CUSTOMER FEEDBACK AND INTERNET
Means used by the Biggest Portuguese Companies

Ramiro Gonçalves, Frederico Branco, José Martins, Vítor Santos and Jorge Pereira

University of Trás-os-Montes and Alto Douro- GECAD, Vila Real, Portugal

Keywords: Feedback, Customer, Internet.

Abstract: On this paper we proceed to the analysis of the means of obtaining customer feedback through the Internet. Keeping demanding customers as well as attract new ones, has always been a major concern for the majority of the companies. Knowing what customers think is an important part of developing products and services, and differentiating factor against the competition. Obtaining customer feedback through the Internet can be considered more cost efficient and accessible, when compared to more traditional means. This work results from a study that identified the means of obtaining customer feedback, on the websites of the Portuguese companies with the biggest business volume.

1 INTRODUCTION

Knowing the preferences and expectations of each company customers has become more and more necessary in the competitive world where organizations are moving. With that objective, several means of communication between a company and its customers and it's exactly on the presence of these means on the Portuguese companies websites, that this study is focused. Companies give more prominence to the opinions of customers, and due to this, behind these means of communication are media professionals, so that each complaint, suggestion or simple comment is given the most attention.

The feedback (feedback, or simply, return) is the procedure which consists in providing information to a person or entity on their performance, conduct, event or action performed, aiming to guide, redirect and / or stimulate one or the further improvement on future actions or previously executed (Söderlund, 1998).

In the process of developing interpersonal skills, feedback is an important feature because it allows us to see how we are perceived by others. In what organizations concern, feedback can be an important customer expectations and feelings monitoring tool (Getha-Taylor, 2010).

The customer service centers, social networks and traditional suggestion boxes are typically passive means of getting any kind of opinion. In them, the customer "asks to be heard" and sets out its position, good or bad, in most cases without knowing whether this view will be seen as being important for the company or if it will be the subject of attention.

Clearly, the customer feedback is important to any business, because, better than anyone, he knows the quality of service and the efficiency of what was sold to him. For this reason, company manager can't waist this rich information.

In this article, we will show the results of a study made to the means of obtaining customer feedback that exist in the websites of the 1000 biggest Portuguese companies in business volume.

Section 2 describes the concept of Customer Feedback, Section 3 describes the approach for gathering information, in Section 4 we proceed to the presentation of the study results, and finally in Section 5 we present the conclusions and prospects for future work.

2 CUSTOMER FEEDBACK

The competition between companies requires the constant improvement of products and services. The collection and monitoring of customer feedback can have a huge weight on the degree of customer satisfaction (Wisner e Corney, 2001). The Information obtained from customer suggestions and complaints can also be used to create a basis for measurement, allowing a long-term planning so that

businesses can target their improvement efforts more effectively and efficiently.

Much investigation considers advantageous to obtain customer feedback to improve products and services (Wisner e Corney, 2001). The customers changing needs over time, require a continuous effort to converge in their direction and make operational improvements in order to achieve their satisfaction.

According to (Taikkenen e Alajoutsijarvi, 2002), customer satisfaction can be defined as "the degree to which expectations of re-purchase by the consumer are met or surpassed by a product". A high level of customer satisfaction is one of the strongest predictors for the future of business. Satisfied customers are loyal customers that fit financial guarantee in the future. A 5% increase in customer loyalty can have an impact of 100% in profit due to the fact that satisfied customers buy products more often and in larger quantities (Reichheld e Sasser, 1990).

The feedback to the vendor, will serve as an important pillar of organizational learning and can affect both costs and gains to the extent that information can be used to develop new products, improving existing ones, etc.. That is, learning is likely to facilitate behavior change of supplier, which in turn leads to improved performance (Slader e Narver, 1995).

It is therefore extremely important to determine as quickly as possible what customers should be kept, and which new ones are to be attracted. Obtaining customer feedback is essentially finding this information (Wisney e Corney, 2001).

Create customer-centric organizations has been a major priority for the biggest companies (Donovan and Samler, 1994). Being present in the Internet provides some opportunities in the process of creating an effective system of customer feedback (Wisner e Corney, 2001).

Gummesson (2002) argues that companies that are managed based on principles of quality must pursue the zero defection strategy in order to avoid creating customers. The information obtained from customers can be used by businesses to achieve the desired quality level, identify quality problems and suggestions for improvement of products or services (Sampson, 1998). The advent of the Internet has enhanced the way through witch companies can obtain customer feedback. Collect customer feedback over the Internet has become a prevalent phenomenon (Sampson, 1998).

It is common for companies to gather customer feedback by means of active or passive solicitation. The feedback can be achieved in different ways,

including complaints made by the client directly to an employee of the company, through calls to the toll free customer service (toll-free number), and the cards included with the products that allow customers to express their views by returning the card by mail to the company (Sampson, 1996). The passive request consists in all the appeals made to the customers without doing a focus on specific groups. The active solicitation is focused on specific clients (ex: market prospection). For the purpose of this work, we're going to be just analyzing the passive solicitation.

3 INFORMATION GATHERING APPROACH

The approach was divided into two stages: in the first stage we proceeded to the collection and organization of information from the Websites that are relevant to the project objectives. In the second stage, we've done the process of all the gathered information obtained, as is possible to see Section 4. The first stage aimed at gathering and organizing the information, having the 1000 bigesst companies in business volume that operate Portugal as the source of that same information (INE, 2007).

It should be noted that due to various factors such as the inexistence of the website, the website is still in construction, is temporarily unavailable or simply because the website no longer exist due to the insolvency of the company, the initial database was restricted to 777 websites. Alongside this, at the time of the study, 48 websites of the initial 777, were not available, forcing the study to focus on only 729 sites.

Data collection was conducted between October and December 2010. The ites were classified into two groups: Institutional Sites (where they only provide information) and Transactional Sites (where they present features of e-commerce). An

Figure 1: Website Availability.

institutional website can be defined as a dynamic or static webpage, which as by main objective the disclosure of the company and does not fit the definition of electronic commerce. The National Association of Software and Service Companies (NASSCOM) define electronic commerce including all transactions where the offer for sale and acceptance of the offer are made electronically (NASSCOM, 2010).

The transactional e-commerce sites aim to extend the trading capacity of its clients through the implementation of online stores that can deliver product catalogs and / or services and can integrate with various other types of systems (NASSCOM, 2010). Each one of these websites was examined on the means used to collect feedback. These were divided in online means: chat / im (instant messaging), email, VoIP (Skype or similar), Forum, Blog, and offline means: address/location, telephone (POTS), fax, and forms.

Within this study, online means refers to all those who are directly related to the technologies underlying the Internet. While the offline means are all the traditional means of getting feedback, but that are referenced in the sites of companies. Considering that the number of users of social networks has been growing sharply, the impact they have on users and networks in organizations has also been growing. Being social network a social structure composed of individuals and / or organizations, connected by one or more types of relationships that share common values and objectives, they could be an excellent vehicle for gathering feedback, since they can be an easy and quick to get genuine feedback from users via, for example, comments or publications.

This circumstance leads, beyond collecting feedback, other implications, as the generalization of positive or negative comments on a social network around an organization can have an irreversible impact on the image of them, for good or bad.

4 RESULTS

The analysis produced a number of indicators that could be studied. As seen in Figure 2, the 729 websites studied showed that, 678 are institutional websites while 51 websites include some kind of e-commerce transaction.

From the offline means of obtaining feedback, we highlight "location" when its objective is to make the customer reach the companies offices.

Complementary information for those who wish to take this path, such as: information of GPS
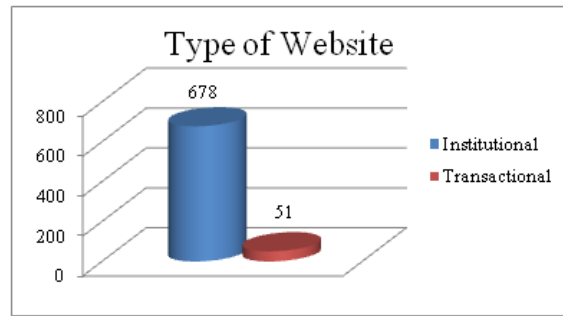

Figure 2: Types of Websites.

coordinates, map, and "Getting There" is also given by some of the sites. The "Getting There" provides road routes to be taken to a central location (it's a good reference) to the final destination (business offices). Figure 3 shows the amount of websites that advertise means of location. Of these, 113 include a map functionality, 77 indicate the coordinates of GPS and 16 refer with, detailed indications, how to get a place regarded as key to the organization.
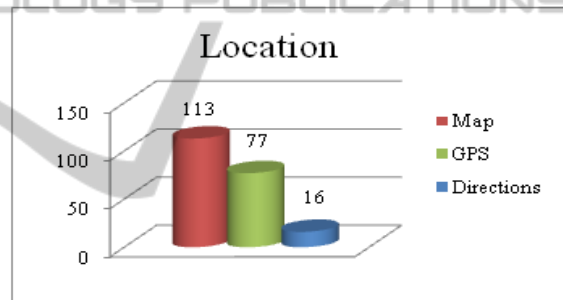

Figure 3: Location Means.

From the offline means of collecting feedback (figure 4) we highlight the "form", present in a considerable amount of websites – 147, that essentially aims to allow users to expose their doubts in a categorized manner. In the form we usually have access to a dropbox with the options "Information Request", "Complaint", etc, and
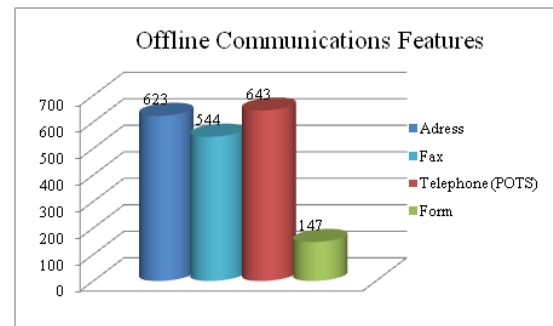

Figure 4: Identified Offline Communication Features.

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another with the options "Products", "Services", etc.. Thus the comment could be directed towards those who are better able to respond to requests.

In figure 5 we can see the presence of several online means of gathering feedback, where "e-mail" is the most present in the studied websites.
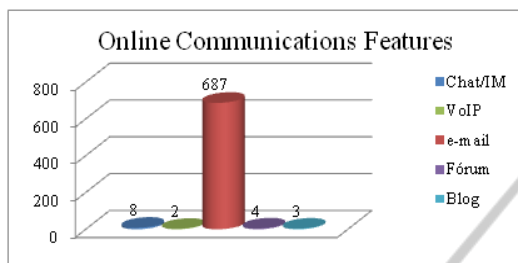

Figure 5: Identified Online Communication Features.

Beyond the studied means there are others who appear more sporadically, such as: FAQs, RSS, link-sharing and "ideas". The client seeks certain responses (through the FAQ's), know at the time (via RSS) and share the link which is a way to get the company to friends. The suggestions could also be encompassed as a "Contact Form" but we chose not to make this inclusion as the "Suggestions" does not require contact client/company and vice versa, but just something to be done by the customer. Even if the suggestion has a great acceptance by the company as much as a thank you replies will be.

5 CONCLUSIONS AND FUTURE WORK

By analyzing the results, we may infer the existence of a high concern about the use of systems that allow obtaining customer feedback through the companies websites.

This is probably the recognition that companies are giving more attention to comments made by customers, so they can react promptly, meeting their needs.

The development of systems for customer feedback has been taking increasing interest and importance to organizations (Raymond, 2010). The enhancement of the company's presence alongside their customers made by the Internet, allowed the use of a new and diverse array of tools to gather feedback in a very cost efficient manner. Thus, this has also helped the widespread use of these same systems.

From the results analysis emerges that: the telephone number exists almost in an equal amount

of times as the e-mail, being the only technological mean that can be at the same level as the more traditional means.

While undergoing the present study, it was possible to verify that companies are increasingly using websites as a mean for obtaining customer feedback. However, in their majority, there are some difficulties in maximizing all available means, including the use of online tools and the use of social networks. It's certainly very relevant in the future to study successful cases of using various means in order to serve as a guideline for other firms.

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