

Case Study

Believed or not? Customer Satisfaction and behaviour

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Entrepreneurship is one of the key elements particularly in a small and medium enterprise (SME) as it gives 'life' to the business. Today, the definition of entrepreneurship has changed together with the evolution of the business landscape. In addition to the process of identifying and starting a business venture, sourcing and organising the required resources and taking both the risks and rewards associated with the venture, the term 'entrepreneurship' has been redefined to include the skill of identifying, evaluating viability, as well as exploiting and developing opportunities to create new products and services into a profitable business venture as well as resilience towards adversities and failure.

Aligning SME development to this bigger aspiration, the focus under 10MP was to further develop SMEs and entrepreneurship as the engine of growth and innovation. This was the centrepiece that motivated the SME Master plan. The Master plan put in place the strategies, goals, measures, and programmes to create a conducive environment to transform SMEs to become the new growth engine. The main focus was on enhancing ease of doing business, access to finance and market access; promoting human capital and entrepreneurship development; and fostering innovative SMEs.

Background of Customer Relationship Management.

Customer relationship management (CRM) is a combination of people, processes and technology that seeks to understand a company's customers. It is an integrated approach to managing relationships by focusing on customer retention and relationship development. CRM has evolved from advances in information technology and organizational changes in customer-centric processes. Companies that successfully implement CRM will reap the rewards in

customer loyalty and long run profitability. However, successful implementation is exclusive to many companies, mostly because they do not understand that CRM requires company-wide, cross-functional, customer-focused business process re-engineering. Although a large portion of CRM is technology, viewing CRM as a technology-only solution is likely to fail. Managing a successful CRM implementation requires an integrated and balanced approach to technology, process, and people.

The understanding of consumer behavior helps to see the influence of environment and other external factors on the behavior of consumers. The majority of factors that influence buyer behavior cannot be controlled by marketers and advertisement, but they still have to be considered while understanding the complexity of the issue. Type of consumer behavior determines consumer's purchasing decisions. Decisions to purchase toothpaste or a new car it differ. Large and expensive purchase will require the buyer think more, as well as need a larger number of the decision-making process participants.

Social legitimacy of consumer rights is a guarantee to meet their needs. Deception, misrepresentation, low quality of services, lack of response to the legitimate grievances and complaints, and other similar activities are nothing but a violation of the legitimate rights and interests of clients. Purchase is made the manufacturer still have to continue its' work with the customer in the post-purchase period. Marketer should examine the degree of customer satisfaction purchase, the reaction after the acquisition of goods and the fate of the product. After purchasing the product the consumer can stumble upon some previously unnoticed defect. Some will refuse to keep a defective thing, some will remain indifferent to its shortcomings while others may find that the existing flaw only increases the value of an item. For example, if in the first edition of the famous writer there is a page printed upside down, over time it becomes a rarity that can be sold at a much higher price than the original cost. On the other hand, some defects are of real danger to the user.

Purchase satisfaction is the ratio of the expectations of the buyer and the actual qualities of the product and services. The degree of customer satisfaction depends on the decision to re-purchase and reviews about the item among friends and acquaintances. To keep the buyer satisfied, advertisement producer must faithfully reflect the real and the probabilistic characteristics of goods. Some retailers may to some extent even understate the item qualities so the buyer receives guaranteed pleasure of shopping. Satisfaction or frustration of the consumer determines one's next steps. If a person is satisfied with the purchase, most likely

she or he will buy this product again. Unsatisfied customer reacts quite differently. One can stop using the goods, return an item to the store, or start looking information that would confirm the value of the goods. In addition, one can write a complaint to the company that produces this product, seek help from a lawyer or a government agency. A customer can simply stop buying this product and warn all friends and acquaintances.

30 November 2016, Thursday, 9.00 p.m.

With the Eleventh Malaysia Plan being the most crucial plan in the nation's progress towards Vision 2020, fiscal resources in 2016 will be prioritised towards high impact projects with large multiplier effects to reduce cost. Emphasis will continue to be accorded towards ensuring inclusive and sustainable growth through welfare enhancement especially in the form of socio-economic support to cope with the rising cost of living and encourage private consumption. Going forward, in facing the uncertain environment, sustaining fiscal reform and prudent macroeconomic measures would remain crucial components of the Government's economic transformation agenda.

Source:

1. Muhamad Fairos bin Mohamad Shah, Samsudin b Wahab, Mohd Subri b Tahir (2016). Customer-Supplier Relationship Management Performance Model for SMEs: Missing Link between Logistic and Business Intermediaries, ASEAN Entrepreneurship Journal AEJ, 2(2), 16-26, (ISSN 2289-2125) Retrieved from <http://aej.uitm.edu.my/>

2. SME Corporation, Malaysia. www.smecorp.com.my

INSTRUCTOR'S MANUAL

CASE SUMMARY	The concept of customer satisfaction is a complex of a large number of components, which vary for different businesses and consumers .To manage this complex, first and foremost identify its specific components and only then make an effort to maintain them at the proper level. Satisfaction is associated with the subjective perception of how the customer meets the needs or the expectations of a particular consumer. Beside the reflection of the quality of goods and services in
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	<p>the consumer's mind can be confirmed or not confirmed by the real situation. In the latter case, consumers feel dissatisfaction. At the same time, the relationship between customer satisfaction and profitability of a company is commonly recognized. The key to success of a company in the market is satisfied customer who is committed to the company. Without accurate measurement of customer satisfaction managers cannot make effective decisions about what needs to be improved for products and services. Only if something is measured, it can be managed. The objectives of this case were to study the performance and to identify the characteristic factors that cause the organization able to compete with other organization.</p> <p>This case study was collecting the public data such as printed media, annual report and store's website. The findings of this study showed that financial, location, business process and technology strategy are the core thrusts of this business to survive today.</p>
OBJECTIVES OF THE CASE	<ol style="list-style-type: none"> 1. To find out their needs and preferences. 2. To identify the services that are most in demand. 3. Gain the trust of consumers. 4. Develop an appropriate marketing strategy and specific elements are most effective marketing mix.
BASIC PEDAGOGY	<p>COURSE :Entreprenuership,Marketing and Business Administration</p> <p>LEVEL : Diploma,Degree</p> <p>POSITION IN THE COURSE :Chapter 3</p> <p>PREREQUISITE : EMBA Entreprenuership,Marketing and Business Administration</p>
RESEARCH METHODOLOGY	<p>Secondary Source: previous study, annual report and media reports</p>
DISCUSSION QUESTIONS	<ol style="list-style-type: none"> 1. How to measure satisfaction with the goods as a whole? 2. How establish a system of feedback from customers? 3. In what ways making purchasing decisions to increase frequency of shopping? 4. Why organization develop an effective and long-term relationships with customers?

<p>SUGGESTED RESPONSES</p>	<ol style="list-style-type: none"> 1. To measure satisfaction is Repeat purchase and loyalty to organization.As a result, the study of buying behaviours will not only increase the sales, but also raise the satisfaction levels among product customers. 2. These behaviours products and services can be adjusted in order to suit the major needs of customers.Furthermore on the financial,location,business process and technology strategy. 3. Primary objective of direct marketing is to raise awareness. Even if a campaign doesn't lead to a sale, raised awareness is still a positive outcome.thus CRM is significant for customer. 4. The increased awareness may well lead to a future sale(return of investment), when the prospect or existing customer is in higher need of buying the goods or services.The outcome of a direct marketing campaign needs to be a winning solution both for the organisation and the customer. One of the main targets of a direct marketing campaign is to generate sales and leads. As we've said, it's important all parties win, so campaigns need to be fair to everybody.
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