the revenue in such a business started to decline, whether the business is meeting customer expectations should be one of the key areas to check in an attempt to curb the decline. This study was done on 20,000 customers and had been conducted in 40 countries.

Quality products and services are of great significance to maintaining high levels of consumer satisfaction. The research by Helgesen also noted that price is not an influencer for customer satisfaction. However the research identified competitive prices as significant influences to consumer loyalty which results from satisfaction. This is because consumers are only loyal to brands, services and products they perceive as meeting their expectations. The research was specifically conducted in Norway on the fish exporters in the country. However the data obtained was from 128 consumers located in about 25 different countries. This makes the findings diverse enough to capture the market situations internationally. This research by Helgesen was however limited to one industry and hence the need for research on customer satisfaction in all industries in the B2B level. This study showed that if managers in the B2B level focused on offering quality products and services, they would increase consumer loyalty, profitability and consequently customer satisfaction. The research findings also were in relation to the theory that customers were more focused on having their expectations met with quality products than on the pricing of the products. Marketers who lower their prices to enhance customer satisfaction should hence be aware that prices on their own cannot influence customer satisfaction. Service quality is a way of retaining customers and attracting new ones. Customers are satisfied with quality services and this will mean loyalty from them. Customer satisfaction is a result of post purchase behavior of the consumers compared to their pre-purchase expectations. Service quality has five dimensions, reliability, empathy, tangibles, and responsiveness. Reliability is concerned with the outcome of the service

given while the rest are concerned with the process of service provision. Among the dimensions, reliability is the most important factor when it comes to meeting a customer's satisfaction while the rest help in exceeding the expectations of the customer. The way a company gives its services communicates its philosophy to its clients.

Customer Satisfaction Analysis as a Key Driver to Success in the B2B Level

According to a survey conducted by one manufacturing company, 94% of their customers were satisfied with their products in a year. In the following year, the same company conducted a similar survey but with the help of another vendor and this time round the findings showed that only 64% of the customers were satisfied. The irony was that revenue had doubled despite the drop. The general explanation for this difference was because of a change in how the questions were phrased and arranged. The format used in the second survey was also different from the previous one. Also the overall question on satisfaction was placed at the end rather than at the beginning like in the first survey^{vii}. These findings on the impact the design of a survey has on the results obtained from it. These findings show that analysis of customer satisfaction should not be solely based on surveys as their findings may be at times not accurate. According to another study, it was established that customers felt more dissatisfied after filling in complaints forms in companies than before doing so^{viii}. These findings show that businesses should not solely rely on data obtained from surveys conducted within the business premises. This is because different survey methodologies, designs

and characteristics of the population affect the results obtained from a survey.

Uniqueness of Surveys on Customer Satisfaction in the B2B level

Research in the B2B level is more complex than in the business to consumer level. This is because in the B2B level, an approach that is multi-faceted is required to meet the objectives of the study; it is rare to find answers in this level using only one method or approach. It is however important to analyze customer satisfaction so as to improve success in the businesses. In the course of doing this businesses should ensure that they get the right respondents for their surveys as most of those in this business level are often busy with other duties and may hence not get time to participate in the survey. This is also one of the reasons some surveys may give inaccurate information on the level of consumer satisfaction being achieved by a business. Customer analysis is also different in the B2B level than in the B2C level as in the former the survey is expected to come up with strategic decisions and hence the need for the researcher to have some expertise in formulation of strategies. Customer satisfaction is an important component of success in the B2B level. Hence businesses in this level need to conduct frequent surveys to help improve their chances of being successful in their business ventures. Coldwell notes that customer satisfaction analysis by businesses in the B2B level should take into consideration the fact that the unit for decision making is more complicated in this level of business than in the consumer markets. This analysis is also important since though consumer markets are larger than the B2B markets, the latter consists of a

small population of customers who have large consumption volumes. Wilkie notes that personal relationships with a business' customers are very important in the B2B marketsxi.

METHODOLOGY

Study Area

The research will be conducted in both developed and developing countries where businesses operating in the business to business level will be considered.

Research Design

The research shall collect data from available literature on the topic, case studies, and online databases. Literature shall be collected from journals and academic online sources. Case studies from firms in the business to business level will be used in the collection of data on the research topic. Online databases will provide the research with figures of customer satisfaction surveys.

The research will use a qualitative approach as it is has a humanistic aspect. This approach will be used to make relations between different sets of data obtained. The approach will also be used to make general statements and inferences on the research topic.

Data Analysis

Data collected will then be analyzed by first organizing it followed by categorization of the data based on noticeable patterns and themes. The

data will then be coded to ease its retrieval after collection. Finally the data will then be interpreted and analyzed before the final report is written

Concept Form

This research is based on the concept that customer satisfaction can only be achieved by a firm first understanding the expectations of the customers^{xii}. The research also relies on the concept that customer loyalty is an indicator of customer satisfaction.

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