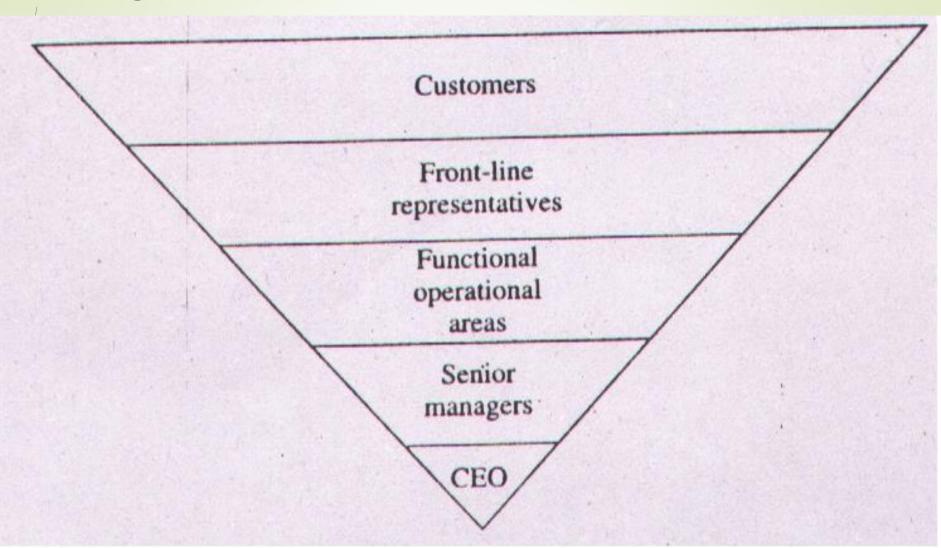
- The most important asset of any organization is its customers
- Satisfied customers pay their bills promptly which greatly improves cash flow – the lifeblood of any organization

## ORGANIZATIONAL HIERARCHIAL DIAGRAM



 CUSTOMERS EXPERIENCE OF A PRODUCT OR A SERVICE IS MULTIFACETED SO HARD TO DETERMINE

■ IT NEEDS TO BE MEASURED INDIVIDUALLY TO GET AN ACCURATE TOTAL PICTURE OF CUSTOMER SATISFACTION

- Customer satisfaction should not be viewed in a vacuum.
- For example, a customer may be satisfied with a product or service and therefore rate the product or service highly in a survey and yet same customer may buy another product.

 Similarly customer's view about a product or service are useless if customer's view about competitors products are not understood.

The value customers places on the product compared to another may be a better indication of customer loyalty.

## TYPES OF CUSTOMER

**External Customer** 

Internal Customer

# CUSTOMER PERCEPTION OF QUALITY

ASQ SURVEY SHOWS THAT IMPORTANT FACTORS THAT INFLUENCE PURCHASING ARE

- 1. PERFORMANCE
- 2. FEATURES
- 3. SERVICE
- 4. WARRANTY
- 5. PRICE
- 6. REPUTATION

### **FEEDBACK**

- Comment Card.
- Customer Questionnaire.
- Focus Groups.
- Toll Free Telephone No.
- Customer Visits.
- Report Card.
- Internet & Computer.
- Employee Feedback.
- Customer complaints

## COMMENT CARD

- ► COMMENT CARD CAN BE ATTACHED TO THE WARRANTY CARD & INCLUDED WITH THE PRODUCT AT THE TIME OF THE PURCHASE
- INTENT OF THIS CARD IS TO GET SIMPLE INFORMATION SUCH AS NAME, AGE, ADDRESS, OCCUPATION & WHAT MADE THE CUSTOMER BUY THAT PRODUCT

### COMMENT CARD

- FOR CUSTOMER THERE IS LITTLE OR NO INCENTIVE TO COMMENT
- CUSTOMERS DO RESPOND WHEN THERE IS SOMETHING VERY GOOD OR VERY BAD
- USED IN HOSPITALITY INDUSTRY(HOTELS, RESTAURANTS)

## CUSTOMER QUESTIONNAIRE

- POPULAR TOOL FOR OBTAINING OPINION & PERCEPTIONS ABOUT AN ORG./PRODUCT/SVS
- COSTLY & TIME CONSUMING
- MOST SURVEYS ASK THE CUSTOMER TO GRADE THE QUESTION ON A 1-5 OR 1-10 LIKERT SCALE

#### **TEACHING METHODOLOGY OF MUHAMAD ASIF**

ı	PARAMETER	HIGHL' SATISF		NEUT	RAL	HIGHLY DISSATIS
	COMMUNICATION SKILLS	5	4	3	2	1
	GRIP ON THE SUBJECT	5	4	3	2	1
-	ANSWER TO THE QUESTIONS	5	4	3	2	1
	WHOLE CLASS PARTICIPATION	5	4	3	2	1
-	DO U FEEL ANY VALUE ADDITION AFTER HIS CLASS	1 5	4	3	2	1
	DOUGO HOME SATISFIED AFTER ATTENDING HIS LECTURE	R 5	4	3	2	1

## CUSTOMER QUESTIONNAIRE

- DOES NOT TELL ABOUT THE IMPORTANCE OF INDIVIDUAL QUESTION RELATIVE TO OTHERS
- NOR DOES IT TELL WHAT CUSTOMERS EXPECT FROM ORGANIZATION
- RESULTS ARE NOT REPRESENTATIVE OF THE NORMAL POPULATION
- THOSE WHO FEEL VERY GOOD OR VERY BAD RESPOND ONLY

## TO MAKE SURVEY MORE USEFUL REMEMBER

- 1. CLIENTS & CUSTOMERS ARE NOT SAME
- 2. SURVEY RAISE CUSTOMER EXPECTATION
- 3. HOW U ASK A QUESTION WILL DETERMINE HOW THE QUAESTION IS ANSWERED
- 4. THE MORE SPECIFIC THE QUESTION, THE BETTER THE ANSWER

## TO MAKE SURVEY MORE USEFUL REMEMBER

- 5. U HAVE ONLY ONE CHANCE & 15 MIN.( max. time a customer will give to respond a survey)
- 6. MORE TIME U SPEND IN SURVEY DEVELOPMENT, LESS TIME U GET IN DATA
- 7. ANALYSIS & INTERPRETATION
- 7. WHOME U ASK IS AS IMPORTANT AS WHAT U ASK
- 8. BEFORE DATA ARE COLLECTED, U SHOULD KNOW HOW U WANT TO ANALYSE & USE THE DATA

## FOCUS GROUPS

- POPULAR WAY TO OBTAIN FEEDBACK
- SURVEYING A FOCUS GROUP IS A RESEARCH METHOD USED TO FIND OUT WHAT CUSTOMERS ARE REALLY EXPECTING
- GROUP OF CUSTOMERS IS ASSSEMBLED IN THE MEETING ROOM TO COLLECT INFORMATION
- CAREFULLY PREPARED ANSWERS R ASKED BY SKILLED MØDEARTOR
- WHO PROBES INTO PARTICIPANTS IDEAS, THOUGHTS PERCEPTIONS & COMMENTS
- PEOPLE SELECTED HAVE THE SAME PROFILE AS THE EXPECTED CUSTOMER
- FOCUS GROUPS R SOMETIMES USED WITHIN TE ORGANIZATION TO ADDRESS INTERNAL ISSUES

## FOCUS GROUPS( IMPRINT ANALYSIS)

- IMPRINT ANALYSIS IS AN EMERGING TECHNIQUE USED IN THE FOCUS GROUPS
- GOOD WAY TO OBTAIN INTRINSIC FEELING ABOUT THE PRODUCT/SERVICE
- FEELING R NOT EASILY OBTAINED FROM THE CUSTOMERS
- CUSTOMERS OFTEN HOLDBACK INFORMATION'S ON SURVEY

# FOCUS GROUPS (IMPRINT ANALYSIS)

- WORD ASSOCIATION, DISCUSSIONS & RELAXATION TECHNIQUES CAN IDENTIFY A CUSTOMERS EMERGING NEEDS
- IMPRINT ANALYSIS HELPS TO UNDERSTAND THE HUMAN EMOTIONS INVOLVED IN THE PURCHASE DECISION

## TOLL FREE PHONE NO.

- EFFECTIVE TECHNIQUE FOR COMPLAINT FEEDBACK
- ORGANIZATION CAN RESPOND FASTER & CHEAPLY TO THE COMPLAINTS

## **CUSTOMER VISITS**

- VISIT TO A CUSTOMERS PLACE OF BUSINESS IS AN EFFECTIVE WAY TO GATHER INFORMATION
- ACCURATE INFORMATION OBTAINED -PEOPLE CAN SEE FIRST HAND HOW THE PRODUCT IS PERFORMING

## - REPORT CARD

# THE INTERNET & THE COMPUTER

#### QUARTERLY REPORT CARD

Contract of the Contract of th				
TO	OUL	CHIST	omers	ö
	Out	-431	OHIELD.	×

We are continually striving to improve	To assist us in this endeavor, we
need your feedback. Would you please	grade our performance in each
category? The grading scale is	

A = Excellent
B = Very Good
C = Average
D = Poor
F = Failing

I. PRODUCT QUALITY	Grade		
Comments:			
II. ON-TIME DELIVERY	Grade		

## Comments: Grade \_\_\_\_ III. SERVICE

Comments: \_\_ IV. OVERALL Grade \_\_\_\_

Comments: Signed \_\_\_\_\_ Date \_\_\_ Title \_\_\_\_\_ Organization \_

## EMPLOYEES FEEDBACK

- EMPLOYEES R UNTAPPED SOURCE OF INFORMATIONS
- CONVENTIONALLY COMPANIES LISTEN MORE TO THE EXTERNAL CUSTOMERS & LESS TO THE INTERNAL CUSTOMER
- EMPLOYEES USUALLY PROVIDE DEEPER INSIGHT INTO CONDITIOINS

## EMPLOYEES FEEDBACK

- CUSTOMERS RESAERCH REVEALS WHAT IS HAPPENING
- EMLOYEES REASEARCH REVEALS WHY IT IS HAPPENING
- IT SHOULD BE REGULARLY SOLICITED RATHER THAN CHECKING THE WOODEN BOX ANNUALLY

## USING CUSTOMER COMPLAINTS

- THE FEEDBACK OBTAINED IN ALL ABOVE CASES IS PROACTIVE
- CUSTOMER COMPLAINT IS REACTIVE BUT VERY USEFUL
- ASQ SURVEY REVEALS THAT ABOUT
- 1. 1.5% COMPLAINTS REACH TOP MANAGEMENT
- 2. 20% TO FRONT LINE PERSONNEL
- 3. 80% DON'T REPORT

## INDICATES THAT IT IS EASY FOR THE TOP MANGMNT TO PERCEIVE THAT EVERY THING IS OK

- WHEN SATISFIED CUSTOMERS R INCLUDED IN THE DATA, NO. OF COMPLAINTS TO MANGMNT IS LOWER THAN 1.5%
- ► FREQUENTLY DISSATISFIED CUSTOMERS DON'T SAY ANYTHING & QUIETLY SWITCH OVER TO COMPETITOR

- THOSE WHO DONT COMPLAIN R THE ONE WHO SHOULD WORRY THE ORGANIZATION MOST
- BY TAKING THE POSITIVE APPROACH TO THE COMPLAINTS IT IS POSSIBLE TO IMPROVE THE PRODUCTS/SERVICES
- IN FACT COMPLAINTS GIVE THE ORGANIZATION A SECOND CHANCE

ONCE U HAVE IDENTIFIED THE COMPLAINTS/ PROBLEMS NOW TURN TO ELIMINATION. INCORPORATE CUSTOMER VOICE INTO PRODUCT/ SERVICE

## Mass Customization

GIVE CUSTOMER EXACTLY WHAT CUSTOMER WANTS



## Mass customization

- IN THE OUTSET, PRICE TAG ON SUCH PRODUCTS WAS PROHIBITIVE, BUT M.C PROVIDES THIS AT AFFORDABLE PRICE
- M.C IS RESULT OF FLEXIBLE MANUFACTURING SYSTEM(FMS), JIT, & CYCLE TIME REDUCTION

## Mass customization

- IN AUTOMOBILES IT IS SINCE MANY YEARS
- CUSTOMER MAY DETERMINE WHAT TYPE OF SEAT COVERINGS, COLOUR & STEREO SYSYTEM THEY WANT
- COMPUTER MFRs & ASSEMBLERS DO IT

## Mass customization

Modular design

Delayed differentiation

### MODULAR DESIGN

Is a form of standardization in which component parts are subdivided into modules that are easily replaced or interchanged. It allows:

- Easier diagnosis and remedy of failures
- Easier repair and replacement
- Simplification of manufacturing and assembly

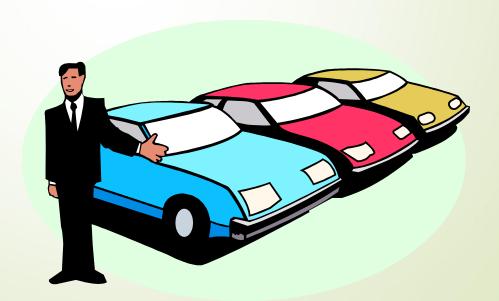
#### **DISADVANTAGE:**

Variety Decreases

### DELAYED DIFFERENTIATION

Delayed differentiation is a postponement tactic

 Producing but not quite completing a product or service until customer preferences or specifications are known

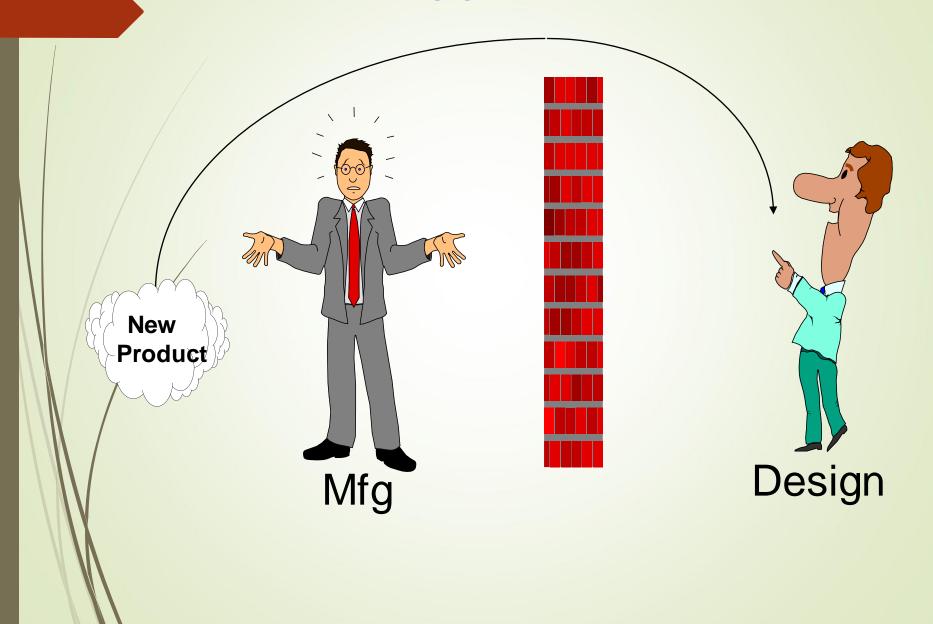


## DELAYED DIFFERENTIATION





## 'Over the Wall" Approach



# CONCURRENT ENGINEERING

Concurrent engineering is bringing together marketing, engineering, manufacturing, purchasing, service, packaging, etc. people early in the design phase.

## ROBUST DESIGN

Design that results in products or services that can function over a broad range of conditions



## **CUSTOMERS' REQUIREMENTS**

- NORMAL REQUIREMENTS Are typically what one gets by just asking customers what they want.
- EXPECTED REQUIREMENTS Are the obvious / compulsory requirements. For example, if meal is served hot, customers barely notice it. If it's cold or too hot, dissatisfaction occurs. Expected requirements must be fulfilled.
- **EXCITING REQUIREMENTS**

Beyond the customer's expectations.

If provided, customer would be excited

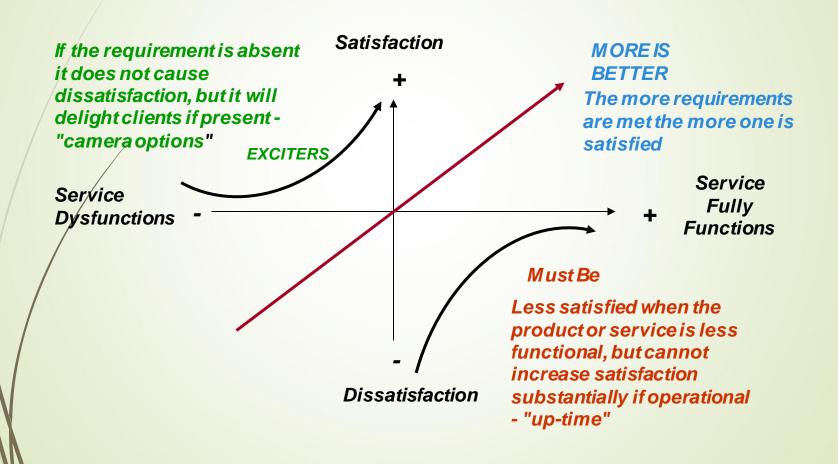
If not, they would hardly complain

## IN OTHER WORDS

- NORMAL REQUIREMENTS
- MORE IS BETTER
- EXPECTED REQUIREMENTS
- MUST BE
- EXCITING REQUIREMENTS

DELIGHTENING, EXCITING, WOW FACTOR

## KANOS MODEL



## QUESTIONS?