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# Enhancing Customer Centricity in an IT Services Company

Developing an Operating Model to Manage Customer Feedback

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## Preface

Last fall when I, after seven years, entered the Metropolia building in Bulevardi, I was really nervous about the studies. Indeed, this Industrial Management Master's Programme has been quite challenging, but also extremely awarding. I have learned a lot and grown as a professional and as a person. It is hard to believe that the year is almost over. On the other hand, I am relieved after all the hard work, but at the same time, a bit sad, as this whole experience has been so amazing.

Firstly, I would like to thank all the instructors of the Industrial Management Master's Programme in Metropolia University of Applied Sciences for their enthusiasm in teaching us. Especially I want to thank my Thesis instructors Dr. Satu Teerikangas and Dr. Thomas Rohweder for their support and guidance throughout this Thesis project. I also want to express my gratitude to Sonja Holappa for her great advice in writing in English and to Zinaida Grabovskaia, who made me really think about my Thesis and to reason my choices. Last, but not least, I want to thank Johanna Vesterinen for her inspiring lectures that gave me the idea for this Thesis.

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Finally, the warmest thanks go to my family: Jarkko, you have given me confidence and support especially in the last few months. Maija, I really appreciate your advice on the Thesis, I can always count on you. Sanna, among all the things going on, you found the time and strength to support me and really put effort on pushing me all the way to the end. David, thank you for your contribution to my studies. Dad, you have been a role model for me. All of you, thank you for your patience and support. I could not have done this without you!

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<p>The objective of this Thesis is to provide a systematic approach to enhance the case company's customer centricity by developing an operating model to manage customer feedback. The case company provides IT outsourcing services to its customers in the business-to-business market. Nowadays the customers are more demanding and knowledgeable about the services they use and in the Internet era especially the negative experiences tend to spread rapidly. The competition is constantly increasing, and the companies need to find ways to differentiate themselves from their competitors. The case company's vision is to become a leader in customer satisfaction in the IT outsourcing industry. Therefore, it is crucial for the case company to reflect the customers' perspective throughout the service lifecycle.</p> <p>The research approach chosen for this Thesis was a qualitative case study. The data was collected by conducting semi-structured interviews, workshops and discussions with several stakeholders in the case company. The study was conducted in a real-life context, and the focus was on solving a contemporary challenge in the case company. Also, relevant literature was explored to gain an understanding of the best practices of customer centricity and customer feedback management. The best practice was merged with the findings from the current state analysis, and the final operating model was created together with the case company stakeholders.</p> <p>The outcome of this Thesis is an operating model to manage customer feedback. The model consists of three phases to process feedback: collecting, analysing and acting based on it. For each phase, the roles and responsibilities as well as the relevant communication channels for sharing the results internally and externally, are defined. The operating model has been approved by the case company top management and is ready for implementation.</p> <p>The operating model to manage customer feedback is practical, and it helps the case company to systematically collect, analyse and act on the feedback. If the model is implemented properly, it can help the case company to enhance customer centricity.</p>	
Keywords	customer centricity, customer feedback management, feedback collection, feedback analysis

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## Acronyms

CEO	Chief Executive Officer
CIO	Chief Information Officer
CSA	Current State Analysis
CTO	Chief Technical Officer
CX	Customer Experience
IT	Information Technology
KAM	Key Account Manager
NPS	Net Promoter Score
PMO	Project Management Office
SLA	Service Level Agreement
VOC	Voice of Customer

## 1 Introduction

Putting customers at the core of the business is a key to succeeding in today's competitive service industry. Companies should listen to the customers in order to integrate their perspective into the service lifecycle. Hence, the purpose of this Thesis is to explore ways to enhance customer centricity in an IT services company.

The service business is growing fast, and even the traditional goods manufacturing companies are transforming from goods-centred to service-centred companies. In Finland, the total revenue of companies in service business has grown, for example, from 2013 to 2014 by 7% (Statistics Finland 2015). People are more demanding regarding the services they use and that forces companies to develop their service offerings continuously. Services have to be easy to use, and they should be designed taking into account the customer's point of view.

Companies, particularly in the service business, are increasingly aware of the power that customers have. Customers are more knowledgeable than before since data is more easily available. Customers are no longer dependent only on company advertisements and product manuals, but the Internet enables increased knowledge sharing easily among the customers. Especially the negative experiences have a tendency to spread rapidly. There are also more options to choose from between a large variety of similar products and competition is hard in most of the industries. To be successful, companies need ways to differentiate themselves from their competitors. Therefore, it is crucial for any company to take care of their customers. (Vesterinen 2014: 12)

Customer service is a considerable part of the total customer experience. Even if a customer has a problem that cannot be solved within a short time, in the end, the customer might be satisfied if customer service has been excellent. If the company's internal processes regarding customer-related processes are not well designed and implemented, it will affect customer service, which in turn affects customer experience and customer satisfaction (Heskett et al. 2008: 166).

The effect of digitalisation can be seen in several industries and many companies provide for example web-based services (Tekes 2010: 12). As nowadays companies want to focus on their core business, it is becoming more and more common to outsource their

Information Technology (IT) services. In IT outsourcing, the IT service provider offers IT services to its customers. The customer can buy for example the technical support for their employees' workstations or the maintenance of their email system from the IT service provider. Customers can outsource only a small part of their IT systems or the entire IT infrastructure. Also, they can use one IT service provider or decentralise their systems to different IT service providers.

The competition in IT services industry is increasing. For example, the turnover of IT services in Finland grew by 15% from the year 2013 to 2014 (Statistics Finland 2015). Thus, the companies providing IT services have to develop their services constantly to be successful. One part of developing the services is to enhance customer centricity, hence taking the customers more into account and listening to them and, as a result, increasing the value that customers experience when using the services (Ramaswamy 2014: 195). If customers feel that the level of service is not what they expected, and their needs are not being listened to, they may most probably change the service provider.

One way of measuring customer satisfaction is collecting feedback from them (Manning and Bodine 2012: 126). If the feedback is collected and analysed properly, it can be a great asset to the company. Customers might have useful suggestions for improvements, but the company can also receive valuable information about their positive performance. As important as recognising the weaknesses is, for example in a process, it is equally important to identify the strengths.

## 1.1 Case Company Background

The case company provides IT services, such as application solutions, cloud services, and traditional IT services, to its customers. The company employs about 60 people. As every customer uses IT services in their own business context, the IT services provided by the case company tend to be customised for each customer. The company designs the services together with its customers. Thus, it is important for the case company to know the customers' business to provide the services that the customers need. The company's vision is to become a leader in customer satisfaction in the IT outsourcing industry and for accomplishing that, the company should listen more to the customers.

The case company is divided into four business units, which are Service Production, Key Accounts, Administration and Business Applications. The organisation chart of the case company is illustrated in Figure 1.

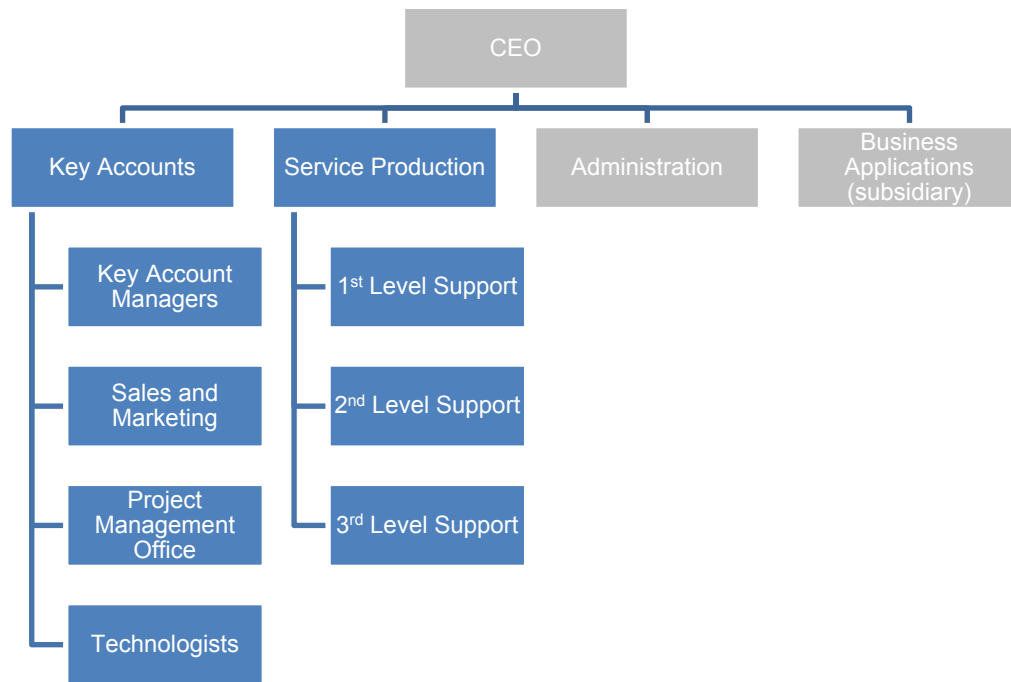


Figure 1. Organisation chart of the case company

As indicated in Figure 1, this Thesis focuses on the Key Accounts and the Service Production business units. Those business units are the units that have the most contact with the customers. The Service Production provides technical support and maintenance for customers' IT services on three levels and carries out projects, as well as acts as technical support for sales. The 1<sup>st</sup> Level Support team consists of Service Desk and On-Site Support, and they are the first contact points for customers. More challenging problems are forwarded to 2<sup>nd</sup> and 3<sup>rd</sup> Level Support teams. Therefore, the teams in Service Production business unit work closely together. The researcher works as a Service Manager and a team leader in the 2<sup>nd</sup> Level Support team. The Key Accounts business unit consists of Key Account Managers, Sales and Marketing, Project Management Office (PMO) and Technologists teams. Key Account Managers play a significant role in maintaining customer relationships. They are in contact with their customers on a daily basis. Service Desk and On-Site Support also communicate daily with the customers and are thus a central part of the customer service operations.

## 1.2 Business Challenge, Objective, and Outcome of the Thesis

The case company in this Thesis is handling a critical core function from their customers' point of view, and their success is dependent on the relationships with the customers as well as the quality of the service they provide. Also, as the company's vision is to become a leader in customer satisfaction, it is important for the company to know their customers,

listen to them and understand the customers' expectations on a fundamental level. However, it seems that the case company is missing a systematic approach to enhance customer centricity.

Therefore, the **initial objective** of this Thesis is:

*To provide a systematic approach for the case company to enhance customer centricity.*

However, as the current state analysis identified major weaknesses in the case company's customer feedback practices, this study will focus on developing an operating model to manage customer feedback.

Therefore, the **refocused objective** of this Thesis is:

*To develop an operating model for the case company to manage customer feedback.*

Accordingly, the **outcome** of this Thesis is:

*An operating model to manage customer feedback.*

To reach the objective, the case company's customer-related practices are analysed first to gain an understanding of the current state of customer centricity. It is done by exploring existing customer survey results and interviewing six employees in the case company. The customer surveys used in the current state analysis are a customer satisfaction survey that was conducted in the fall of 2015 and service encounter surveys that were conducted in 2014 and between January 2015 and February 2016. The customer encounter surveys conducted in 2014 are used as a baseline. The interviews are conducted with employees who hold managerial positions in Service Production and Key Accounts business units. In addition, two non-managers from Service Production are interviewed to obtain a different point of view to the research. Based on the interviews and customer surveys, the improvement areas are identified, and best practices are examined from the literature accordingly. Then, various options are discussed with the stakeholders in the case company and based on the comments, the initial proposal for the operating model to manage customer feedback is built. The proposal is reviewed by the stakeholders, and the final operating model is provided considering the feedback from the stakeholders. Testing the tools in practice is not possible within the timeframe given for this Thesis.

This study consists of eight sections. The first section introduces the topic of this Thesis and the case company context where the study was conducted. Also, the business challenge, objective, and outcome are presented. The second section discusses the methods and materials used in this study. The concepts of customer centricity and customer experience are explained in section three and models for analysing a company's customer centricity are introduced. Section four analyses the current state of customer centricity in the case company using one of the models introduced in section three. Also, the issues that will be addressed in this Thesis are identified. The CSA showed that the company is missing a systematic approach for managing customer feedback. Based on that, the existing knowledge and best practices to manage customer feedback in the case company are explored in the fifth section. The initial proposal for the operating model to manage customer feedback is built in section six in co-creation with the case company's key stakeholders. The feedback for the proposal is collected, and the operating model is finalised in section seven. The proposal is also presented to the case company's CEO for final approval. Finally, section eight summarises the findings of this Thesis and discusses the next steps to be taken in the case company regarding the operating model. In addition, the Thesis is evaluated by comparing the objective to the final outcome and revising the validity and reliability plans made in section 2.4.

## 2 Method and Material

This section introduces the research approach used in this Thesis and the research design that is followed. Also, the data collection process is explained, and the validity and reliability plan of this Thesis described.

### 2.1 Research Approach

The approach chosen for this Thesis is a qualitative case study. When determining the research approach, three conditions have been considered: “the type of research question, the control an investigator has over actual behavioural events, and the focus on contemporary as opposed to historical phenomena” (Yin 2009: 2). The case study approach can be used, when “a “how” or “why” questions are being posed, the investigator has little control over the events, and the focus is on a contemporary phenomenon within a real-life context” (Yin 2009: 2).

In Figure 2, the process for conducting case study research is illustrated.

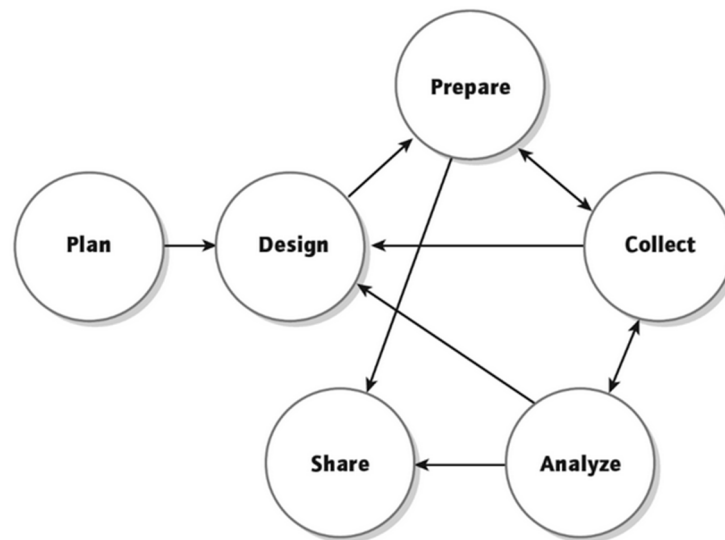


Figure 2. Case study research process (Yin 2009: 1)

The case study research process, as can be seen in Figure 2 above, is a linear, but an iterative process.

In qualitative research the data is mainly in free-text format, whereas in quantitative research the data is mostly in numerical format. In qualitative research the data is col-

lected with, for example, open-ended questions in the natural environment of the phenomenon being studied and the analysis is based on interpretations of the data. In addition, during the research the researcher collaborates with the participants. In quantitative research, the data is collected using closed-ended questions, and the analysis is mostly based on statistics. The quantitative research is considered more objective than qualitative, as the numbers cannot be interpreted as words can. On the other hand, in qualitative research, the data is richer and enables more in-depth analysis of the data. (Creswell 2013: 18)

Baxter and Jack (2008: 544) define a qualitative case study as follows:

[A] qualitative case study is an approach to research that facilitates exploration of a phenomenon within its context using a variety of data sources. This ensures that the issue is not explored through one lens, but rather a variety of lenses which allows for multiple facets of the phenomenon to be revealed and understood.

(Baxter and Jack 2008: 544)

In addition, a qualitative case study allows quantitative data to be utilised. Using quantitative data to complement qualitative data in a case study enables a more holistic view of the issue being studied. (Baxter and Jack 2008: 554)

This Thesis studies customer centricity and customer feedback management in the case company. Therefore, the phenomenon being studied is contemporary, and it happens in a real-life context. The Thesis answers these questions: *How* can customer centricity be improved in the case company? *How* can the customer feedback be managed? In addition, the study was conducted using multiple data sources, such as customer surveys, interviews, and workshops. Hence, the data collected for this Thesis includes qualitative as well as quantitative data. This ensures that diverse viewpoints are considered throughout the process and contribute to the design of the operating model.

## 2.2 Research Design

This study was conducted in five phases, which is illustrated in the research design in Figure 3.



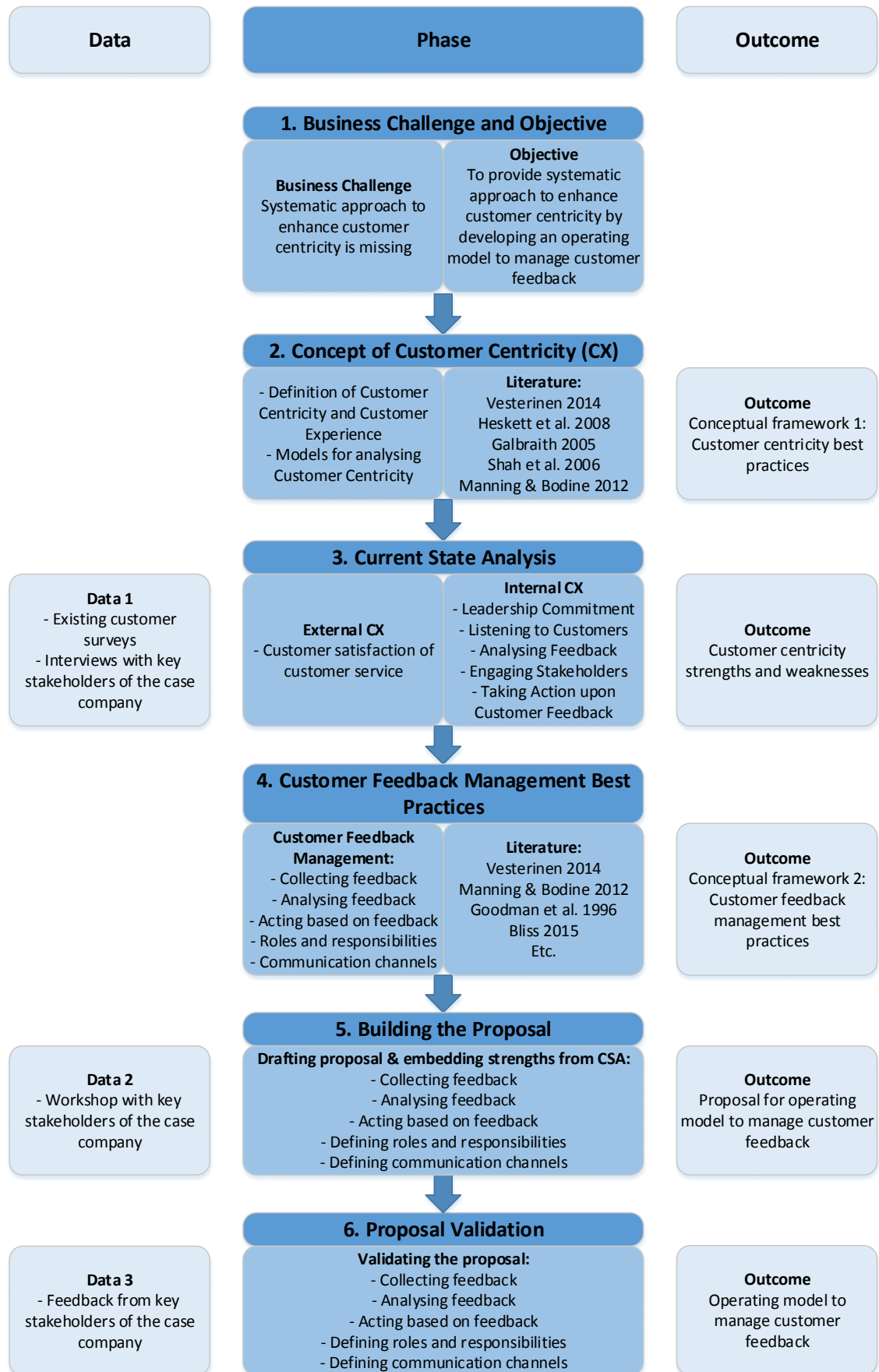


Figure 3. Research design of this Thesis

In the figure, the phases of the Thesis are illustrated in the middle, the data collection methods on the left and the outcome of each phase on the right side. As seen in the figure, the first phase consisted of defining the business challenge and objective. Customer centricity is vital for any service company and based on the researcher's experience in the case company, it looks as if there are issues that could be improved to become more customer centric company. As the case company's vision is to become a leader in customer satisfaction in the IT outsourcing industry, it is important that the practices for listening to the customers are in place. Therefore, this Thesis focuses on enhancing customer centricity in the case company by developing an operating model to manage customer feedback.

The existing knowledge regarding customer centricity is explored in phase 2 of this Thesis. The concepts of customer centricity and customer experience are explained in more detail. Also, four different customer centricity models are introduced from which one is chosen and used as a tool for analysing the current state of customer centricity of the case company. The outcome of phase 2 is a conceptual framework of the customer centricity best practices (conceptual framework 1).

Based on the customer centricity model chosen in phase 2, the current state analysis (CSA) regarding the case company's customer centricity is conducted in phase 3. As customer centricity is not only about a company's internal practices, but also about how the customers experience the company's services, the analysis is divided into two parts: external and internal customer centricity. Regarding external customer centricity, customer satisfaction surveys are used to examine how the customers perceive the customer service that is provided by the case company. Internal customer centricity is analysed by conducting semi-structured interviews with the case company's employees from different levels in Key Accounts and Service Production business units. Based on the model chosen in phase 2, the interviews consist of five elements: leadership commitment, listening to customers, analysing feedback, engaging stakeholders and taking action upon customer feedback. Therefore, internal customer centricity analysis focuses on the case company's internal practices and issues, whereas external customer centricity analysis examines the customers' perspective. The aim of the analysis is to identify the strengths and weaknesses regarding customer centricity in the case company. This phase refers to the first phase of data collection.

As the CSA revealed that a systematic approach to manage customer feedback is missing, the phase 4 of this Thesis explores the existing knowledge and best practices of customer feedback management. Based on the CSA findings and the literature review, five elements of customer feedback management can be identified: collecting, analysing and acting based on the feedback as well as defining the roles and responsibilities and establishing the communication channels. The outcome of phase 4 is a conceptual framework of customer feedback best practices (conceptual framework 2), which consists of the above-mentioned elements. As the focus of this Thesis sharpens after the current state analysis, two theory sections are required and therefore, there are two conceptual frameworks in this Thesis.

In phase 5, the proposal for the operating model to manage customer feedback in the case company is built. The proposal combines the strengths found in the current state analysis in phase 3 and the best practises examined in phase 4. Phase 5 also refers to the data collection 2 of this study. Data was collected by conducting a workshop between the key stakeholders of the case company. In the workshop, the proposal for the operating model is built in co-creation with the participants. The participants are managers from the Service Production and the Key Accounts business units. The participants were chosen based on their current roles and expertise in the customer feedback management. The outcome of this phase is the initial proposal for an operating model to manage customer feedback in the case company.

The proposal for the operating model is being validated in phase 6. This phase refers to the data collection 3 of this Thesis. The data is collected first by discussing the proposal with one key stakeholder, and the proposal is improved based on the feedback given by the stakeholder. Finally, the proposal is presented to the CEO of the case company for final approval and validation. The outcome of this phase is the final operating model to manage customer feedback in the case company.

### 2.3 Data Collection and Analysis

As was illustrated in Figure 3, the data for this study was collected in three phases. The summary of the data collection is illustrated in Table 1.

Data	Purpose	Data Type	Data Source	Analysis
Data 1	Strengths and weaknesses of external customer centricity	Customer surveys	Service encounter surveys Customer satisfaction survey	Section 4, current state analysis
	Strengths and weaknesses of internal customer centricity	Interviews	Marketing Manager Service Manager Key Account Manager Chief Information Officer (CIO) System Architect Senior Support Engineer	
Data 2	Building the proposal	Workshop with stakeholders	Marketing Manager Key Account Manager Chief Information Officer (CIO) Chief Technology Officer (CTO) Sales Manager Project Manager	Section 6, building the proposal
Data 3	Validating the proposal	Discussions	Service Manager CEO	Section 7, proposal validation

Table 1. Summary of data collection

Data 1 was gathered by exploring the results of existing customer surveys and interviewing key stakeholders regarding the current state of customer centricity in the case company. Data 2 was collected by holding a workshop between the stakeholders to build the proposal for the operating model to manage customer feedback. Data 3 was collected by discussing the proposal with the key stakeholders.

The customer surveys, which were used in data collection phase 1, included service encounter surveys, which are conducted continuously and a customer satisfaction survey, which was conducted in quarter four in 2015. The timeframe for the service encounter surveys used in this Thesis is from January 2015 to February 2016. Also, results from 2014 are used to get an understanding of how the customer satisfaction has evolved.

Customer centricity concerns all employees in the case company, but as this Thesis concentrates on Service Production and Key Accounts business units, the case company's informants for all the data collection phases were chosen accordingly. All the teams under Service Production and Key Accounts business units were represented among the informants. Most of the informants hold senior and middle managerial positions in the case company because they have an overview of concerning the current state of case company's customer centricity and the customer feedback practices. In addition, two non-managers were interviewed in the current state analysis phase to get an additional point of view to the study. An overall number of informants was 11, which is about 28% of employees in Service Production and Key Accounts.

Detailed information about each data collection phase is described next.

### *Data 1*

Data 1 was collected in the current state analysis phase by exploring the results of existing customer surveys and interviewing stakeholders in the case company. An overview of the customer surveys is illustrated in Table 2.

Informants	Data Collection Type	Content	Outcome	Time Range
1 customer, 2211 replies	Service Encounter Surveys	Customer service satisfaction regarding individual service requests	Overall customer satisfaction Customer satisfaction development	Year 2014 January 2015 – February 2016
9 customers, 274 replies	Customer Satisfaction Survey	Customer service satisfaction	Overall customer satisfaction	Q4 / 2015

Table 2. Information about customer surveys in data collection phase 1

The purpose of the customer surveys was to gather information about customer satisfaction regarding the case company's technical customer service, thus examine the current state of external customer centricity. As the 1<sup>st</sup> Level Support team takes in all the service requests and also resolves most of them, they have an important role in the overall customer experience.

The service encounter surveys are conducted continuously, and they are carried out with one customer. After a service request has been completed, the system sends the survey

automatically to the customer's employee who initiated the service request. Thus, the surveys concern whoever resolves and closes the service request. As most service requests are resolved in the 1<sup>st</sup> Level Support, the majority of the results concern that team. In this Thesis, the results between January 2015 and February 2016 were used to get an overview of a longer period. The results from 2014 are used as a baseline for observing the development in customer satisfaction. The service encounter surveys also measure customer satisfaction regarding the customer service, but only concerning the service request in question. Questions of the service encounter survey are found in Appendix 1.

The customer satisfaction survey measured the customer satisfaction regarding received technical customer service, such as waiting time and the expertise and friendliness of the service. Thus, the survey concerned the Service Production unit and mainly the 1<sup>st</sup> Level Support team. The survey covered 274 end users from nine different customers, from which 224 had been in contact with the case company's customer service. Questions of the customer satisfaction survey can be found in Appendix 2. Only questions 4-7 were analysed in this Thesis as the other questions of the survey are not relevant to this study.

An overview of the interviews conducted in the current state analysis phase is shown in Table 3.

Informant	Data Collection Type	Content	Outcome	Date and Duration	Documentation
Marketing Manager, Sales and Marketing	Semi-structured interview, face-to-face	Current state of customer centrality	Strengths and weaknesses	30 Sept 2015 2h	Questionnaire Field notes
Service Manager, 1 <sup>st</sup> Level Support	Semi-structured interview, face-to-face	Current state of customer centrality	Strengths and weaknesses	30 Sept 2015 2h	Questionnaire Field notes
Key Account Manager, Key Account Managers	Semi-structured interview, face-to-face	Current state of customer centrality	Strengths and weaknesses	29 Sept 2015 1h 30min	Questionnaire Field notes
Chief Information Officer (CIO), Service Production	Semi-structured interview, face-to-face	Current state of customer centrality	Strengths and weaknesses	4 Feb 2016 1h	Questionnaire Field notes Tape recording
System Architect, 2 <sup>nd</sup> Level Support	Semi-structured interview, face-to-face	Current state of customer centrality	Strengths and weaknesses	2 Feb 2016 1h	Questionnaire Field notes Tape recording
Senior Support Engineer, 1 <sup>st</sup> Level Support	Semi-structured interview, Skype	Current state of customer centrality	Strengths and weaknesses	10 Feb 2016 1h	Questionnaire Field notes Tape recording

Table 3. Information about interviews in data collection phase 1

The purpose of the interviews was to investigate whether customer-related actions are, in fact, currently carried out by the case company and how this is done. The aim was to examine the current state of internal customer centrality. The interviews were conducted as a combination of structured and semi-structured interviews. The questionnaire included statements that the interviewees assessed by agreeing or disagreeing with the statements on a scale from 1 to 4, where 1 corresponds to “totally disagree” and 4 to “totally agree”. In addition, the interviewees expressed their opinion about the case company’s current development need regarding the issue on a scale from 1 to 3, where 1 corresponds to “not important” and 3 to “very important”. The interviewees were also given the opportunity to comment on their answers for the researcher to gain a better understanding of the interviewees’ reasoning on the answers. The questionnaire template can be found in Appendix 3.

As the researcher works in the case company, avoiding researcher bias was taken into account especially in the case of the interviews. A questionnaire template by Vesterinen (2014: 121-125, modified from Vesterinen 2015) was used in the interviews. Thus, the

questions were not created by the researcher. Moreover, the opinions of the interviewer were not expressed to the interviewees.

The questionnaire used in the interviews followed Vesterinen's model of analysing customer centricity (Vesterinen 2014), which consists of five elements: leadership commitment, listening to customers, analysing customer feedback, engaging stakeholders and acting upon customer feedback. As the interviewees were given the opportunity to comment on their answers, field notes were written, and three of the interviews were tape-recorded to document the comments.

Content analysis was used as a means to analyse the written answers of the customer surveys and interviews. Regarding the customer satisfaction survey and the service encounter surveys, the closed-ended questions were analysed by illustrating each question's answers in relation to the number of responses. In addition, the averages and medians of the results were calculated to attain a deeper understanding of the results. Regarding the service encounter surveys, the results from years 2015-2016 were compared to the earlier results from 2014. The results of the open-ended questions were analysed by reviewing the customers' answers and identifying the recurring themes.

The interview questions were analysed by calculating the average of the answers for each statement and illustrating them in tables, one table for each customer centricity element. The final average results were inserted into a chart which illustrates the maturity and development need of the statements in one view. The comments for the statements were analysed by reviewing them and identifying the areas which require the most attention.

Finally, the results were summarised, and the main problem areas were identified. Based on the main findings, the refocused objective of this Thesis was set.

### *Data 2*

In data collection phase 2, a workshop was conducted between the key stakeholders in the case company. The details of the workshop can be seen in Table 4.



Participants	Data Col- lection Type	Content	Outcome	Date and Duration	Docu- menta- tion
Marketing Man- ager, Sales and Marketing	Workshop	Ideas for: - collecting feedback - analysing feedback - acting based on customer feedback - roles and re- sponsibilities - communica- tion channels	Ideas for cus- tomer feedback management	11 Apr 2016 2h 20min	Field notes Tape re- cording
Sales Manager, Sales and Market- ing					
Key Account Man- ager, Key Account Managers					
Chief Information Officer (CIO), Ser- vice Production					
Chief Technology Officer (CTO), Technologists					
Project Manager, PMO					

Table 4. Information about workshop in data collection phase 2

As seen in the table, the participants were managers from the Key Accounts and the Service Production business units. The participants were chosen according to their current roles in customer feedback management. First, the researcher presented the findings of the CSA and the conceptual framework of customer feedback best practices. The researcher also presented some ideas on how the case company could collect feedback in addition to current methods as well as how to divide the roles and how to communicate the results of the feedback. The Marketing Manager opened the conversation by presenting a recently developed yearly plan for collecting customer feedback, after which some additional methods for collecting feedback were discussed. Also, the strengths and weaknesses of different metrics and feedback measurement approaches were compared. Then, the analysis and acting phases of feedback management process were discussed in general, and the roles and responsibilities, as well as the communication channels regarding each phase, were discussed in more detail. Based on the discussions, the initial proposal was created.

### Data 3

Data 3 was collected in the validation phase of this Thesis. The data was collected by first discussing the proposal of the operating model with the Service Manager of the 1<sup>st</sup> Level Support team. Based on the feedback by the Service Manager, the operating model was introduced to the Chief Executive Officer (CEO) of the company. The details of the discussions are presented in Table 5 below.

Informant	Data Collection Type	Content	Outcome	Date and Duration	Documentation
Service Manager, 1 <sup>st</sup> Level Support	Discussion, phone	Validation of the initial proposal	Improvement suggestions to the initial proposal	20 Apr 2016 1h 30min	Field notes
CEO	Discussion, face-to-face	Validation of the proposal	Improvement suggestions, approval of the operating model	21 Apr 2016 45min	Field notes

Table 5. Information about interviews in data collection phase 3

The purpose of the discussion with the Service Manager was to review the initial proposal and to collect feedback regarding the proposal. Based on the feedback, some changes were made to the proposal, which was then presented to the CEO of the company for final approval.

Both discussions followed the same pattern. First, the overview of the proposal was introduced to the informants. Then, each of the phases was discussed in more detail. The discussion about the collection phase focused more on the feedback collection methods, whereas the discussion about the analysis and acting phase focused on the roles and responsibilities and the communication channels. Based on the discussions, the final operating model was created.

## 2.4 Validity and Reliability

Research design, the plan by which the study is conducted, is a central element of academic research. Throughout that design, the researcher has to consider the validity and reliability of the research (Maxwell 2013: 4, Yin 2009: 26). Validity and reliability have to be demonstrated to the reader. Rigour has to be taken into consideration when selecting the sources of information, as well as when conducting empirical research (Quinton and Smallbone 2006: 125). According to Yin (2009), four tests can be used to

verify the quality of a case study research, which are construct validity, internal validity, external validity, and reliability. Moreover, Yin (2009) lists different tactics that can be used to ensure that validity and reliability requirements are met. The tests, tactics and the phase of the research in which the tactic occurs, are illustrated in Table 6. In addition, the tactics used in this Thesis are illustrated in the table and detailed in the text below.

Tests	Case Study Tactic	Phase of re- search in which tactic occurs	Tactics used in this The- sis
<b>Construct validity</b>	Use multiple sources of evidence	Data collection	X
	Establish chain of evidence	Data collection	X
	Have key informants review draft case study report	Composition	X
<b>Internal validity</b>	Do pattern matching	Data analysis	X
	Do explanation building	Data analysis	X
	Address rival explanations	Data analysis	X
	Use logic models	Data analysis	X
<b>External validity</b>	Use theory in single-case studies	Research de- sign	X
	Use replication logic in multiple- case studies	Research De- sign	--
<b>Reliability</b>	Use case study protocol	Data collection	X
	Develop case study database	Data collection	In part

Table 6. Tactics to test validity and reliability in case studies (Yin 2009: 41) and tactics used in this Thesis

Validity and reliability should be considered throughout the research, but Table 6 lists the phases where they should be considered the most. The last column illustrates the tactics used in this Thesis.

*Construct validity* means “identifying correct operational measures for the concepts being studied” (Yin 2009: 40). Thus, it assesses if the research investigates what it claims to investigate with the given set of tools (Gibbert and Ruigrok 2010).

In short, construct validity means that the Thesis is studying what it claims to study: customer centricity and customer feedback management. In this Thesis, the construct validity is ensured by reviewing the relevant literature. Furthermore, multiple sources and techniques are used to collect the data. Customer satisfaction and service encounter

surveys are used as one data source. In addition, the interviews, workshop and discussions are conducted with employees from different teams and different levels. The workshop and discussions also include people who are not interviewed to get a different perspective on the matter. In addition, to verify the accuracy of the field notes of the interviews, workshop and discussions, the participants are given the opportunity to examine them. The workshop participants will also review the proposal for the operating model.

*Internal validity* seeks to establish a causal relationship between two events. Also, the subjectivity of the researcher is addressed in internal validity (Yin 2009: 40).

In this thesis, internal validity refers to being able to establish that the relationships between key concepts in the developed operating model for customer feedback management are genuine and accurate and that they reflect customer concerns. The researcher has secured internal validity first by using an existing customer centricity model that has been tested and consulted in many industries and applying it to the case company, using the knowledge of key internal experts on the subject matter. Second, relevant literature concerning customer centricity models and customer feedback management is explored.

*External validity*, or generalizability (Gibbert and Ruigrok 2010), means “defining the domain to which a study’s findings can be generalized” (Yin 2009: 40). In the case studies, it means how the results of research can be generalised to a theory.

External validity is ensured by using a model to analyse the current state of customer centricity in the case company and investigating relevant literature for theories based on the findings. Given the scope of this Thesis, the single-case study is used. The rationale for choosing this particular topic comes from the importance of customer centricity, which is explained in more detail in the Introduction and in section three of this Thesis.

*Reliability* refers to the repetitiveness of the research operations, such as data collection procedures (Yin 2009: 40). In other words, if the study was conducted by another researcher using the same methods, the results would be the same.

The reliability of this Thesis is ensured by conducting semi-structured and tape-recorded interviews in the case company. The interview template has close-ended questions, which decreases the possibility of researcher bias. Moreover, detailed field notes are

taken to document additional comments about the topics being discussed. The workshop is also recorded and documented by taking field notes. The discussions are documented by taking field notes.

Validity and reliability are considered carefully throughout this Thesis. In Section seven the validity and reliability of this Thesis will be revisited and analysed.

### 3 Concept of Customer Centricity

As the objective of this Thesis is to provide a systematic approach for the case company to enhance customer centricity, the aim of this section is to provide information about customer centricity and introduce different models for conducting an analysis of a company's customer centricity. First, the basic concepts of customer centricity and customer experience (CX) are discussed. Then, four different customer centricity models are introduced, from which one is chosen to be used as a tool for this Thesis to analyse the current state of customer centricity in the case company.

#### 3.1 Definition of Customer Centricity and Customer Experience

For delivering great customer experiences, the company needs to be customer-centric. Customer centricity is about putting the customers at the core of the business (Manning and Bodine 2012: 6) and about delivering great customer experiences. For accomplishing that, the company creates value together with their customers.

Manning and Bodine define customer experience as follows:

Customer experience is how your customers perceive their interactions with your company.

(Manning and Bodine 2012: 7)

However, Heinonen et al. (2010: 9) argue that customer experiences emerge not only during the interactions with the company but also the invisible, and mental actions should be considered. Moreover, Watkinson states:

The customer experience is the qualitative aspect of any interaction that an individual has with a business, its products or services, at any point in time.

(Watkinson 2014)

Therefore, customer experiences emerge also, for example, when using the product or when seeing an advertisement for the product.

For delivering great customer experiences, it is important that internal processes are designed accordingly. The service profit chain, as introduced by Heskett et al. (2008: 166), describes how different parts of a company's operations are connected to customer satisfaction and that way to company's profits. The connections are illustrated in Figure 4.

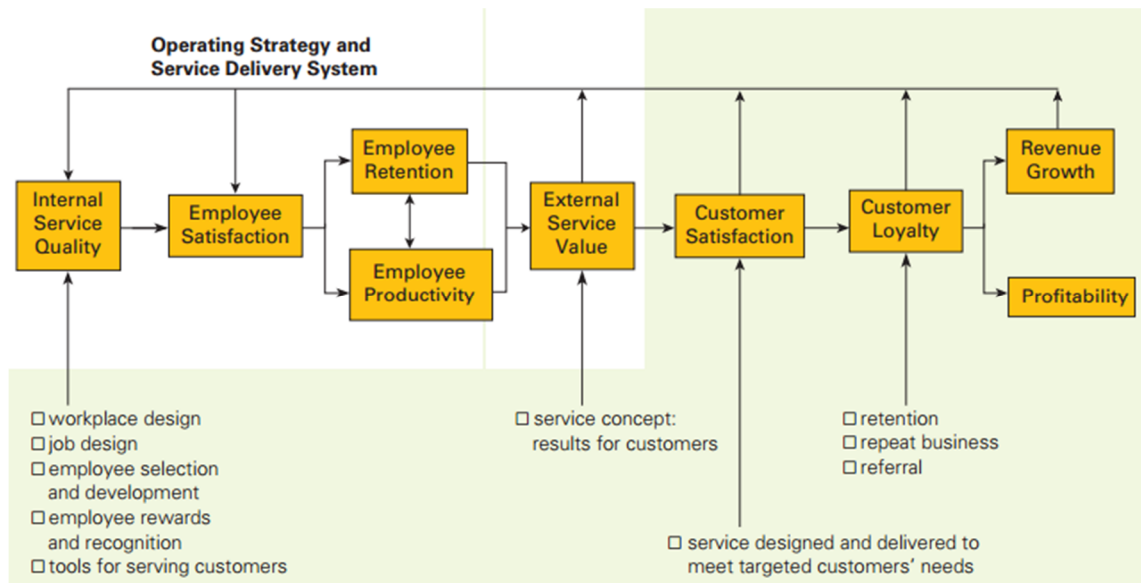


Figure 4. The service-profit chain (Heskett et al. 2008: 166)

The internal service quality affects employee satisfaction, which in turn affects employee loyalty and productivity. If the employees are satisfied, it reflects their attitudes in servicing the customers. Hence, the customers receive better service from the company, and they get better experiences. As a result, the customers are more satisfied, which then increases customer loyalty. According to the article, loyal customers buy more, therefore finally affecting the company's profits. (Heskett et al. 2008: 166)

Also, Merlo et al. (2014: 81) recognise the connection between customer loyalty and the company's profits. They stress the importance of customer participation in the company's operations and argue that the participation increases loyalty. According to their article, the customer loyalty has a better effect on company's profits than positive word-of-mouth activity. In addition, Berry (2011: 189) states:

Relationships are everything: An organization's future is measured by the strength of its relationships - with customers, employees, vendors and other business partners, and communities.

(Berry 2011: 189)

Moreover, Ramaswamy (2014: 195) argues that interactions between the customer and the company have a positive effect on customer loyalty.

In summary, a customer centric company can provide great customer experiences and thereby increase their profits. Four models for analysing and improving customer centricity are introduced next.

### 3.2 Models for Analysing Customer Centricity

Researchers and business practitioners approach customer centricity from various perspectives. Shah et al. (2006: 115) and Galbraith (2005: 15) approach the topic of customer centricity by comparing the differences between product-centric and customer-centric companies and describing the transformation from being a product-centric to a customer-centric company. They illustrate the customer centricity elements as parts of organisational dimensions. Shah et al. (2006: 116) call their model as Path to Customer Centricity, and it is shown in Figure 5.

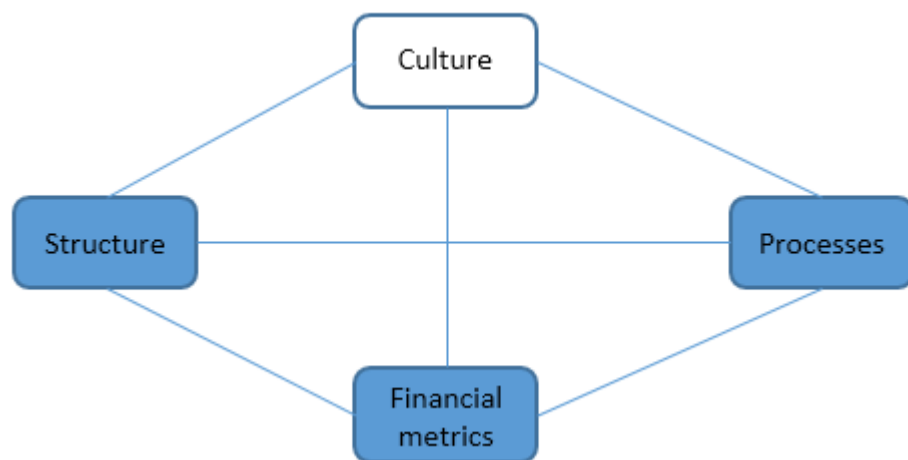


Figure 5. Path to Customer Centricity (Shah et al. 2006: 116)

Shah et al. (2006: 116) include organisational culture and structure as well as processes and financial metrics as the elements of their model. According to them, those elements are the barriers when changing from product-centred to a customer-centred company. Organisational culture includes many levels. Values are on the deepest level, whereas norms are at the higher level. The deeper the level, the more difficult it is to change. Shah et al. stress that the culture cannot be changed by trying to change it, but it changes when the behaviour of the employees change. In customer-centric companies, the organisational structure should be designed to support customer centricity, whereas, in product-centred companies, the structure is organised around product types. The 'processes' element includes several sub-processes, such as strategy development and feedback collection and analysis. To develop customer centric processes the company must overcome the challenges with the silos between business units and teams as well as with segmenting the customers based on their needs and expectations. Finally, ac-



cording to Shah et al. (2006: 118), the financial metrics should be defined. When transforming from product-centric to customer-centric, the company's performance must be monitored to be able to follow the impact of the transformation.

Galbraith's (2005: 15) customer centricity Star Model includes similar dimensions as Shah et al.'s model. The dimensions are illustrated in Figure 6.

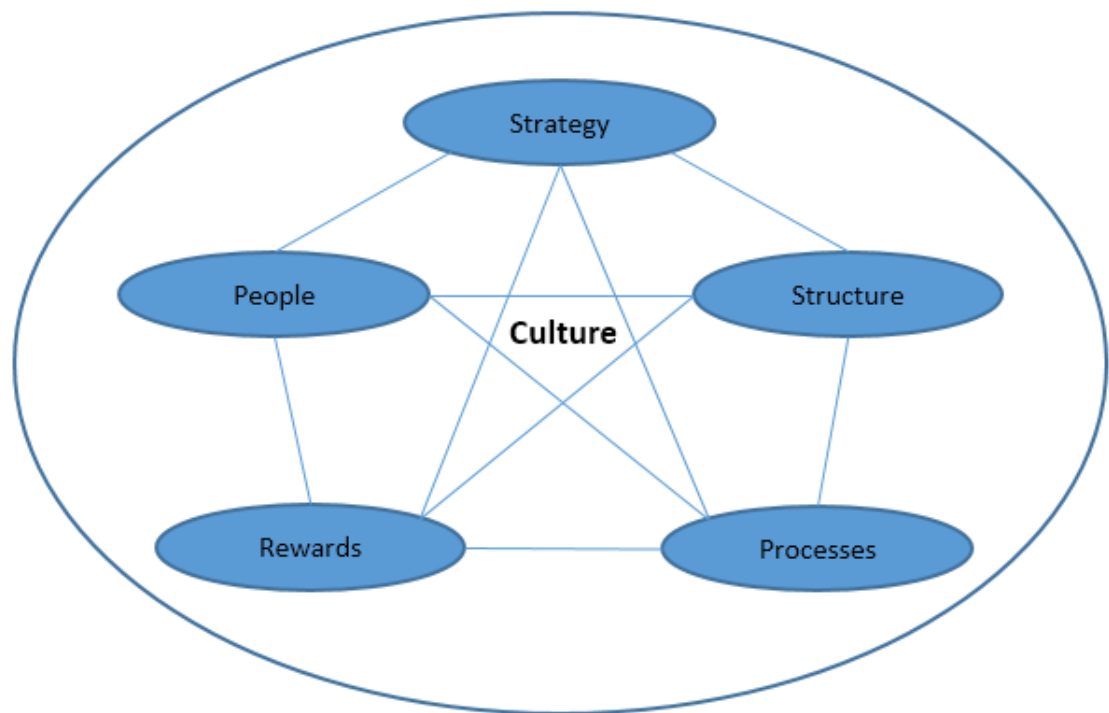


Figure 6. Star Model (modified from Galbraith 2005: 15)

According to Galbraith (2005: 15), the strategy is the main element. A product-centric company's goal is to have the best products, whereas a customer-centric company seeks to find the best and customised solution for the customer. As Shah et al., Galbraith also includes structure and processes as elements in his model. The 'structure' element differs in a customer-centric company compared to a product-centric company in the organisational structure the same way as in Shah et al.'s model. Also, in the 'processes' element, the customer relationships are important when it comes to a customer-centric company, whereas new product development is important in a product-centric company. Galbraith also includes people and rewards in his model. In a product-centric company, the rewards are based on finalised sales and the number of new products, whereas in a customer-centric company, the rewards are based for example on customer satisfaction. People, who have power in product-centric companies, are the ones who develop products. In customer-centric companies, people with the most knowledge of customers have



As with Gianforte, Vesterinen (2014) also provides a practical model for analysing and improving customer centricity. She suggests a model that is divided into five different elements, which are illustrated in Figure 8.



Figure 8. Model for analysing customer feedback processes (Vesterinen 2014: 14)

In Vesterinen's model, the commitment of the leaders in the company is the first element. The next elements are listening to customers, analysing customer feedback, engaging stakeholders and taking action upon customer feedback. For this Thesis, Vesterinen's model is chosen for analysing the current state of internal customer centricity in the case company. Therefore, the model is described in more detail compared to the other models introduced earlier. The model was chosen because, based on the researcher's observations, it addresses elements that seem problematic in the case company. Moreover, the model comes with a closed-ended questionnaire template that is simple to use when analysing the current state of customer centricity.

Next, each of the five elements is described in more detail.

### *Leadership Commitment*

The leadership commitment element refers to the company leaders' commitment to customer experience and related topics.

Leaders play a key part in creating the company culture. They are role models, and their actions are followed closely.

(Vesterinen 2014: 17)

Leaders set an example for all the other employees in the company and leaders' commitment is the first step towards customer centricity. Leadership commitment is vital when trying to achieve the goal of being a truly customer centric company. Leaders can show their commitment in various ways.

Company's business is strategy and value driven. Thus, the customer centricity should be visible in them. Leaders can allocate resources to customer experience management, and that way show their commitment to the matter. The customer topics should be present in the leadership meeting agendas, and they should also be an essential theme in company's internal and external communication. (Vesterinen 2014: 17-31).

### *Listening to Customers*

This element refers to the company's methods of listening to their customers.

A company has a lot of possibilities for listening to customers. It just needs to make decisions on the *why*, *how*, *whom*, *when* and *where*.

(Vesterinen 2014: 33)

The company should have an overall plan for collecting feedback from customers. The plan should include answers to the questions mentioned above. Answering them might require extensive consideration, but for the goal to be reached, it is worth doing right.

The feedback collection points during the customer journey should be defined in the overall plan. If customers need support for the service that they have bought or want to give feedback to the company, the information about the contact channels should be easily available. Furthermore, there should be enough channels that are easy to use, thus making giving feedback as easy as possible.

It is advisable to collect quantitative as well as qualitative feedback from the customers. Quantitative data, in general, is easier to interpret, and the average results are quite effortless to calculate. Qualitative data is needed to complement quantitative data. Qualitative surveys provide the respondent the possibility to express freely their answers. From open-ended feedback, the company might get valuable information about customer needs and also in understanding the results of quantitative feedback. In addition to collecting the feedback, it is important that the data also meet the company's needs. (Vesterinen 2014: 33-57).

### *Analysing Customer Feedback*

This element refers to the company's practices of analysing the collected customer feedback.

A company does not have much use for data unless it is well analysed and turned into insights that are used in hard decisions and concrete actions.

(Vesterinen 2014: 60)

The data that is collected from the customers need to be analysed well to truly understand how customers experience the service they get from the company. Although quantitative feedback is rather easy to analyse, also qualitative feedback is necessary to analyse. The company might get valuable information about qualitative feedback as they explain in more detail the reasons behind the numbers. The results of customer feedback are usually not useful if there is no benchmark data. Therefore, the key metrics should be identified. When the feedback is analysed, the most important issues should be identified to be able to make improvements based on them. (Vesterinen 2014: 59-79)

### *Engaging Stakeholders*

This element refers to the stakeholder engagement for customer centricity.

Everybody – no matter what their role is in the company – can contribute to a customer centric company culture.

(Vesterinen 2014: 81)

Grönroos and Ravalid (2011: 14) argue that all the employees who are in contact with the customers are the company's part-time marketers. Therefore, it is important to engage everyone in a customer-centric mindset. Engagement of the stakeholders can be

improved by organising, for example, a programme focusing on customer experience, as well as organising training and support about customer-related topics. Customer insights should be easily available for all the employees and relevant communication channels for that purpose should be created. (Vesterinen 2014: 81-95).

#### *Taking Action upon Customer Feedback*

This element refers to how customer feedback is used as an input for improvement actions.

Without action, all investments in listening to customers are wasted.  
(Vesterinen 2014: 97)

After the feedback has been analysed properly, it should be used as an input for further service development. It should be clear who takes the responsibility for the development and improving actions. The progress of the actions should be monitored, and the results should be communicated internally. In addition, the customers should be informed of the improvements that are based on their feedback. (Vesterinen 2014: 97-111)

### 3.3 Conceptual Framework of Customer Centricity Best Practices

The conceptual framework of customer centricity best practices represents the conceptual framework 1 of this Thesis and it consists of the elements that are needed for the company to be truly customer centric based on the existing knowledge explored in this section. Conceptual framework 1 is illustrated in Figure 9 below.



(Vesterinen 2014: 14)

Figure 9. Conceptual framework of customer centricity best practices

In this Thesis, Vesterinen's (2014) model will be used as a tool to analyse the case company's current state of internal customer centricity and therefore it also represents the conceptual framework 1 of this Thesis. The model consists of five elements, which are leadership commitment, listening to customers, analysing customer feedback, engaging stakeholders and taking action based on customer feedback. The model was chosen as conceptual framework 1 because it includes elements that seem to require the most attention in the case company. In addition, the model includes a questionnaire that is simple to use when analysing the internal customer centricity. In the next section, the current state of internal customer centricity is analysed using this model and external customer centricity is analysed by exploring existing customer surveys.

## 4 Current State Analysis

This section introduces the findings of current state analysis (CSA) of customer centricity in the case company. The aim is to identify and analyse the case company's strengths and weaknesses regarding external and internal customer centricity. The data collected in this section corresponds to data collection 1 of this Thesis.

First, the data collection method used in the CSA is briefly explained, after which the findings of the analysis are presented by categorising them into external and internal customer centricity. External customer centricity analysis consists of the service encounter surveys and the customer satisfaction survey. Internal customer centricity analysis consists of interviews conducted in the case company based on Vesterinen's model (2014: 14) introduced in section 3. Finally, the strengths and weaknesses of the current state of customer centricity are summarised and the issues to be addressed in this Thesis are selected. Based on the findings, the existing knowledge is examined, and the conceptual framework 2 of this Thesis is developed in section 5.

### 4.1 Review of the Data Collection 1

The data for the CSA was collected first by exploring existing service encounter and customer satisfaction surveys to analyse the external customer centricity. The surveys provide insights from customers about the customer service in the case company and the level of customer satisfaction. Service encounter surveys are sent to the customer's end user every time their service request is resolved. The surveys are in place for one customer. In this Thesis, the results from January 2015 to February 2016 were used. The results are compared to the 2014 service encounter surveys' results to see how the level of customer service has developed. The service encounter survey's questions are found in Appendix 1. The customer satisfaction survey utilised in this Thesis includes multiple customers. The survey was conducted in Q4 in 2015. Regarding the customer satisfaction survey, only questions 4-7 are used in this Thesis, as the rest of the questions are not relevant to this study. The customer satisfaction survey's questions are found in Appendix 2.

Secondly, case company employees from relevant business units and teams regarding the topic of this Thesis were interviewed to analyse the internal customer centricity. The objective of the interviews was to collect insights into different elements regarding customer centricity. The questionnaire template used in the interviews is based on



Vesterinen's customer centricity model, which was introduced in section 3. As with the model, the questionnaire is divided into five parts, from which each was used to analyse a certain element. The elements are the case company leaders' commitment to customer centricity, the company's practices in listening to its customers, the analysis of customer feedback, the engagement of employees to customer centricity and practices in using the feedback for improving the services that are being offered (Vesterinen 2014). The averages of the interview results were used to analyse the internal customer centricity. The questionnaire template is found in Appendix 3.

#### 4.2 Analysis of External Customer Centricity

This section presents the findings from the service encounter surveys and the customer satisfaction survey. First, the service encounter surveys' results are analysed, after which the customer satisfaction survey's results.

The results of the service encounter surveys from January 2015 to February 2016 are illustrated in Figure 10 below.

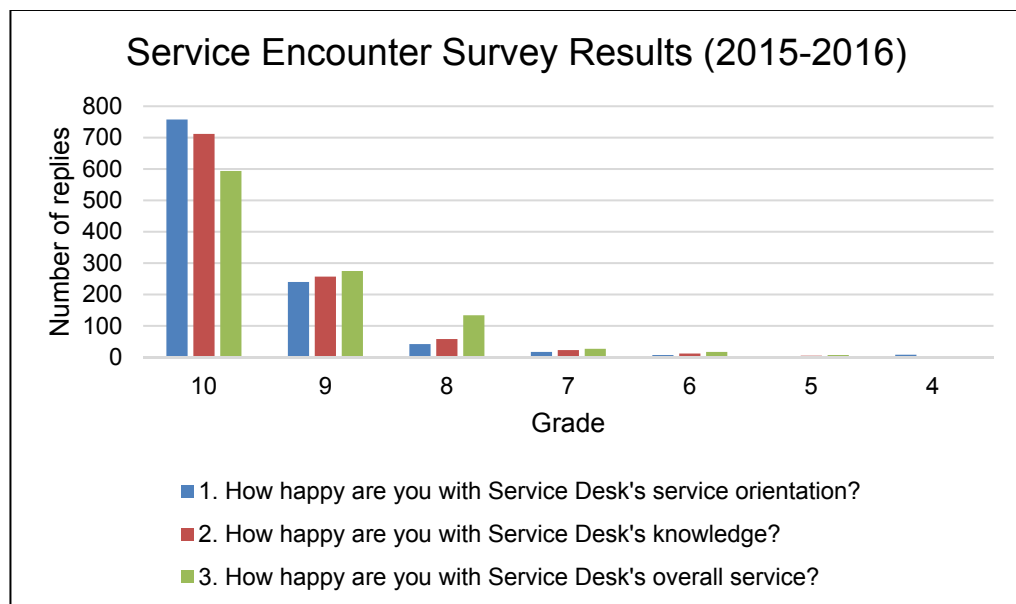


Figure 10. The results of the service encounter surveys in 2015-2016

The Y-axis represents the number of replies, and X-axis represents the grade (4-10) the customer has given. Even though the questions concern Service Desk and most of the problems are solved in Service Desk, in practice the survey includes the whole Service Production business unit, depending on who resolves the service request. To the first

question, a grade of 9 or 10 was given by 92,8% of the respondents. To the second question the corresponding figure is 90,5% and to the third question, it is 82,1%.

The averages and medians of the above results can be seen in Table 7. For comparison, the results from the year 2014 are also shown in the table.

Question	Average 2014	Average 2015-2016	Median 2014	Median 2015-2016
1. How happy are you with Service Desk's service orientation?	9,21	9,57	10	10
2. How happy are you with Service Desk's knowledge?	9,11	9,50	10	10
3. How happy are you with Service Desk's overall service?	8,86	9,29	9	9

Table 7. Averages and medians of the service encounter surveys' results

With an average satisfaction of 9,57 on Service Desk's service orientation, 9,50 on knowledge and 9,29 on overall service, it can be concluded that the customers have been satisfied with the service they get from the case company. Based on the surveys, the service orientation seems to be the best part of Service Desk's operations.

It is always nice to be in touch with [the case company]. The administration's problems might not be the hardest ones, but they are solved with as much passion as the bigger problems.

(Service encounter survey 2015)

The criticism mostly concerned the promptness of replying to the service requests, especially when contacting the case company by email.

The service is good when calling by phone. If the service request is sent by email, you might have to wait for help. Sometimes even for a long time.

(Service encounter survey 2015)

Overall, the results are excellent. Compared to the year 2014, the average results have improved. According to the surveys, the Service Desk's service orientation has increased from 9,21 to 9,57 (0,36 points), knowledge from 9,11 to 9,50 (0,39 points) and overall service from 8,86 to 9,29 (0,43 points). The medians have remained at the same level regarding all the areas.

Next, we move onto analysing the customer satisfaction survey results. Questions 4-7 are analysed as the other questions are not relevant to this study. The results for assessing the level of the service when contacting Service Desk are illustrated in Figure 11.

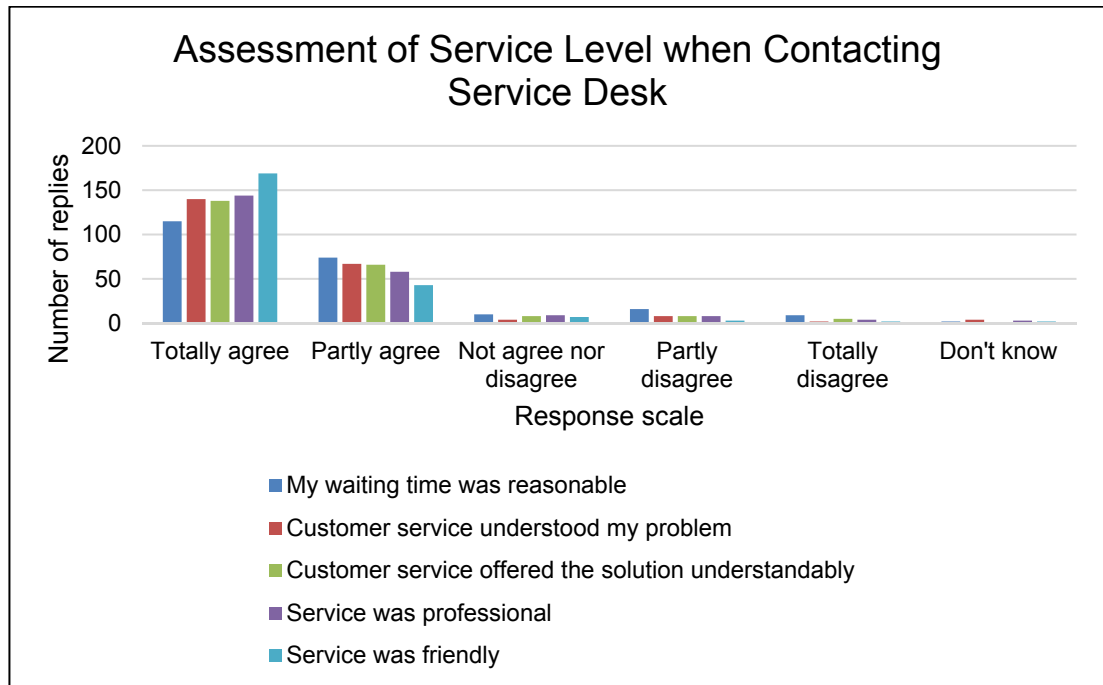


Figure 11. The results of service level assessment when contacting Service Desk

The number of answers is illustrated in the Y-axis, and the grade the customer has given is illustrated in the X-axis. As can be seen from the figure, most respondents totally or partly agree on all the statements. 93,8% of the respondents totally or partly agreed that the service was friendly, whereas, for the waiting time, the corresponding figure is 83,6%.

For clarity, the averages and medians of the above results are illustrated in Table 8.

Question	Average	Median
My waiting time was reasonable	4,21	5
Customer service understood my problem	4,52	5
Customer service offered the solution understandably	4,44	5
Service was professional	4,48	5
Service was friendly	4,67	5

Table 8. Averages and medians of the customer satisfaction survey results

The averages and medians are calculated by changing the responses to numbers (totally agree=5, totally disagree=1). The “don’t know” answers were excluded from the averages and medians due to their insignificance to the purposes of this study.

As seen in Figure 10 and Table 8, the customer satisfaction survey results are in line with the service encounter surveys’ results. Every statements’ average result is near 4,5. As with the service encounter surveys, the waiting time again has the lowest rating.

The level of investigation has varied case by case. Usually, the service has been good, friendly and competent. In some situations, the issue has been left hanging for too long and also the solution could have been clarified a little bit more.

(Customer satisfaction survey 2015)

The customer satisfaction survey's statement about the friendliness of the service can be contrasted with the question of service orientation in the service encounter surveys. In the customer satisfaction survey, it also has the highest rating.

Young, enthusiastic and helpful operators; this is the future of everyday life!

(Customer satisfaction survey 2015)

Customer satisfaction surveys have not been conducted in this form before and therefore, there are no previous surveys that could be compared to the survey conducted in 2015. However, the customers were asked if the case company’s service level has decreased, increased or remained at the same level. The results are illustrated in Figure 12.

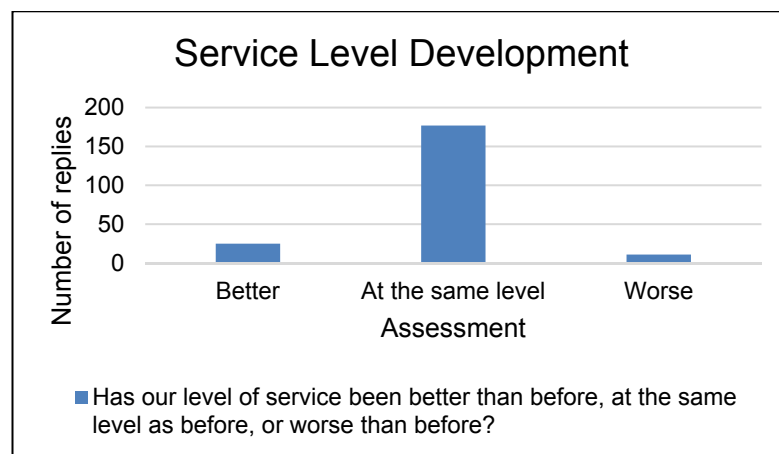


Figure 12. The service level development according to the respondents

11,74% of the respondents replied that the service has improved, 5,16% thought that the service level has decreased and 83,10% of the respondents, which is a clear majority, thought that the level of the service has remained the same.

The customers also gave a grade for overall customer service on a scale of 4-10. The results are illustrated in Figure 13.

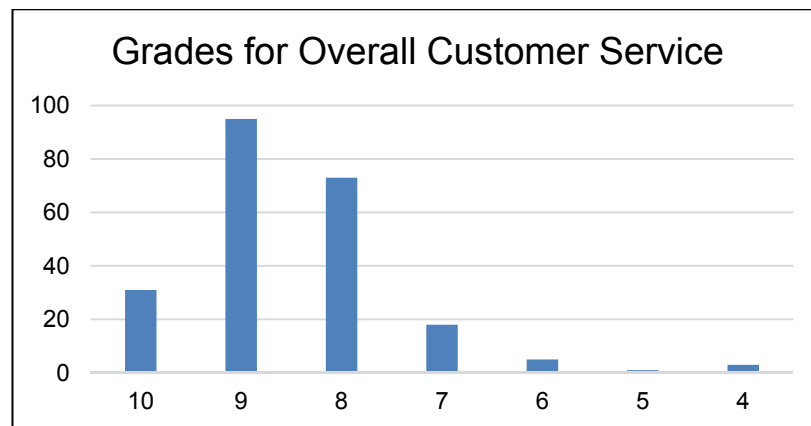


Figure 13. Grades for the overall customer service

The average of the grades is 8,50, and the median of the grades is 9. As the service encounter survey's average grade for overall customer service is 9,29 and the median is 10, the results of the customer satisfaction survey are slightly weaker. The customer whom the service encounter surveys are conducted with was not included in the customer satisfaction survey used in this Thesis. Therefore, it seems that this particular customer gets a little bit better service from the case company as the rest of the customers.

Nevertheless, the overall results appear to be on a good level, and the customers seem satisfied with the service they get from the case company. However, one issue that could be improved is the promptness of the service in some situations.

Next, the results of internal customer centricity analysis are introduced.

#### 4.3 Analysis of Internal Customer Centricity

This section presents the findings from the interviews based on Vesterinen's (2014) customer centricity model. The findings are categorised into five elements according to the model, which are leadership commitment, listening to customers, analysing customer

feedback, engaging stakeholders and taking action upon customer feedback. The averages of the answers are used in this analysis. Then, the results are prioritised using the prioritisation matrix by Vesterinen (Vesterinen 2015).

#### 4.3.1 Analysis of the Results Categorised in Customer Centricity Elements

The analysis is conducted by using average results of the six interviews. The results are shown in the questionnaire template that was used in the interviews. The first columns show the respondents' level of agreement with the statement. If an interviewee answered "Don't know", it is marked in the table in addition to the average agreement level. The last three columns represent the importance of the issue, thus answers the question "How important would it be to put effort into developing this area?".

First, the results of the current state of leadership commitment are analysed.

##### *Leadership Commitment*

The average results of leadership commitment are illustrated in Table 9.

		Totally disagree		Totally agree		Don't know	Not important		Very important
		1	2	3	4		1	2	3
1	Customer centricity is part of the company strategy.			X		X			X
2	Customer orientation is explicit in the company values.			X		X			X
3	Dedicated resources are allocated to Customer Experience Management.				X				X
4	CX topics are a regular agenda item in leadership meetings.		X			X		X	
5	Customer topics are an essential theme in the company's internal and external communications.		X						X

Table 9. The average results of leadership commitment

Five out of the six interviewees did not know what the case company's strategy and values are. As the strategy drives the company's business, it is the very first issue that should be improved. Based on the experience of working in the company, the interviewees believed that customer centricity is part of the strategy and values. The one interviewee that knew what the strategy and values are confirmed that customer centricity is shown in them. In average this area was considered as very important to improve, but mostly regarding sharing of the strategy with all the employees.

The interviewees quite unanimously agreed that the case company has dedicated resources to Customer Experience Management, although it was also considered an important area to improve. The company has Key Account Manager (KAM) team, whose primary task is to take care of the customers. The KAMs are appointed to the biggest customers only and it was mentioned during the interviews that the smaller customers should have one also.

KAMs partly take care of Customer Experience Management, but we do not have a responsible who would, for example, take care of the customer satisfaction surveys.

(Marketing Manager 2015)

Customer experience topics were not considered a regular item in the leadership meeting agendas, but it was not regarded as an important area to improve at this stage either. Previously the complaints were addressed in meetings between KAMs and Service Production managers, but the meetings are not being held anymore.

As with the leadership meetings, the interviewees did not consider the customer topics as an essential theme in the company's internal and external communication. The respondents' comments revealed that customer topics are more visible in external than in internal communication, although both areas would require improvement.

### *Listening to customers*

The average results of listening to customers are illustrated in Table 10.

		Totally disagree		Totally agree		Don't know	Not important		Very important	
		1	2	3	4		1	2	3	
1	The company has a holistic plan for collecting customer insights for different purposes.		X					X		
2	Feedback collection points during the customer journey have been defined.			X					X	
3	Customers have an easy mechanism to give feedback to the company.			X				X		
4	Both quantitative and qualitative data is collected.			X		X		X		
5	The available data meets the company's internal insights needs.			X		X		X		

Table 10. The average results of listening to customers

It was revealed in the interviews that the case company does not have a holistic plan for collecting customer insights for different purposes, but according to the Marketing Manager, this area is currently being improved. There are plans for conducting customer satisfaction surveys for customers' end users as well as for decision makers.

We have an idea, but not a holistic plan. Other tasks seem to be prioritised and this issue is always postponed.

(Service Manager 2015)

Even though the company does not appear to have a thorough plan for collecting feedback, the feedback collection points during the customer journey seem to be defined. Although it is also considered as an important issue to improve. In the case of new customers, the customer feedback is addressed in the kick-off project, but otherwise, the feedback collection is not very systematic. Especially when, for example, a customer wants to change a service provider, the reasons behind it should be examined.

We should be able to say why a customer wants to leave. Is it because they have received bad service from us? Or did they perhaps get a better offer from some other service provider?

(System Architect 2016)

According to the interviewees, in general, the customers do have easy mechanisms to give feedback to the case company. The Key Account Managers have regular meetings with their customers, but that concerns only the key customers and their decision makers or IT department. The company has a plan for conducting customer satisfaction surveys for end users and decision makers and some surveys have already been conducted, but it has not been very systematic. Moreover, service encounter surveys are being conducted, but only with one customer. However, even though there is room for improvement regarding customer surveys, the situation has improved compared to earlier years.

The customers can also contact the Service Desk by phone or by email to give feedback. Some customers have on-site support, which means that a support engineer is at a customer's site all the time or on demand. Thus, the customers can express their needs and wishes to the on-site support engineers and the support engineers can forward the feedback to the Service Production unit or the KAM team. However, in practice, the company has not defined the internal communication channels for sharing information about customer topics and therefore, the received feedback through front-line employees is not often communicated forward.



The feedback that is being collected contains quantitative and qualitative data and mostly the data meets the case company's internal insights needs. However, according to the interviewees, the amount of data is not enough. Therefore, more data should be collected from the customers. The biggest problem with listening to customers seems to be that even though the feedback channels exist, the way the feedback is collected is not systematic and feedback is not collected enough. In addition, the front-line employees could be used more as a source for feedback gathering.

### *Analysing Feedback*

The average results of analysing feedback are illustrated in Table 11.

		Totally disagree		Totally agree		Don't know	Not important		Very important
		1	2	3	4		1	2	3
1	Customer data is analysed in an effective way. Related roles and responsibilities are clear.		X						X
2	Both quantitative data and free text feedback are analysed.			X				X	
3	Key customer metrics have been defined.		X					X	
4	Drivers behind the numbers are understood.		X			X			X
5	Top issues are identified for improvement actions.		X			X			X

Table 11. The average results of analysing feedback

According to the interviewees, the customer feedback is not analysed in an efficient way. The service encounter surveys, which are conducted with only one customer, are analysed better than other feedback. All the service encounter surveys that have a score of 1-4 are addressed with the customer separately. In some cases, the KAMs review the feedback from their customers, but the feedback from smaller customers are not analysed in any way. However, the analysis that is being done includes quantitative data and qualitative data. There are no roles defined and no one has been given the responsibility for the overall process of the feedback analysis.

The case company does not have key metrics for measuring customer satisfaction. For example, the service requests' lead times are being monitored, but there are no metrics related to customer feedback. As the company does not have a systematic approach for collecting feedback, it has not been possible to do benchmarking based on, for example,

the customer survey results. It seems that the case company is missing systematic approach to a number of issues, including a customer feedback collection and therefore, the analysis of the feedback.

As the customer data is not being analysed very efficiently, the drivers behind the numbers are not understood well either. Often the focus is only on the average score of a survey without knowing the reasons behind the score.

The point of conducting surveys is to know what the reasons for the feedback are.

(Key Account Manager 2015)

Because the data is not analysed and the drivers behind the numbers are not understood in most cases, it is also difficult to identify the top issues for improvement actions. Occasionally the main problems are identified and at some level they are improved, but not efficiently enough taking into account the whole customer base. Sometimes problems are fixed and issues are improved only to be able to communicate to the customer that something has been done. Also, the problems that are fixed, usually concern technical problems that complicate or prevent the customer from doing their job. Customer feedback is therefore rarely used for improving systems and processes, especially from a non-technical point of view.

### *Engaging Stakeholders*

The average results of engaging stakeholders are illustrated in Table 12.

		Totally disagree		Totally agree		Don't know	Not important		Very important	
		1	2	3	4		1	2	3	
1	The company has/has had an initiative (CX or VOC program) for focusing on customer experience.		X			X		X		
2	Goals for improving customer experience have been defined and communicated.		X						X	
3	Relevant communications channels (e.g. intranet, reporting tools, newsletters, info sessions) for customer insights have been created and are continuously maintained.		X					X		
4	Customer data is easily available across the company.	X							X	
5	Training and support about customer topics, related measurement and available tools is organized.		X			X		X		

Table 12. The average results of engaging stakeholders

According to the interviewees, there have not been systematic initiatives for focusing on customer experience. The company has KAMs, whose job is to take care of the customers. Other long-term programmes, such as feedback meetings, have always perished, although the interviewees agreed that this is not a top priority on the list of improvement areas.

The goals for improving customer experience have not been defined and therefore, they have not been communicated either. The goals and metrics are mainly related to service requests' lead times and service level agreements (SLA's), but as with analysing the feedback, only the average results are monitored. With one customer, a certain level of customer satisfaction is promised regarding the service encounter surveys, but other customers do not have any goals or metrics.

The customer experience has been a topic in the staff meetings, but it has not been defined how to reach the goals.

(Senior Support Engineer 2016)

As the interviewees stated, the issue with defining the goals is very important to improve. According to the Marketing Manager, the planning of the implementation has already begun.

The case company has not defined the communication channels for customer insights. In the case company's internal staff meetings some customer topics are discussed, but it seems that the meetings are the only channel and they are not regularly arranged. The company is introducing a new intranet site, which could be a good place to gather customer data. This issue was not seen as such an important issue to improve as, for example, the goals for improving customer experience.

As the communication channels for sharing customer insights have not been defined, the customer feedback data is not easily available across the company. All the interviewees agreed that the data should be available for all the employees. In addition, most of the interviewees had not seen any previous feedback results.

I do not recall ever seeing customer feedback results. Not even data that would summarise the customer experiences.

(System Architect 2016)

The negative feedback collected by KAMs in meetings with their customers is usually communicated to the Service Production unit and especially in cases where the feedback

requires actions to be taken. However, the positive feedback should also be communicated.

Training and support for customer topics, related measurement and available tools are not organised, but that was not seen as an important issue to improve at this stage. As there are currently not many tools for handling customer feedback, no training is currently needed.

### *Taking Action upon Customer Feedback*

The average results of taking action upon customer feedback are illustrated in Table 13.

		Totally disagree		Totally agree		Don't know	Not important		Very important
		1	2	3	4		1	2	3
1	Customer feedback is used as input for defining improvement/development actions.		X			X			X
2	Roles and responsibilities for taking action upon customer feedback are clear.		X					X	
3	There is a clear process for monitoring the progress of the most important customer related actions.		X						X
4	The results and impact of improvements are communicated internally.		X					X	
5	Customers are informed about improvements based on their feedback			X		X			X

Table 13. The average results of taking action upon customer feedback

According to the interviewees, customer feedback is sometimes used as an input for defining improvement or development actions, but not often enough. With the case company's biggest customer the situation is better, but regarding other customers', the situation is worse. The information that the Service Production receives is often imprecise and the improvement or development actions are usually temporary. Again, a systematic process is missing regarding actions based on customer feedback.

Customer feedback causes action, but certainly not improvement or development actions.

(CIO 2016)

The feedback that is used as an input for development actions is usually very negative. Therefore, the issues are fixed or improved just to satisfy the customer, not to improve

and optimise the company's processes as such. As a result, often the issue improves only for that particular customer whilst leaving another customer's similar problem unsolved.

The interviewees stated that the roles and responsibilities regarding feedback-based actions are not properly defined. KAMs are responsible to some extent, but as pointed out earlier, not all the customers have KAMs. When a customer's feedback is used as an input for improvement actions, usually that customer's KAM is responsible for the process, but it has not been documented.

As the roles are unclear, the progress of most important customer-related actions is not systematically monitored. The responsibilities are given on demand and as people handle situations differently, the process is managed depending on the person in question. The service requests are being monitored to some extent, but the interviewees argued that it could be done in a more efficient way. Moreover, the bigger customers' service requests are being monitored more carefully than others'.

The results and impact of improvements are communicated internally to a certain extent. According to the interviewees, the communication occurs case by case and usually among the people who are related to that matter. The improvements could be documented and placed so that it would be accessible to all the employees although it was mentioned that the situation has improved significantly.

2-3 years ago any information did not flow internally and we have come far from that, but still not enough.

(Senior Support Engineer 2016)

Communicating of improvements could be used as a motivator for the employees, but otherwise, improving the issue is not important at this point. The rare cases when the improvement actions are based on customer feedback, it is usually communicated to the customers. However, there is room for improvements. The company should be able to transform a message to the customers that the company cares about them.

#### 4.3.2 Prioritisation of the Results

The results of internal customer centricity analysis were prioritised and summarised by placing the statements and the average scores given by the interviewees to a prioritisation matrix (Vesterinen 2015). The matrix has two dimensions, development need and maturity. The prioritisation matrix is illustrated in Figure 14.

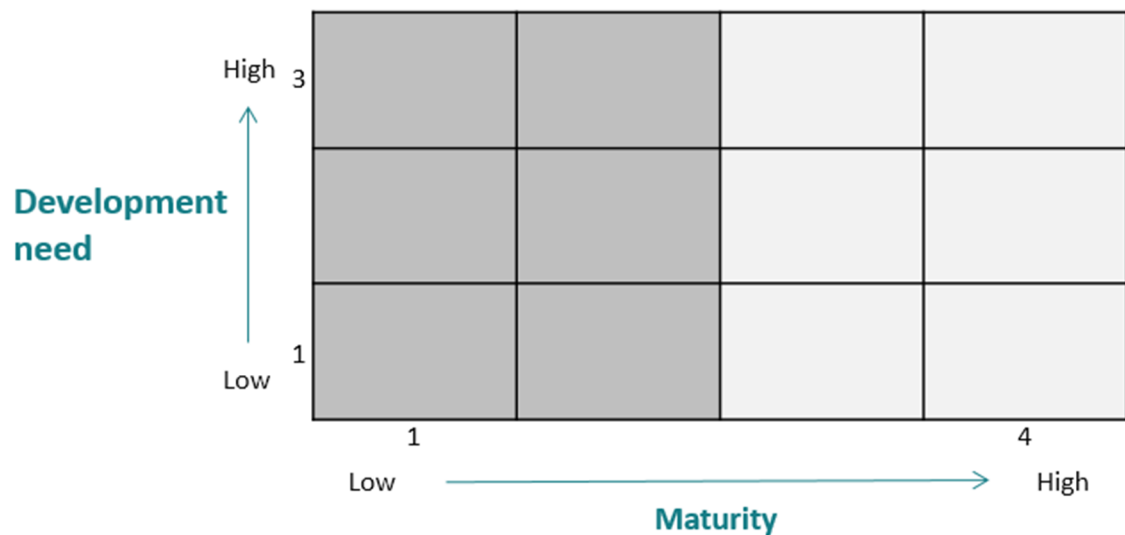


Figure 14. Prioritisation matrix for analysing the results of internal customer centricity (Vesterinen 2015)

Maturity axis relates to the interviewees' level of agreement regarding the given statements so that a score of 1 (totally disagree) means low maturity and the score of 4 (totally agree) high maturity. Development need relates to how important, according to the interviewees, would it be to put effort into developing the area in question. The score of 1 (not important) means that the development need is low and the score of 3 (very important) means that effort should be put into developing the area.

The averages from the internal customer centricity analysis' results were calculated and those average results were inserted into the prioritisation matrix. The customer centricity statements whose maturity is 3 or 4 and development need is 1-3, are considered as strengths (the light grey area of the matrix), whereas statements of maturity of 1 or 2 and development need of 1-3, are considered as weaknesses (the dark grey area of the matrix). The results are summarised and illustrated in the following Summary sub-section. The filled in prioritisation matrix can also be found in Appendix 4.

#### 4.4 Summary

The current state analysis was conducted in two phases: analysis of external and internal customer centricity. This section summarises the findings by first presenting the strengths and weaknesses from internal and external customer centricity separately and then combining them together for further analysis. Based on the strengths and weaknesses, the improvement areas for further investigation are identified and presented.

The strengths and weaknesses of internal customer centricity are illustrated in the prioritisation matrix. In the matrix, the different elements of customer centricity are colour coded so that statements from leadership commitment are marked in red, listening to customers in green, analysing customer feedback in purple, engaging stakeholders in orange and acting upon feedback in blue.

##### 4.4.1 Strengths in Customer Centricity

Based on the service encounter surveys and the customer satisfaction survey, the customers seem to be satisfied with the case company's customer service. According to the service encounter surveys, the level of service has improved in 2015-2016 compared to 2014. The customer satisfaction survey returned slightly weaker results. However, the overall results were good. The strongest area seems to be the friendliness and customer orientation of the Service Desk.

Regarding internal customer centricity, the areas whose maturity was 3-4 and development need was 1-3, according to the interviewees, were considered as strengths. Maturity corresponds to the level of agreement (4=totally agree) and development need corresponds to the importance of the issue. The strengths are illustrated in the prioritisation matrix in Figure 15 below. There were no areas of low development need (1) and therefore, those cells are excluded from the figure.

Commitment Listen Analyse Engage Act	3	Customer centricity is part of the company strategy. Customer orientation is explicit in the company values. Feedback collection points during the customer journey have been defined. Customers are informed about improvements based on their feedback.	Dedicated resources are allocated to Customer Experience Management.
	2	Customers have an easy mechanism to give feedback to the company. Both quantitative and qualitative data is collected. The available data meets the company's internal insights needs. Both quantitative data and free text feedback are analysed.	
		3	4
		Maturity	

Figure 15. Strengths of internal customer centricity

Customer centricity is included in the case company's strategy and values, which is shown in allocating dedicated resources to Customer Experience Management. The Key Account Manager team is responsible for taking care of the customers and they organise regular meetings with their customers. Hence, the customers can express their experiences and other feedback to the KAMs. Customers can also provide feedback to the Service Desk personnel by phone or email or to the On-Site Support Engineers when they are at the customer's site, although those channels are mainly used to report technical problems. In addition, some customers have executive boards that include customer's and case company's managers. The board meetings are held regularly. In addition, with one company there are service encounter surveys conducted. Customer satisfaction surveys for some of the customers are also conducted, although not systematically.

One resource in Customer Experience Management is the Marketing Manager. The position is quite new, but the Marketing Manager has already made some improvements regarding customer-related issues. A customer satisfaction surveys have been conducted and there are plans for future surveys as well. Additionally, communicating of customer-related and other issues has improved.

The feedback that is collected from the customers includes qualitative and quantitative data and the collection points during the customer journey have been defined to some extent. The data that is collected meets mostly the company's needs.



With one customer the practices seem to be in place. The service encounter surveys are conducted, the feedback is analysed and then reviewed with the customer and there have been also some improvement actions based on the feedback.

To summarise, the customers appear to be satisfied with the customer service received from the case company. The element of leadership commitment is in most parts in order. Therefore, it seems that the fundamentals of customer centricity are in place and operational in the case company. Based on the questionnaire results, it appears that the element of listening to customers is also in a good shape, but the interviewees' comments revealed that there are plenty to improve as well. The weaknesses in more detail are introduced next.

#### 4.4.2 Weaknesses in Customer Centricity

The weakest area of the case company's customer service, according to the service encounter surveys and the customer satisfaction survey, is the promptness of the service. The issue emerges especially when the customer contacts the case company by email. Besides that, there were no weaknesses identified in the external customer centricity.

In internal customer centricity analysis, the areas whose maturity was 1-2 and development need was 1-3, were considered as weaknesses. Maturity corresponds to the level of agreement (1=totally disagree) and development need corresponds to the importance of the issue. The weaknesses are illustrated in Figure 16 below. It should be noted, that there were no areas identified whose development need was low (1) and therefore, those cells are excluded from the figure.



The roles and responsibilities are not clearly defined. The company has Key Account Managers, whose responsibility is to communicate with their customers and keep them satisfied, but regarding customer feedback, it is not clear who is responsible for example for monitoring the progress of critical customer-related actions. In addition, not all the customers have KAMs.

To summarise, it seems that the case company's approach regarding customer feedback-related actions is missing. Some things are being done, but it is not systematic. The underlying problem appears to be that roles and responsibilities have not been defined.

#### 4.4.3 Key Findings of the Current State Analysis

Based on the above analysis, the key findings are summarised in Figure 17 below.

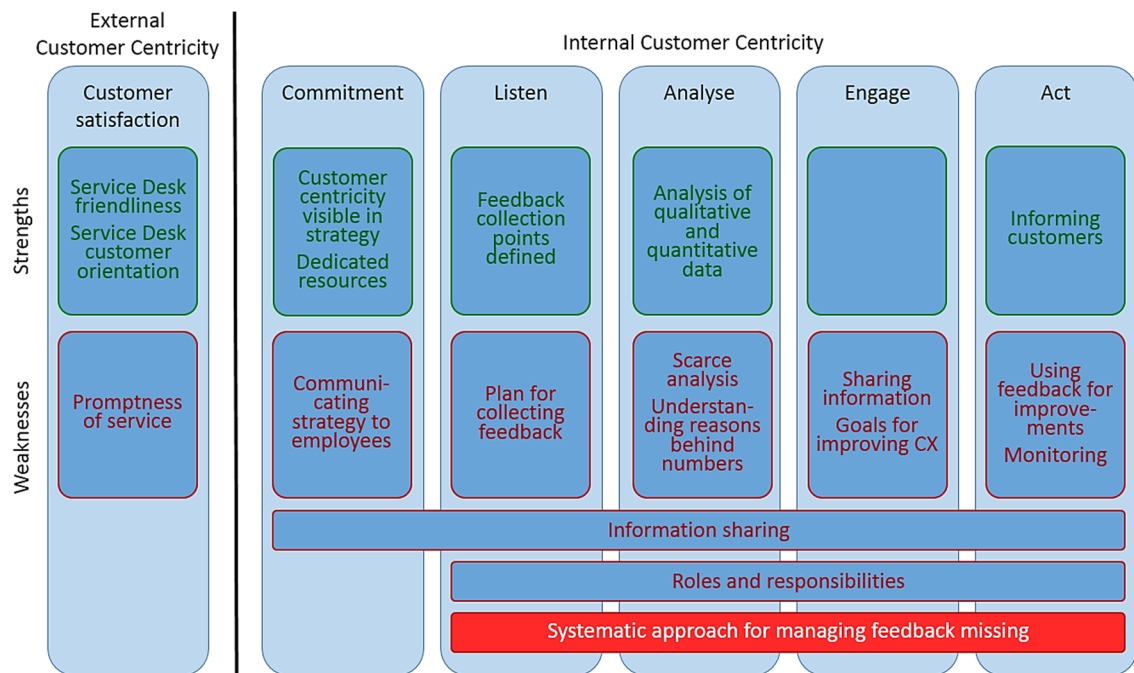


Figure 17. Strengths and weaknesses categorised into customer centrality elements

Based on the current state analysis of external customer centrality in the case company, the customers are satisfied with the customer service they get from the case company. The only improvement area that came up in the customer satisfaction surveys is the promptness of the service. The analysis of internal customer centrality showed that the company has allocated resources to customer experience (CX) management, such as the Key Account Managers. In addition to KAMs, customers can contact the case company's Service Desk by email and by phone. Customer centricity is visible in the strategy,

although the strategy should be communicated better to all the employees. Customer surveys are conducted to some extent, but not regularly. Although the situation has improved since the establishment of the Marketing Manager position and some plans for collecting feedback from customers now exist. The feedback that is being collected is not analysed systematically and therefore the reasons behind the numeric feedback is not understood. Also, the feedback and the survey results are not shared among the employees. Moreover, as the feedback is not analysed, it is not used for improvement actions either.

Based on the current state analysis, it seems that a systematic approach to manage customer feedback is missing in the case company. Therefore, the main focus in the proposal-building stage of this Thesis will be on developing an operating model to manage customer feedback. Specifically, the focus will be on defining the roles and responsibilities regarding the operating model.

In the next section, the existing knowledge and best practices of customer feedback management are explored and the conceptual framework 2 of this Thesis is developed. In section 6, the proposal of the operating model to manage customer feedback in the case company is built by combining the strengths discovered in the current state analysis in section 4 with best practices explored in section 5.

## **5 Best Practices of Customer Feedback Management**

This section explores the best practices regarding customer feedback management. Then, based on the best practices discovered, the conceptual framework 2 of this Thesis is created.

As stated in section 3, listening to customers is a vital part of many customer centricity theories and models (Gianforte 2013b, Vesterinen 2014: 14). Companies collect feedback to gain insights from their customers, but often they fail to transform the collected data into improvement and development actions (Goodman et al. 1996: 35). The feedback data is not useful if it is not analysed and if no actions can be made based on the feedback (Morgan et al. 2005: 143). Furthermore, the progress of the improvement actions should be monitored and the results communicated internally and externally (Pigues and Alderman 2010: 315). In many companies, the systematic approach to collect feedback and act upon the feedback is missing (Pigues and Alderman 2010: 8). Therefore, the aim of this section is to explore the existing knowledge for elements for building a systematic approach to manage customer feedback. The elements that are found are then explored in more detail.

Companies can use customer insights for different purposes. Customer feedback can provide information for example about processes (Zairi 2000: 332) and practices that are working or need to be enhanced (Berry and Parasuraman 1997: 65). Based on the feedback, the current products can be improved and new products can be developed and validated (Fundin and Bergman 2003: 55, Vesterinen 2014: 36). From customer feedback, the company can also gain insights into the company's service quality (Berry and Parasuraman 1997: 65). Feedback can tell what is important for the customers (Berry and Parasuraman 1997: 65) and therefore, the company can more easily meet the customers' expectations (Fundin and Bergman 2003: 55). Also, feedback can be used as a tool to understand customers better and to get closer to them (Zairi 2000: 332).

### **5.1 Collecting Feedback**

This sub-section introduces several feedback measurement approaches and collection methods as well as explores different metrics for measuring, for example, customer satisfaction. In addition, the best practices for planning the feedback collection are introduced.

### 5.1.1 Feedback Measurement Approaches

Different approaches for collecting customer feedback can be used. They all have their strengths and weaknesses, but all approaches have their place, depending on the situation (Pigues and Alderman 2010: 146). For example, feedback data can be divided into two categories, solicited and unsolicited feedback (Vesterinen 2014: 41). Solicited feedback is collected by asking customers' opinions (Vesterinen 2014: 41), whereas unsolicited feedback relies on customers' own willingness to share their opinions (Wirtz et al. 2010: 364). When collecting solicited data, the company can influence on the topics from which the feedback is needed while unsolicited data gives information about the topics that are important to customers (Vesterinen 2014: 41). One example of collecting unsolicited data is ethnographic research (Manning and Bodine 2012: 93), which means observing customers in real life context. That way companies can gather information about customers' behaviours (Vesterinen 2014: 36) and understand customers' needs better (Manning and Bodine 2012: 93).

Another categorisation can be made between quantitative and qualitative feedback data (Vesterinen 2014: 44, Pignes and Alderman 2010: 146). Quantitative data is numeric data and qualitative data is given in a free text format. Quantitative data is usually used in traditional surveys for understanding trends and comparison purposes. For example, a company can conduct a quarterly survey asking about customer satisfaction regarding a customer service on a scale from 1-10. The results can then be compared to previous quarters' results to find out how the customer satisfaction has evolved over time. With qualitative data, more detailed insights can be gained from customers. Qualitative data is often used to complement quantitative data to better understand why a customer has given a certain score. Quantitative data is easier to collect and analyse, but qualitative data can provide deeper insights into customers and their needs. Therefore, both type of data is needed and their usage depends on what is tried to achieve with the feedback. (Vesterinen 2014: 44).

Feedback data can also be primary or secondary. Primary data is collected from direct contacts with the customers, whereas secondary data is collected independently by a third party, regardless of the company seeking for feedback data. Therefore, the information does not come directly from the customers. For example, online questionnaires are primary data while secondary data can include for example market reports. From the

reliability perspective, primary data is better as it is collected by the company itself. Secondary data is cheaper to collect, but it is available for everyone. Therefore, it does not provide unique information that is available only to the company who is collecting feedback data, but the competitors have access to the data as well. (Pigues and Alderman 2010: 146).

Objective measures provide information about what has happened and it is used for understanding customer behaviour, whereas subjective measures tell how the customer has perceived a particular event (Vesterinen 2014: 42). For example, a number of calls made to service desk is an objective measure and how the customer experienced the call would be the subjective measure. The subjective measure can also be called as transactional feedback, whereas relationship feedback provides insights how a customer perceives a company's brand as a whole (Vesterinen 2014: 45).

#### 5.1.2 Feedback Collection Methods

Feedback can be collected in many ways. As with the feedback measurement approaches, all feedback methods also have their advantages and disadvantages, but all of them are useful in different situations (Vesterinen 2014: 39-40). Examples of feedback collection methods and their most commonly used feedback measurement approaches are illustrated in Table 14.

Feedback Measurement Approach										
Feedback Collection Method	Solicited	Unsolicited	Quantitative	Qualitative	Primary	Secondary	Objective	Subjective	Ethnographic	Source
Phone, email and online surveys	X		X	X	X			X		(Caemmerer and Wilson 2010: 294) (TSO (The Stationery Office) 2007: 118)
Structured interviews	X		X		X			X		(Pigues and Alderman 2010: 146)
Unstructured interviews	X			X	X			X		(Pigues and Alderman 2010: 146)
Market reports		X	X	X		X	X			(Pigues and Alderman 2010: 146)
Statistics from third-party providers		X	X			X	X			(Pigues and Alderman 2010: 146)
Observations		X		X	X			X	X	(Vesterinen 2014: 40)
Social media and blogs		X		X	X			X		(Vesterinen 2014: 40)
Employee input		X		X	X			X		(Goodman et al. 1996)

Table 14. Examples of feedback collection methods and their most commonly used measurement approaches

As illustrated in the table, most data collected is primary and subjective data. Different kind of surveys, such as phone (Caemmerer and Wilson 2010: 294), email (Goodman et al. 1996) and online (Caemmerer and Wilson 2010: 294) surveys, are examples of such of methods. The data collected can be quantitative or qualitative. Quantitative data is usually collected by asking customers what score they would give for example for the customer service or for a specific event. Qualitative data is collected by asking the customers why they gave the particular score. Phone surveys are conducted by calling the customer, email surveys by sending a questionnaire over the email and in online surveys the questionnaire is filled in online by the customer.

In structured interviews (Pigues and Alderman 2010: 146) the questionnaire has closed-ended questions, which typically means that the questions or claims are evaluated on a certain scale. Therefore, structured interviews provide quantitative data. For example, the questionnaire template used in this Thesis, found in Appendix 3, has closed-ended questions. On the contrary, unstructured interviews have open-ended questions and the answers are free-text data. Thus, the data is qualitative. Structured interviews can be



used when the company wants to collect data that is simple to analyse and easily comparable for example to previous survey results (Vesterinen 2014: 44). One interview method is a semi-structured interview, in which both, closed-ended and open-ended questions, are asked.

Market reports and statistics from third-party providers (Pigues and Alderman 2010: 146) are the only methods in this example that usually collect secondary and objective data. As explained in section 5.1.1, secondary data is collected by a third-party regardless of the company seeking for data. The data is objective because market reports and statistics usually measure situations and events that have already happened. For example, a market report can provide information about a company's market share. Statistics can tell, for instance, how many new companies in a certain industry have been founded in the previous year. Data is mostly quantitative, but market reports often provide also deeper analysis, which is qualitative data. Another differentiator compared to surveys and interviews is that data gained from market reports and statistics is unsolicited. As with all secondary data, market reports and statistics from third-party providers are cheap data sources as they do not require resources from the company seeking for data, but they are accessible for everyone, also for the competitors. Although, market reports and statistics can be useful as they can provide information for example about where the company stands in the market.

Data gathered by observations (Vesterinen 2014: 40) is also unsolicited. For example, a company employee can make observations about a customer's behaviour while the employee is at a customer. In that case, ethnographic research is conducted. As observations are mostly conducted by monitoring someone's behaviour, the collected data is qualitative. The data is also primary and subjective.

Customers write reviews and comments about their experiences to social media and blogs (Vesterinen 2014: 40) and it is unsolicited data as well. As the feedback is in free-text format, the data is qualitative. Although it seems that observation method is similar to social media and blogs regarding the feedback measurement approaches, the big difference is that observations are made in customers' natural surroundings, whereas social media and blogs provide only written feedback.

Employee input means that a company's employees can provide feedback about the company's internal processes and also about the customers. The data collected from employees is usually unsolicited, qualitative, primary and subjective.

### 5.1.3 Metrics

Metrics are tools that are used to measure for example customer satisfaction (Keiningham et al. 2008: 53) or service performance (Bliss 2006: 122). Metrics can be used as guidelines when making decisions (Keiningham et al. 2008: 55).

Manning and Bodine (2012: 128) divide customer-related metrics to three categories, which are descriptive metrics, perception metrics and outcome metrics. Descriptive metrics provide objective feedback (Vesterinen 2014: 42) and they answer the question: What happened? Descriptive metrics include, for example, average call time, a number of website visits and average calls per customer per year (Manning and Bodine 2012: 128). Perception metrics provide subjective feedback (Vesterinen 2014: 42) and they answer the question: What is the customer's perception of what happened? Perception metrics include, for example, customer satisfaction with the overall experience and call resolution rate. Outcome metrics answer the question: What the customer does as a result of what happened? Outcome metrics include, for example, likelihood to recommend, likelihood to switch to a competitor and actual purchases made (Manning and Bodine 2012: 128).

Service quality can be measured, for example, with a SERVQUAL metric (Keiningham et al. 2008: 52). The SERVQUAL metric measures service quality on five dimensions, which are responsiveness, assurance, tangibles, empathy and reliability. Responsiveness means the company's willingness and promptness to provide the services. Assurance part measures the knowledge and attitude of the company's employees. Tangibles mean the physical products, facilities, employees and communication methods, whereas empathy part measures how the employee takes the customer into account by providing caring and individualised service. Reliability measures the accuracy and reliability of the services provided. (Keiningham et al. 2008: 52). It has been criticised that SERVQUAL metric does not point to any specific improvement and development actions, but as its developers, Parasuraman et al. (1991: 445) stated, it can be used as a starting point to monitor the company's service quality and trends over time. Other metrics can be used to complement the SERVQUAL metric (Parasuraman et al. 1991: 445). As SERVQUAL measures customers' perceptions, it belongs to perception metrics.

Customer satisfaction (Manning and Bodine 2012: 128) is also a perception metric and it can be measured with different kinds of surveys (Pigues and Alderman 2010: 125). The surveys can ask customers their perceptions about the overall customer experience or about a specific event (Manning and Bodine 2012: 128). Customer satisfaction surveys are generic and easy to understand, but as with the SERVQUAL metric, they do not point to specific improvement actions. Moreover, Keiningham et al. (2008: 53) claim that the impact of customer satisfaction on customer behaviour is difficult to identify. In addition, Pignes and Alderman (Pignes and Alderman 2010: 125) argue that also satisfied customers switch suppliers and the customer satisfaction surveys are often driven by the marketing department.

Customer loyalty (Pignes and Alderman 2010: 125) is an outcome metric. Nowadays a common way to measure customer loyalty is the Net Promoter Score (NPS) developed by Satmetrix Systems, Inc., Bain & Company and Fred Reichheld (Vesterinen 2014: 47). NPS asks to what degree the customer would agree on recommending the company to a friend or colleague in a scale from 1 to 10, where 1 being “strongly disagree” and 10 being “strongly agree”. Customers who give 9 or 10 are called promoters, and the ones who give 1-6 are called detractors. Customers who give 7 or 8 are called passives. NPS is calculated by subtracting the percentage of detractors from the percentage of promoters. (Reichheld 2006: 73). NPS is a simple metric, and it is easy to calculate. Many authors (for example Vesterinen 2014, Reichheld 2006, Bliss 2006: 124) claim that Net Promoter Score correlates with company’s growth, but also criticisers exist. For example, Keiningham (2008: 56) argue that NPS does not correlate to customer growth nor loyalty. In addition, Pignes and Alderman (2010: 125) claim that in a business-to-business context, the insights gained from customer loyalty programmes are reactive instead of getting ahead of competitors.

#### 5.1.4 Planning the Feedback Collection

When planning the collection of customer feedback and choosing the feedback measurement approaches, feedback collection methods and metrics, several factors are to be considered. The feedback collection approach is selected so that it is effective and efficient. In addition, the methods need to be in line with the company strategy. The cost of a particular approach can be compared to the value that the feedback provides and the decision about the approach can be made accordingly. (Pignes and Alderman 2010: 150).

For being able to monitor the service performance and improve it continuously, the feedback needs to be regularly collected (Maechler et al. 2016) and in all customer touch points (Vesterinen 2014: 53). According to Vesterinen (2014: 46), it is important that the feedback collection is planned and conducted considering who uses the feedback and what is the purpose of the feedback. Also, Caemmerer and Wilson (2010: 305-306) stress the importance of including middle managers and employees from other teams, as opposed to leaving the planning only to marketing department's concern. That way everyone gets more engaged with the process.

The surveys should be designed so that the customer understands the questions and knows what area or subject the questions are about. Furthermore, to get a better response rate it is recommendable to include a maximum of five to six questions in a survey (Maechler et al. 2016). It is advisable to have many feedback channels for being able to gather plenty of feedback (Michel et al. 2008). However, as the feedback has to be analysed as well, the amount of feedback collected needs to be reasonable (Bliss 2006: 81). Feedback should be collected at all levels of the company to gain insights from different perspectives (Lervik Olsen et al. 2014: 568). Especially employees who interact daily with the customers are an important source of information when it comes to customer needs and expectations (Fundin and Bergman 2003: 61).

Davenport et al. (2001: 66) argue that it is necessary to segment the customers to gain better insights from the customers. In addition, Fader (2012) strongly recommends prioritising the customers. In his book, Fader (2012) argues that not all the customers are equal and that some customers are more valuable than others, depending on how much money they bring to the company. Therefore, when it comes to collecting feedback from the customers, it is important for the company to focus on the right customers.

Moon and Fitzgerald (1996: 444) stress the importance of aligning the metrics with the company's strategy and Bliss (2006: 74) adds that the metrics need to link the service performance to business results. The metrics have to be understandable and forward-looking (Pigues and Alderman 2010: 123). Keiningham et al. (2008: 57) recommend using several different metrics, but as Morgan (1996) states, the amount has to be reasonable. The metrics have to be reviewed on a regular basis (Morgan 1996) and monitored continuously (Vesterinen 2014: 22).

## 5.2 Analysing Customer Feedback

The different feedback data collected from the customers should be combined and analysed together to gain a better understanding of the company's overall performance (Goodman et al. 1996). Then, the customer data should be integrated with other data, such as financial data, to monitor the impact of, for example, customer satisfaction to financial performance (Pigues and Alderman 2010: 62). Analysing feedback data takes time and the company should make sure there is a responsible person or a team for conducting the analysis (Vesterinen 2014: 100).

After combining the feedback data, Bliss (2006: 127) suggests organising the data into operational categories. She stresses that the feedback needs to be actionable so that improvements can be made based on the feedback, whereas Morgan et al. (2005: 143) argue that feedback does not have to lead to immediate actions, but to be used, for example, to enhance thinking processes.

Quantitative feedback data allows companies to monitor trends, whereas qualitative data is more suitable for picking up issues that should be acted upon (Vesterinen 2014: 65). For efficient free text data analysis, the company can use software that does automatic language analysis (Vesterinen 2014: 66). The strength of using such software is that the data analysis can be automated. The downside is that the software cannot interpret feelings and emotions that the feedback might include. Moreover, such software has had some limitations regarding different languages, although the situation is improving all the time (Vesterinen 2014: 66).

The feedback should also be prioritised (Goodman et al. 1996) and the improvement areas should be identified (Vesterinen 2014: 100). Positive feedback should be used as a motivational tool for employees and the constructive feedback for improvement purposes (Wirtz et al. 2010: 371). The feedback can be analysed by one person, but according to Vesterinen (2014: 100), it is recommended to involve people across the company to gain commitment from different business units and teams.

Many authors stress the importance of rewarding and recognising employees for positive feedback results (for example Goodman et al. 1996, Zairi 2000: 334, Nasr et al. 2014: 539, Michel et al. 2008). By rewarding employees, they are more engaged in delivering positive customer experience. Also, according to Nasr et al. (2014: 548), positive feedback impacts the employees' overall wellbeing. In addition, it is argued that front-line

employees' satisfaction and commitment has a direct effect on customer satisfaction (Bhattacharjee et al. 2016). Therefore, when the employees are satisfied, also the customers are satisfied.

### 5.3 Acting upon Customer Feedback

Morgan et al. (2005) argue that the feedback data is not valuable unless it is used for improvement and development actions. Moreover, Pignes and Alderman (2010: 66) argue that turning the feedback data into execution is the most important part of the feedback process. Also, Lervik Olsen et al. (2014: 558) claim that acting upon feedback has the strongest impact on customer satisfaction. Still, even though companies collect feedback data, it is rarely used in decision making (Goodman et al. 1996: 147) or for improvement actions (Vesterinen 2014: 98). For conducting a voice of customer (VOC) programme successfully, training needs to be provided for managers. Training helps them to make decisions based on feedback and also to identify improvement areas in service performance (Lervik Olsen et al. 2014: 568). In their article, Lervik Olsen et al. suggest using cross-organisational improvement teams, which can help turning the feedback into actions resulting in better and more efficient improvement process (Lervik Olsen et al. 2014: 568).

The feedback needs to be prioritised and only the most important issues chosen for further actions (Goodman et al. 1996). The progress of the improvement projects should be monitored continuously as well as the results of the improvement projects (Goodman et al. 1996). The progress and results should be communicated internally as well as externally (Vesterinen 2014: 101, Pignes and Alderman 2010: 68). By communicating the results to the customers, or closing the loop (Zairi 2000: 334), the company shows that it cares about the customers and values their opinions.

### 5.4 Defining Roles and Responsibilities

All the phases included in the customer feedback process require resources. Often too many resources are being allocated to collect the data, but not to analyse and to act upon it (Morgan et al. 2005: 148). Bliss (2006: 126) suggests one person to be responsible for collecting the feedback. The person would log the feedback, analyse it and forward it to the teams who will take the actions based on the feedback. On the other hand, Vesterinen (2014: 61-62) suggests assigning teams that would be responsible for the

feedback analysis. In a centralised approach, the team is cross-organisational, thus including people from different teams, whereas in a decentralised approach, the feedback is divided and allocated to the team who is responsible for that particular area. Centralised approach has the advantage of covering the whole organisation, whereas the decentralised approach might motivate teams more because they can analyse the data for their needs. The downside in decentralised approach is that the teams can interpret the data differently. Therefore, Vesterinen recommends using a combination of both approaches. (Vesterinen 2014: 62)

In their books, Bliss (2006) as well as Manning and Bodine (2012: 185), introduce a role, Chief Customer Officer (CCO), for customer experience management. CCO is responsible for the CX management across the entire company and therefore would have a significant role in customer feedback process as well (Manning and Bodine 2012: 185). Bliss (2006: 75) also stresses that someone, whether it is a team or an individual, needs to own the customer. Otherwise, as many companies operate in silos, no one has an understanding of the overall customer experience.

According to Goodman et al. (1996), the best practice for analysing the feedback is to conduct the analysis in co-operation with a group of analysts and with the operational team who is responsible for the issue. Therefore, when the feedback is put into action, the operational team has the necessary information. In addition, Goodman et al. argue that the manager of the operational team is responsible for the feedback process, with the support from the analysts.

## 5.5 Establishing Communication Channels

Throughout the process of collecting, analysing and acting upon feedback, it is important to communicate the results to the employees and the customers (Morgan et al. 2005: 142). A common problem for companies is that feedback is collected, analysed and acted upon in silos instead of teams working together and involving everyone in the process (Pigues and Alderman 2010: 8).

When planning the customer feedback collection, it is recommendable to include employees and managers from different business units and teams to gain organisational learning and also to develop practices that support the needs of different interest groups (Bliss 2006: 71-74, Morgan et al. 2005: 142, Caemmerer and Wilson 2010: 306). If planning is done in silos, the measurement approaches, collection methods and metrics are

not linked together, and therefore, it is hard to gain a thorough understanding of the company's performance (Bliss 2006: 74).

After the feedback is collected and the data is categorised and prioritised, the best practice is to communicate the results to everyone in the company (Goodman et al. 1996). Short and clear reports and dashboards, for example, are powerful tools to present the findings from the feedback (Bliss 2006: 127-128). When employees have access to the feedback data and therefore get an understanding of the customers' opinions, employees are more committed to their work and they can improve their performance according to the feedback (Vesterinen 2014: 24). Especially it is important to communicate the results to the teams and individuals who are responsible for the improvement actions based on the received feedback (Goodman et al. 1996). Besides, communicating the feedback results is about sharing good practices, not only pinpointing what needs to be improved (Vesterinen 2014: 24). In fact, Nasr et al. (2014: 547) argue that positive feedback is often underrated. Often the feedback, especially positive feedback, is not communicated from front-line staff to managers and vice versa. When managers forward the positive feedback to the employees, the employees feel that the manager cares about their wellbeing. Also, when positive feedback is spread across the company, all the employees can be empowered by the feedback. (Nasr et al. 2014: 547).

In addition, when issues are improved and developed based on customer feedback, it needs to be communicated to the employees (Lervik Olsen et al. 2014: 568). When everyone knows what is being done, it helps to avoid overlapping actions and prevents repeating mistakes (Vesterinen 2014: 108). The results can be communicated for example in the company's intranet, newsletters or emails (Vesterinen 2014: 24). In contrast, Goodman et al. (1996) argue that presenting the findings and the results in memos is not effective, but suggest them to be presented in face-to-face meetings.

Moreover, customers need to be informed about the feedback results and the improvements made based on the feedback. The results can be communicated for example in social media, company's website and in marketing materials. (Vesterinen 2014: 108). Morgan (1996) suggests the results be communicated for example in monthly meetings with the customers.



## 5.6 Conceptual Framework of Customer Feedback Management Best Practices

The conceptual framework 2 of this Thesis illustrates the best practices to manage customer feedback. It consists of three main phases, which are collecting, analysing and acting based on the feedback. Each phase requires communication channels to be established and roles and responsibilities to be defined. The whole process needs to be reviewed on a regular basis. The conceptual framework 2 is illustrated in Figure 18.

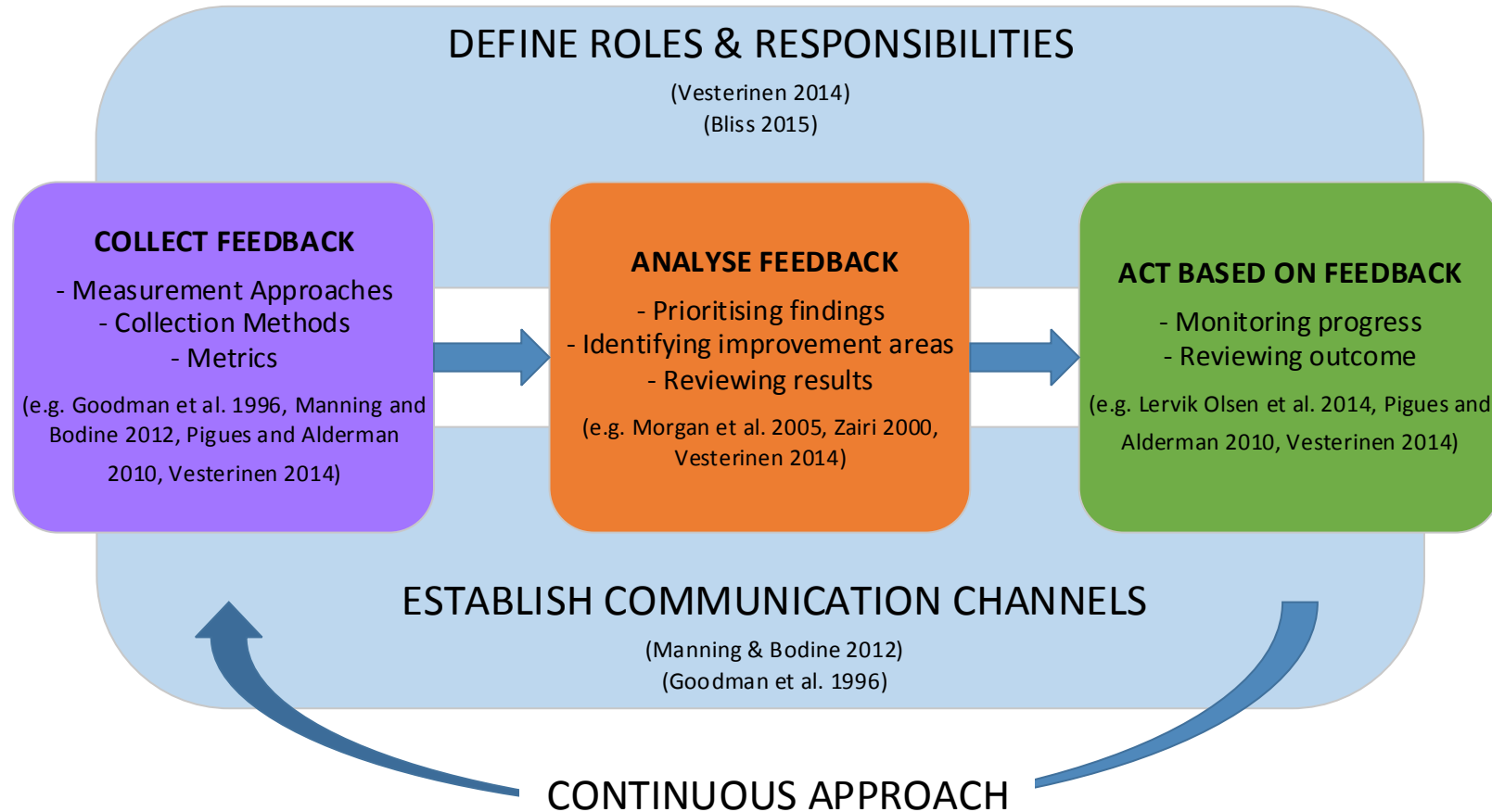


Figure 18. Conceptual framework of customer feedback management best practices

The first phase, feedback collection, consists of defining the measurement approaches, feedback collection methods and metrics so that they complement each other. The best way to accomplish the goal is to plan the collection phase in co-operation with different business units and teams. Also, the actual feedback collection is conducted in the first phase. The second phase, feedback analysis, consists of analysing the feedback, prioritising the findings and identifying the most critical improvement areas. As with planning the feedback collection, the best practice for analysing the feedback is to conduct the analysis in co-operation with employees from different business units and teams, depending on which units and teams the feedback concerns. Finally, the actions based on the feedback are conducted in the third phase. In addition, the progress of the improvement and development projects has to be monitored and the outcome reviewed.

For the feedback practices to work, roles and responsibilities need to be defined for each phase and its tasks. Also, communication channels need to be established for being able to communicate the collection plan, results and responsible persons to all employees in the company. Additionally, it is recommended to communicate the feedback results and the improvement actions to the customers.

In the next section, the conceptual framework of customer feedback management best practices and the findings from the CSA are merged to build the initial proposal of the operating model to manage customer feedback.

## 6 Building Proposal for the Case Company

The initial proposal for an operating model to manage customer feedback in the case company is presented in this section. The findings from the current state analysis and the conceptual framework of customer feedback management best practices are merged and the proposal is built in co-creation with the case company's stakeholders. The co-creation session represents the data collection 2 of this Thesis.

First, the data collection 2 is explained shortly together with the findings from data collection 1 (current state analysis). Then the proposal is built based on the phases illustrated in the conceptual framework of customer feedback management best practices. Each of the phases is processed one by one. The proposals for each phase are illustrated in their corresponding sub-sections followed by a detailed explanation of the proposal. Finally, the proposals for the phases are combined and the full proposal is presented. Therefore, the outcome of this section is the proposal for an operating model to manage customer feedback in the case company. The proposal is validated in the next section.

### 6.1 Review of Data Collection 2

The data for the proposal building stage was collected by conducting a workshop between the stakeholders in the case company. The participants hold managerial positions in the Service Production and Key Accounts business units and the participants were chosen for the workshop as they are most likely to be responsible for different phases of customer feedback collection management. The field notes from the workshop are found in Appendix 5.

The current state analysis of the case company revealed that even though the company collects some feedback from its customers, the collection is not systematic, the feedback that is collected is not analysed thoroughly and the feedback is not used as an input for decision making and improvement actions. Therefore, the conclusion from the CSA was that the case company is missing a systematic approach to manage customer feedback. Based on the CSA findings, the conceptual framework of customer feedback best practices was built in section 5 of this Thesis. Therefore, the workshop conducted in this section focused on the customer feedback collection phases illustrated in the conceptual framework. The phases include collecting feedback, analysing feedback and acting

based on the feedback. In addition, the communication channels, as well as the roles and responsibilities, are defined for each phase.

## 6.2 Proposal for Customer Feedback Management

The proposal is built in three phases: collecting, analysing and acting upon customer feedback. For each phase, the roles and responsibilities are defined as well as the channels for communicating the feedback results.

### 6.2.1 Collecting Customer Feedback

The proposal for the first phase, collecting customer feedback, is illustrated in Figure 19.

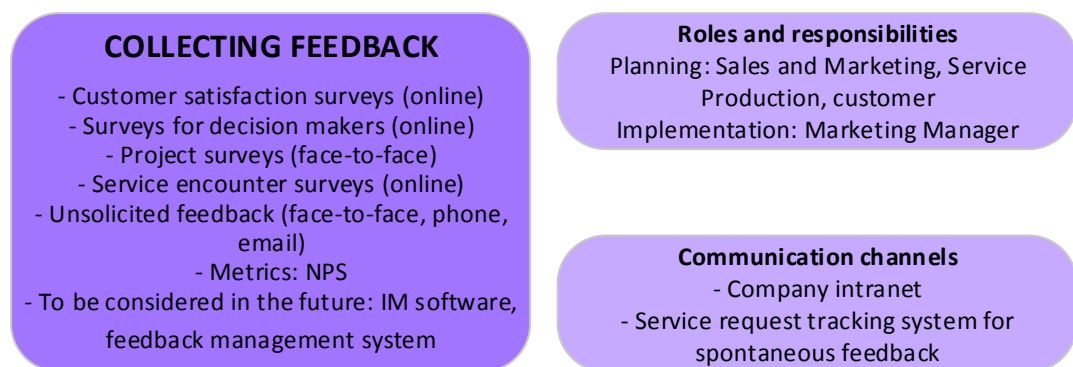


Figure 19. Proposal for collecting customer feedback

As seen in the figure, the proposal lists the feedback collection types that are currently used and the ones that this Thesis suggests to be used, as well as the proposed metrics. Also, considerations for the future are mentioned in the proposal. The roles and responsibilities are illustrated in a general level. The few communication channels that are needed in the collection phase are also illustrated in the figure. Next, the proposal of the collecting phase is explained in more detail.

Based on the CSA, the case company is collecting some feedback from its customers, but it has not been done systematically. In the CSA interview, the Marketing Manager pointed out that a plan for collecting feedback is in the works. By the time the workshop was held, the yearly plan was ready and the Marketing Manager presented it in the workshop. The plan is illustrated in Figure 20.

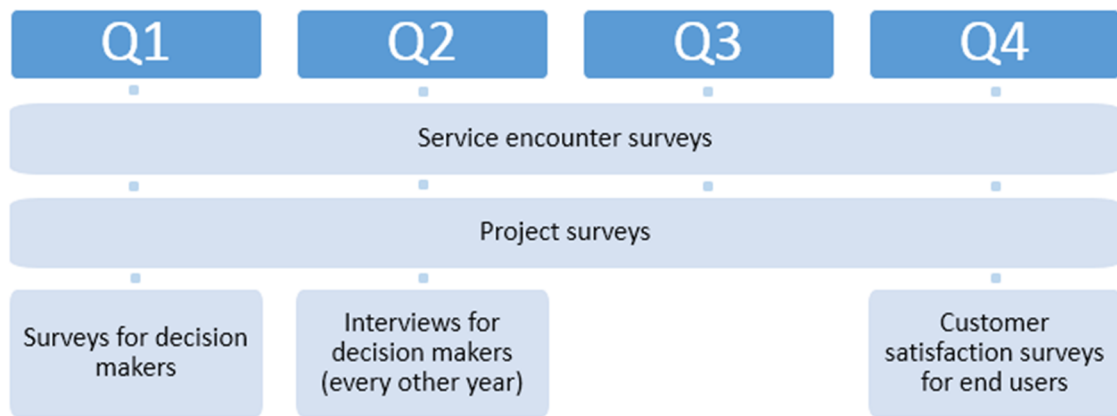


Figure 20. Case company's yearly plan for collecting feedback

Currently, the service encounter surveys are conducted with one customer. The plan is to expand the surveys to include more customers, and it was discussed also in the workshop. From the case company's point of view, it would be beneficial to have the same questions for each customer to be able to compare the results from different customers. On the other hand, customers have their needs, and sometimes they want to measure some aspect of the service provided by the case company as well. In addition, the best practice of customer centricity is to co-create with the customers. Therefore, it is advisable to design the service encounter surveys together with each customer. The results can then be compared within a certain timeframe regarding that particular customer, and the results are useful also for the customer. The service encounter survey, which is conducted online, is sent to the end user every time a service request is resolved. Therefore, the survey is conducted continuously. The service encounter surveys were used in this Thesis' current state analysis to analyse the external customer centricity.

The Project Manager and the Marketing Manager explained in the workshop, how the project surveys are currently conducted. Some form of reviews are conducted in the debrief meetings of each project, but it is mostly done orally, the results are not documented in a central location and the review does not always follow the same pattern. The surveys are mentioned in the yearly plan, but in the workshop, a more detailed plan was made. It was agreed, that the PMO team will prepare a questionnaire that will be used in every project debrief meeting and the project manager will document the answers. The survey would measure for example if the project was successful if it finished on time and what kind of challenges were faced during the project. The best practice of feedback management is to monitor the trends, learn from the mistakes and include the positive factors in

the upcoming projects. It can be achieved by having a fixed questionnaire for every project. The questions have to be at a general level to be able to use the same questionnaire in all different projects. In addition, when the feedback is collected right after the project, the customers are usually eager to give feedback. Thus, it is a good opportunity for the company to collect feedback. The project questionnaire will be filled in every time a project ends, thus throughout the year.

As seen in the yearly feedback collection plan, the surveys for decision makers are planned to be conducted in the first quarter of the year. There have not been surveys yet and the first one is most likely to be conducted in Q2 in 2016. There was a discussion in the workshop about the survey design and the conclusion was that the questions would be good to plan in cooperation with Sales and Marketing team and the teams in Service Production. The survey is conducted online, whereas the planned qualitative surveys for the customers' decision makers are conducted orally in the form of a face-to-face interview. The qualitative surveys are planned to be carried out every two years in the second quarter of the year.

The customer satisfaction surveys for end users will be conducted every year in Q4. The first survey was carried out in Q4/2015, and it was also used in the current state analysis of this Thesis to analyse the external customer centricity. The survey questions and results were presented in the workshop by the Marketing Manager as not all the participants had had an opportunity to see them. There were nine questions in the survey, and one question included five statements that the respondent was asked to evaluate. Two of the workshop participants argued that the number of questions is too high. In contrast, the Marketing Manager commented that all the questions are useful, and therefore the number of questions should not be reduced. The customer feedback management best practice is to have a maximum of five to six questions in a survey, and therefore, this Thesis suggests the number of questions be reduced. The remaining questions would not be changed for being able to use them as a baseline for the future surveys. As with the surveys for decision makers, the customer satisfaction surveys for end users are also conducted online.

As it was stated in the literature review in section 5, it is recommended to collect plenty of feedback and provide contact channels for customers being able to contact the company easily. Therefore, in addition to the yearly plan, other feedback collection options were also discussed. As the conceptual framework of customer feedback management

suggested, the front-line employees should be used more for collecting feedback from the customers. The service requests are recorded and the issues are dealt with, but if the front-line employees get feedback, for example, regarding a service, there is no process for handling the feedback. The Key Account Manager told in the workshop that sometimes the feedback is forwarded to KAMs, but the feedback is not usually documented. The CIO stated that also the managers receive sometimes feedback from the customers. The feedback can be received via email, by phone or face-to-face. The CIO suggested that this kind of unsolicited feedback could be recorded in the service request tracking system that the company uses. It was discussed that the KAMs and managers of Service Production would keep track of the feedback and decide if there is a need to put the feedback into action. Thus, the feedback and improvements made based on the feedback would be documented in a single location and it would be accessible by everyone as suggested in the conceptual framework 2. The collection of unsolicited feedback was added to the yearly plan after the workshop.

Also, it was discussed in the workshop whether the case company could use chat on their public website for receiving feedback and other requests. The company has evaluated it once, but the software used was not as good as expected and the trial was discontinued. However, some of the workshop participants regarded the chat being a common method for contacting customers and therefore should be used in the case company. The chat option was also considered an option to be used for sales purposes rather than for feedback collection. Hence, it will not be included in the proposal of this Thesis. However, introducing the chat as a contact channel is something to consider in the near future.

One customer can use an instant messaging (IM) software to contact the Service Desk. According to the workshop participants, introducing it to a larger customer base at this point was considered a bit challenging to accomplish as the IM system would require intense monitoring. However, it will be included in the proposal to be considered in the future. In section 5 the feedback management systems were mentioned and it was also discussed in the workshop. The case company does not have one in place currently and as the company is only starting to collect feedback more systematically, it was not considered to be needed at this stage. It is advisable now to implement the operating model for feedback management in practice and then, if applicable, start to consider introducing



a feedback management system. However, as with the IM software, introducing a feedback management system is also included in the proposal as a matter that should be considered in the future.

### *Metrics*

The use of different metrics was also discussed briefly in the workshop. According to literature regarding feedback management, the Net Promoter Score (NPS) seems to be the most popular metric nowadays. In the workshop, NPS was introduced in a few words by the researcher as it was not well known by the participants. The CTO commented that the question “Would you recommend the service/company to a colleague or a friend?” would give the case company more information and would, therefore, be more useful than the question “Were you satisfied with...?”. The participants argued that it would be more useful in the surveys for customers’ decision makers, but it was also agreed that the use of NPS depends on what the company would want to measure with it. NPS would be a useful metric to monitor continuously, but as the surveys for decision makers are conducted only once a year, the results of NPS would be updated only once a year. Still, it can be included in the decision-maker surveys as well. Therefore, the proposal for an operating model to manage customer feedback includes introducing the NPS in the service encounter surveys as well as the surveys for customers’ decision makers.

The biggest concern regarding metrics was raised by the CTO and it was about knowing what the case company wants to measure. It has to be carefully thought through and it will require intense planning and discussion with different stakeholders in the case company as well as with the customers. Therefore, giving the time limitations of this Thesis, it is not possible to include other metrics in the proposal.

### *Roles and Responsibilities*

The roles and responsibilities regarding the feedback collection phase are illustrated in Table 15.

Feedback Type	Planning	Implementation
Customer satisfaction survey for end users	Marketing Manager Service Production Managers KAM	Marketing Manager
Survey for customers' decision makers	Marketing Manager Sales Manager Service Production Managers CIO KAM	Marketing Manager
Service encounter surveys	Service Manager, 1 <sup>st</sup> Level Support Customer	Service Manager, 1 <sup>st</sup> Level Support
Project surveys	Project Managers	Project Managers
Unsolicited feedback	-	Front-line employees

Table 15. Proposal for roles and responsibilities for feedback collection

It was agreed in the workshop, that the customer satisfaction surveys for end users and the surveys for customers' decision makers will be planned together with the Marketing Manager, Sales Manager, Service Production managers and the leader of the KAM team. In practice, from Service Production, the 1<sup>st</sup> Level Support team's manager should be involved in planning the end-user surveys, whereas the 2<sup>nd</sup> and 3<sup>rd</sup> Level Support team's managers, as well as the CIO, should be involved in the decision-maker survey's planning. The implementation of the surveys is the Marketing Manager's responsibility.

The interviews in the current state analysis showed that the service encounter surveys are planned by the Service Manager of the 1<sup>st</sup> Level Support. As the service encounter surveys are customer specific, it is recommended to include also the customer in planning the survey. The 1<sup>st</sup> Level Manager is responsible for implementing the survey.

For collecting feedback about the projects, the project managers have been responsible before and therefore, they will be responsible for it also in the future. For collecting unsolicited feedback all the employees are responsible, but mainly the front-line employees, because they communicate daily with the customers and therefore get most of the feedback given by the customers.

### Communication Channels

The feedback collection phase does not require many communication channels to be established, but the channels for presenting the feedback results and the results of the improvement actions based on the feedback are more important.

However, as seen in the conceptual framework 2, all the phases of feedback management have to be communicated to all the employees. Therefore, the plan for collecting customer feedback has also to be communicated and available to all the employees when needed. In addition, the roles and responsibilities and the communication channels have to be accessible for the employees of the company. According to the workshop participants, the intranet site would be the best place to store the plan and other information regarding feedback collection. As the unsolicited feedback from customers will be collected on the service request tracking system, they are visible there for all the employees.

#### 6.2.2 Analysing Customer Feedback

The proposal for analysing customer feedback is illustrated in Figure 21 below.



Figure 21. Proposal for analysing customer feedback

This Thesis does not go into details on how to conduct the feedback analysis as it would require a thorough research but focuses more on the roles and responsibilities as well as the communication channels. As suggested in the conceptual framework of feedback management, the tasks of analysing the feedback include prioritising the findings, identifying the most important improvement areas and reviewing the feedback results. The details of the proposal for analysing feedback are explained next.

The workshop participants agreed that the biggest problem in customer feedback management in the case company is that the feedback is not being analysed thoroughly. As already revealed in the current state analysis, the service encounter survey results are analysed to some extent and the negative feedback is reviewed with the customer. When the service encounter surveys are extended to include other customers, the practice should be copied to be used with them as well. However, even though the results are reviewed with the customer, the positive feedback is not analysed and the results are not summarised in any way. According to the best practices, positive feedback can have an effect on the employees' motivation and therefore, the positive feedback has to be analysed and communicated as well.

Currently, according to the workshop participants, the customer satisfaction survey results are summarised and the Key Account Managers will review the results with their customers, but a thorough analysis is missing. The Marketing Manager emphasised her need to get help with the analysis and the discussion in the workshop regarding the analysis phase focused mainly on defining the responsibilities.

#### *Roles and Responsibilities*

The roles and responsibilities regarding the feedback analysis phase are illustrated in Table 16 below.

Feedback Type	Identifying improvement areas	Prioritisation	Review
Customer satisfaction survey for end users	Marketing Manager Service Production managers KAM	Service Production managers KAM	KAM
Survey for customers' decision makers			
Service encounter surveys			
Project surveys	Service Manager, 1 <sup>st</sup> Level Support KAM	Project Managers	Project Managers
Unsolicited feedback	Project Managers	Service Production managers KAM	KAM

Table 16. Proposal for roles and responsibilities for feedback analysis

It was agreed in the workshop that the analysis of the end-user and decision-maker surveys will be conducted in cooperation with the Marketing Manager, managers from Service Production and the Key Account Managers. The type of the survey determines who from the Service Production will be involved in the analysis. For example, the end-user surveys are mostly analysed by the Service Manager of the 1<sup>st</sup> Level Support as the survey concerns mostly the Service Desk. The results of surveys targeted to customers' decision makers are mainly analysed by the Service Manager of 2<sup>nd</sup> or 3<sup>rd</sup> Level Support teams, or the CIO, who is in charge of the whole Service Production business unit. Also, the customer-specific results will be analysed by the Key Account Manager, who is responsible for that particular customer. The customer-specific service encounter surveys are analysed by the 1<sup>st</sup> Level Support's Service Manager and the Key Account Manager of that customer. The Key Account Manager's responsibility is to review the feedback results with the customers.

After the feedback has been summarised and analysed, it has to be prioritised. The prioritisation is done by Service Production managers and the Key Account Managers. As with the analysis, the appropriate manager from Service Production will be involved in the prioritisation, depending on which team the feedback concerns.

It was discussed in the workshop that the PMO is responsible for analysing and prioritising the feedback. The unsolicited feedback recorded in the service request tracking system will be analysed by the Service Production managers. The decisions about which feedback require actions are made by the Service Production managers and if the feedback concerns a customer, also that customer's Key Account Manager should be involved in the decision making.

### *Communication Channels*

The results of different types of feedback should be documented and presented in the case company's intranet as it is accessible for all the employees. Also, in the workshop, there was a discussion about placing info screens in the company's public areas. The quantitative results, thus the numerical averages should be then presented in the info screens. For example, if the NPS is implemented in the service encounter surveys which are conducted continuously, the result would be visible on the info screen all the time and updated once a day. The intranet should include the qualitative results by showing examples of the free-text comments from customers. The project feedback results should

also be presented in the intranet. The email could be used to share the results, but it was not considered the best possible communication channel nowadays as the amount of email is increasing all the time, and people do not necessarily have time to go through all of them.

The workshop participants agreed that the unsolicited feedback results should also be presented on the intranet site. The feedback is qualitative and as with the survey results, some examples of the free-text feedback could be published. When the case company arranges companywide staff meetings, the results of surveys and other feedback should be presented in those meetings. In addition, the results of previous surveys can be presented to show the development of the results.

The Key Account Managers review the feedback results in the monthly follow-up meetings they have with their customers. The customers then also have an opportunity to influence the further feedback-based actions they would want the case company to carry out. The Key Account Manager pointed out that the feedback results should also be reviewed with the Service Production managers. It can be accomplished in the proposed monthly meetings between Key Account Managers and Service Production managers. In addition, in the meetings the improvement actions should be chosen and prioritised.

### 6.2.3 Acting upon Customer Feedback

The proposal for acting upon feedback is illustrated in Figure 22 below.

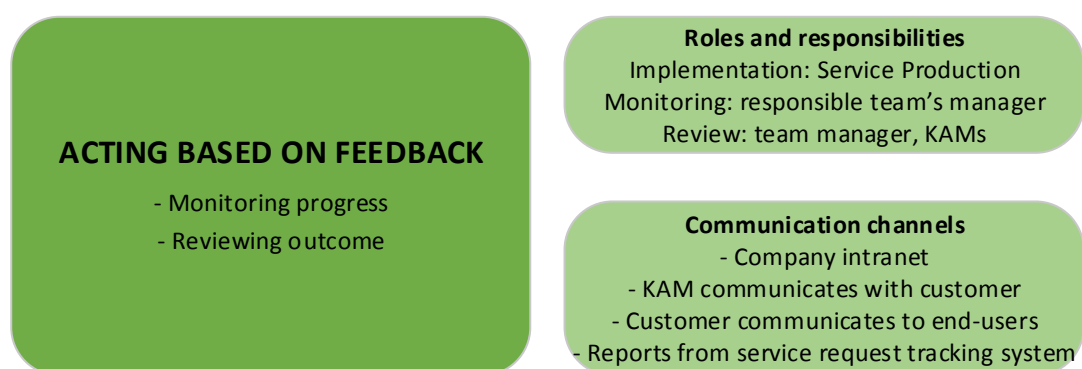


Figure 22. Proposal for acting based on customer feedback

As seen from the figure, the acting phase includes monitoring the progress of the improvement actions and reviewing the outcome of those actions, which were also presented in the conceptual framework 2. As with the analysis phase, this Thesis focuses

on defining the roles and responsibilities and the communication channels regarding the acting phase. Next, the proposal is explained in more detail.

As with analysing the feedback, the acting phase was regarded as an important phase according to the workshop participants. Based on the feedback management best practices, the acting phase includes the actual improvement and development actions as well as monitoring the progress and reviewing the outcome of those actions. As the actions can vary greatly depending on the feedback results, they have to be planned case by case. Thus, the issue is more on who will take the responsibility for implementing the improvements and monitoring that they will get implemented, and the results get communicated. Therefore, regarding the acting phase, this Thesis will focus on the roles and responsibilities and the communication channels in which the implementation results will be shared.

### *Roles and Responsibilities*

The roles and responsibilities regarding the acting phase are illustrated in Table 17 below.

Feedback Type	Implementation	Monitoring	Review
Customer satisfaction survey for end users	Service Production teams	Service Production managers	KAM Team manager
Survey for customers' decision makers			
Service encounter surveys			
Project surveys	Project Managers	Project Managers	Project Managers
Unsolicited feedback	Service Production	Service Production managers	KAM

Table 17. Proposal for roles and responsibilities for acting based on feedback

After the feedback has been analysed and prioritised, the feedback is moved to the acting phase. Most of the times the feedback concerns the Service Production business unit and depending on the feedback, the appropriate team should implement the improvement task. Thus, the team will be chosen case by case. That particular team's manager is responsible for assigning the task to someone in the team to be implemented and for monitoring the progress of the task. Depending on the urgency of the action, the manager should estimate the time it will take for the task to be completed.

The outcome of the improvement actions will be initially reviewed by the team managers. It was also agreed in the workshop, that if the improvement action concerns a particular customer, the Key Account Manager of that customer will be responsible for reviewing the outcome of the action.

If the project feedback requires actions to be taken, they are mostly implemented by the PMO team. Therefore, the project managers are responsible for implementing the actions and also reviewing the outcome.

### *Communication Channels*

It was agreed in the workshop that, as with the feedback results, also the results of the improvement actions should be presented in the company's intranet and in the staff meetings. If it is possible to present the results briefly, they could be presented in the info screens.

If the improvement task concerns customers, the KAMs will review the outcome in the review meetings with their customers. As the participants of the review meetings from the customer side include only their IT department staff or the decision makers, the end users who possibly have given the feedback, may not hear about the improvement actions. It was discussed in the workshop, and the participants considered the end users as the customer's customers. Therefore, the participants concluded that the customer will be responsible for forwarding the results to the end users. The fact that supports the conclusion is that the surveys are conducted anonymously, and therefore, it would not be possible to inform the respondents directly.

## 6.3 Summary of the Proposal

The initial proposal is illustrated in Figure 23.



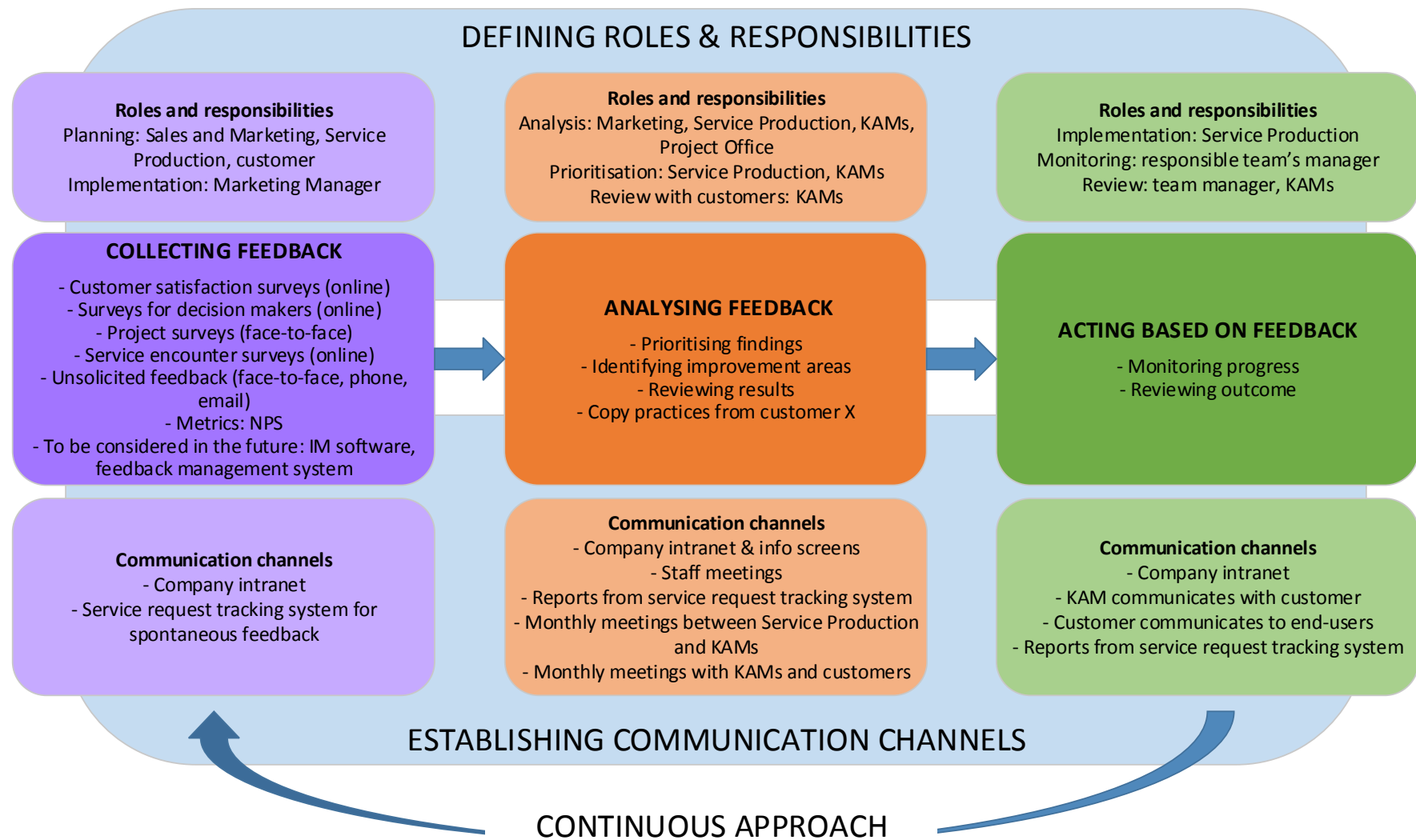


Figure 23. Proposal draft for operating model to manage customer feedback

As with the conceptual framework of customer feedback management, the proposal for the operating model consists of three phases: collecting customer feedback, analysing customer feedback and acting based the feedback. Also, the communication channels and roles and responsibilities for each phase are defined according to the best practice. The feedback methods, roles and responsibilities and the communication channels were agreed in the workshop and included in the proposal.

Even though the CSA showed that the case company collects feedback from its customers, it was considered worthwhile to discuss the alternative and additional approaches for collecting feedback in addition to the current feedback collection plan. Therefore, the collection phase of the proposal includes the existing as well as the proposed approaches for collecting the feedback. As the metrics would require more thorough research, this Thesis proposes only one metric to be used, the Net Promoter Score (NPS). Even though at this stage there is no urgent need for using an IM software as a customer contact channel or a feedback management system with a larger customer base, they are mentioned in the proposal to be considered in the future.

The proposal suggests that the planning of the feedback collection is the Marketing Manager's and Service Production managers' responsibility, and the implementation of the feedback collection is the Marketing Manager's responsibility. The plan and other information of feedback collection should be documented in the company intranet.

As the methods for conducting the analysis would require a thorough research, this Thesis focuses more on defining the roles and responsibilities as well as the communication channels for reporting the feedback results. The roles and responsibilities are suggested for prioritising the findings, identifying the most important improvement actions and reviewing the feedback results with the customers. In addition, it is mentioned that the analysis practices from the customer with whom the service encounter surveys are conducted, should be copied to other customers as well when the surveys are extended to include more customers.

The end-user and decision-maker surveys should be analysed in cooperation with the Marketing Manager, the Service Production managers, and KAM. The service encounter surveys should be analysed by the 1<sup>st</sup> Level Support Service Manager and the KAM of the customer whose feedback is being analysed. The unsolicited feedback should be analysed by the Service Production managers. The prioritisation of the above-mentioned

feedback should be done by the Service Production managers and KAMs. KAMs are responsible for reviewing the feedback results with the customers. The project surveys are analysed, prioritised and communicated to customers by the Project Managers.

The results should be communicated internally in the case company's intranet and in the staff meetings. Furthermore, the introduction of info screens is proposed. The Service Production managers and the KAMs should have monthly meetings, where the feedback can be reviewed. The KAMs should also review the feedback results in the monthly meetings with their customers.

As the improvement actions depend strongly on the type of the feedback given, this Thesis focuses on the roles and responsibilities as well as the channels used for communicating the results of the improvement actions internally and to the customers. In addition to the actual improvement actions, the progress of the actions should be monitored, and the outcome reviewed. The Service Production teams are responsible for implementing the improvements, and that particular team's manager is responsible for monitoring the progress. The team manager and the KAM review the outcome, and the KAM communicates the result to the customer.

The primary communication channel for the results of the improvement actions internally is the company intranet. As stated previously, the KAMs communicate the results to the customers in their monthly meetings. The customer is responsible for communicating the results to their end users.

In the next section, the proposal will be presented to two stakeholders in the case company for validation.

## 7 Validation of the Proposal

In this section, the proposal for the operating model to manage customer feedback is validated. The data collected in this section represents the data collection 3 of this Thesis.

First, this section shortly explains how the data 3 was collected. Then, the final operating model is built based on the feedback from the informants and the final operating model to manage customer feedback in the case company is presented. Finally, the next practical steps in implementing the operating model are presented.

### 7.1 Review of Data Collection 3

The validation of the proposal was conducted in two stages. The first stage included a discussion with the 1<sup>st</sup> Level Support's Service Manager. Based on the comments and suggestions, the proposal was modified and in the second stage, the modified proposal of the operating model was introduced to the CEO of the case company. The field notes of the discussions with the Service Manager and the CEO are found in Appendix 6 and 7 respectively.

In both of the discussion the overview of the proposal was introduced first and after that, each of the phases was reviewed in more detail including the roles and responsibilities as well as the communication channels. The Service Manager suggested some changes and they were added to the proposal of the operating model. The CEO had some suggestions on how to further improve the operating model, but most of them were advice on how to implement the changes in more detailed level. Therefore, it was not required to change the operating model. Finally, the CEO approved the operating model to be implemented in the case company.

### 7.2 Validation of the Proposal

The validation of the initial proposal and the improvement suggestions based on the discussions with the Service Manager and the CEO are presented next, phase by phase. Therefore, the suggestions from both of the discussions are included in the presentation of each phase.

### 7.2.1 Collecting Customer Feedback

The overview of the feedback collection phase after the suggestions from the Service Manager and the CEO are illustrated in Figure 24. The changes made to the proposal are highlighted in white.

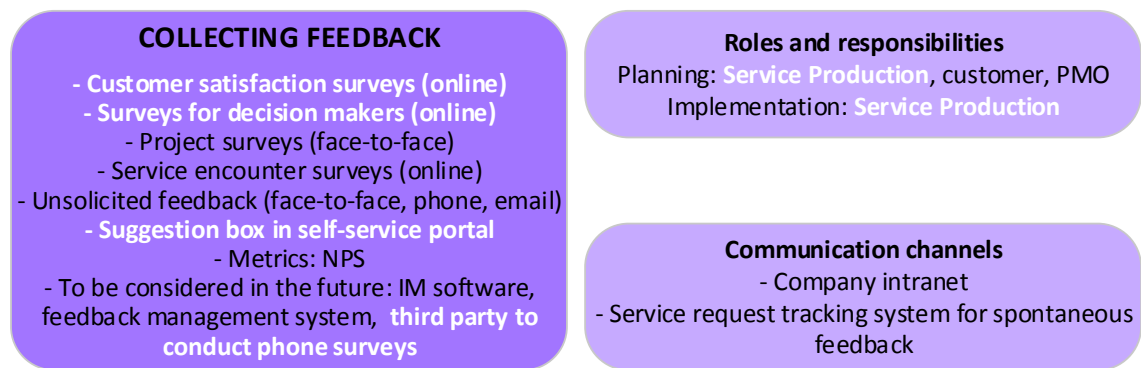


Figure 24. Improvement suggestions to the collection phase

As seen from the figure, some changes were made to the proposal regarding the collection phase. The Service Manager suggested the customer satisfaction surveys to be conducted twice a year, instead of once a year which was discussed in the building phase of the proposal. The CEO supported that suggestion and added that also the surveys for decision makers would be good to conduct twice a year.

The CEO suggested the project surveys be conducted online, but the researcher argued that it might be easier to get answers if they are conducted face-to-face in the project debrief meetings. Thus, the project surveys will be conducted face-to-face, as suggested in the initial proposal. Regarding surveys conducted by interviewing the customers, the CEO suggested that some feedback could be collected by outsourcing the survey conduction to a third party. The third-party service provider would then call the customers and ask the questions by phone.

In addition to the feedback collection methods suggested in the proposal, the Service Manager told that there are plans to insert a suggestion box to a self-service portal that the company is introducing to its customers. The customers could then provide development and improvement suggestions through the self-service portal. In addition, it was discussed with the Service Manager whether to put an NPS survey to the self-service portal, but it was agreed that it will be decided later when the case company has a better

understanding of the layout of the portal. The CEO emphasised the use of NPS, and he was eager to implement it.

Based on the suggestions for the feedback collection methods, the improved yearly plan for collecting feedback is illustrated in Figure 25. The changes are bolded.

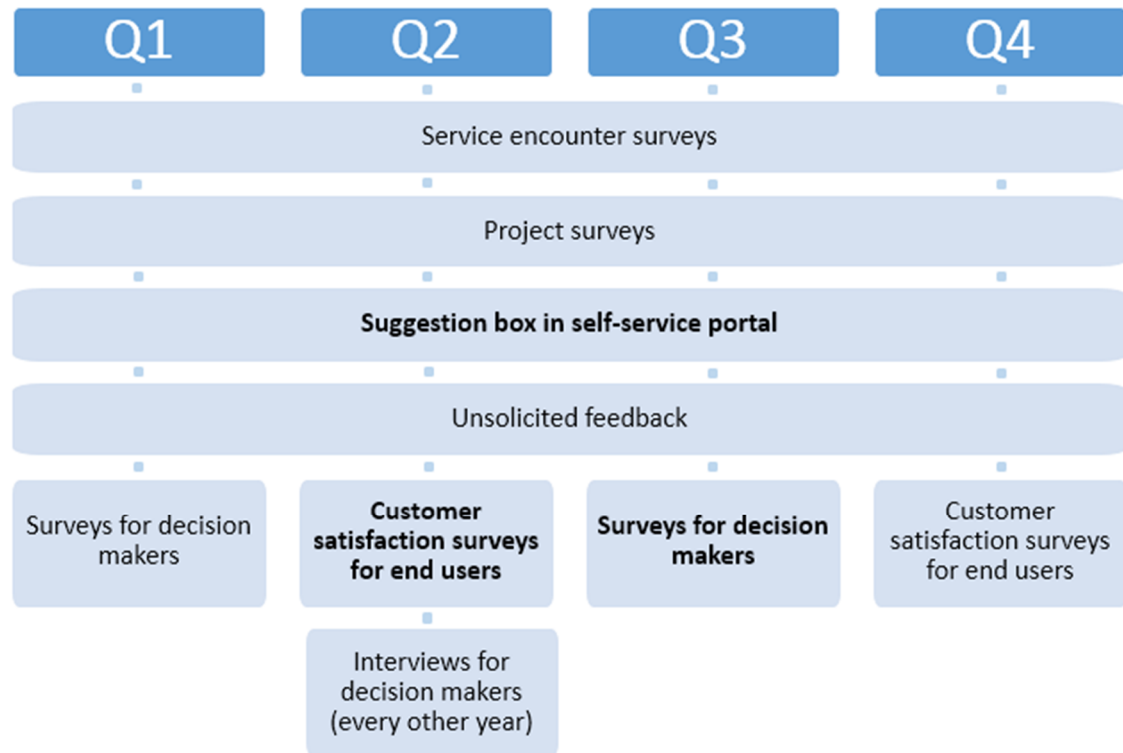


Figure 25. Yearly plan for collecting feedback based on the suggestions

As seen from the figure, the service encounter surveys and project surveys are conducted continuously and also the suggestion box will be available for the customers all the time. Also, the unsolicited feedback is collected throughout the year. The decision-maker surveys will be collected in Q1 and Q3. The face-to-face or phone interviews for decision makers will still be conducted every other year. The customer satisfaction surveys will be conducted in Q2 and Q4.

The IM system was discussed with the Service Manager, and he had some new information about the software which might help in expanding the usage to include other customers as well. That supports the suggestion of expanding the usage of the IM system to include more customers in the future. However, at this stage, it is not a priority, and therefore, it remains in the 'to be considered' section of the proposal.

The new, detailed table of the roles and responsibilities, which are based on the suggestions, is illustrated in Table 18. The changes compared to the initial proposal are bolded.

Feedback Type	Planning	Implementation
Customer satisfaction survey for end users	<b>Service Production managers</b> KAM	<b>Service Production managers</b>
Survey for customers' decision makers	<b>Service Production managers</b> CIO KAM	<b>Service Production managers</b>
Service encounter surveys	Service Manager, 1 <sup>st</sup> Level Support Customer	Service Manager, 1 <sup>st</sup> Level Support
Project surveys	Project Managers	Project Managers
Unsolicited feedback	-	Front-line employees

Table 18. Roles and responsibilities for collecting feedback based on comments

Regarding the roles and responsibilities of collecting feedback, the Service Manager suggested that the Service Production managers could take the responsibility for planning and implementing the customer satisfaction and the decision-maker surveys. Therefore, the Marketing Manager and the Sales Manager would not be responsible for them anymore. When planning the survey, they should also be consulted, but the main responsibility would be transferred from Sales and Marketing to the Service Production managers.

Regarding the communication channels, the Service Manager was sceptical about using the service request tracking system as a place to document the unsolicited feedback. He thought that as there are already so many service requests, the feedback could be overlooked. However, as the service request tracking system is suitable for monitoring different improvement actions, it will be included in the proposal. The feedback that does not require actions should be put to the case company's intranet where the other feedback data will be stored. The CEO approved the communication channels as they were proposed.

### 7.2.2 Analysing Customer Feedback

The changes made to the analysis phase based on the feedback from the informants are illustrated in Figure 26 below. The changes are highlighted in white.

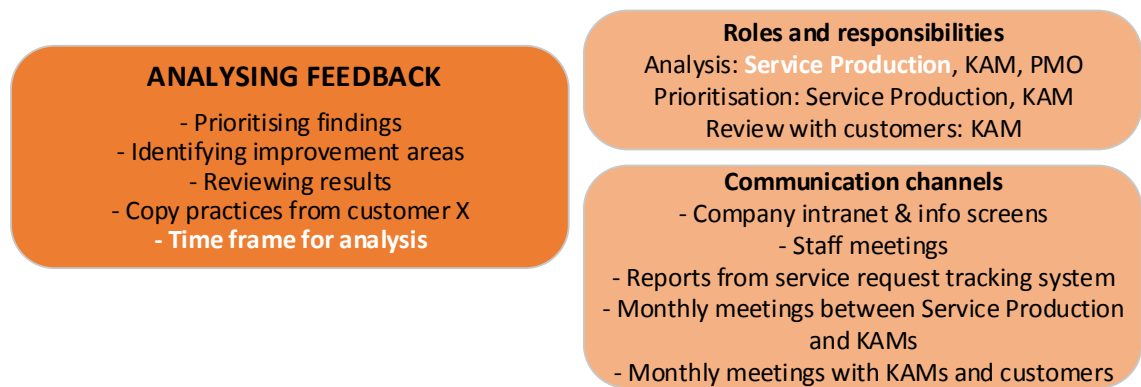


Figure 26. Improvement suggestions to the analysis phase

As seen in the figure, a couple of changes were made to the operating model to manage customer feedback. For analysing the feedback, the Service Manager suggested that a timeframe for the analysis should be defined, depending on the type of feedback collected. For example, the customer satisfaction surveys for end users should be analysed in one month after the survey has been conducted.

The roles and responsibilities based on the informants' comments are seen in Table 19 below. The changes made to the roles and responsibilities are bolded.

Feedback Type	Identifying improvement areas	Prioritisation	Review
Customer satisfaction survey for end users	<b>Service Production managers</b> KAM	Service Production managers KAM	KAM
Survey for customers' decision makers			
Service encounter surveys			
Project surveys	Service Manager, 1 <sup>st</sup> Level Support KAM	Project Managers	Project Managers
Unsolicited feedback	Service Production managers	Service Production managers KAM	KAM

Table 19. Roles and responsibilities for analysing feedback based on comments

The Service Manager suggested that as with the feedback collection, the responsibility for the feedback analysis of the end-user and decision-maker surveys should be transferred from Marketing to the Service Production managers. Therefore, as seen in the



table above, the Marketing Manager is removed from the analysis phase of the end-user and decision-maker surveys.

The CEO of the case company accepted the operating model regarding the analysis phase as proposed. There was a discussion about the info screens and how to introduce them and the CEO was eager to take them into use as soon as possible.

### 7.2.3 Acting Based on Customer Feedback

There were no improvement suggestions for the phase regarding acting based on the feedback. As a reminder, the overview of the acting phase is illustrated in Figure 27.

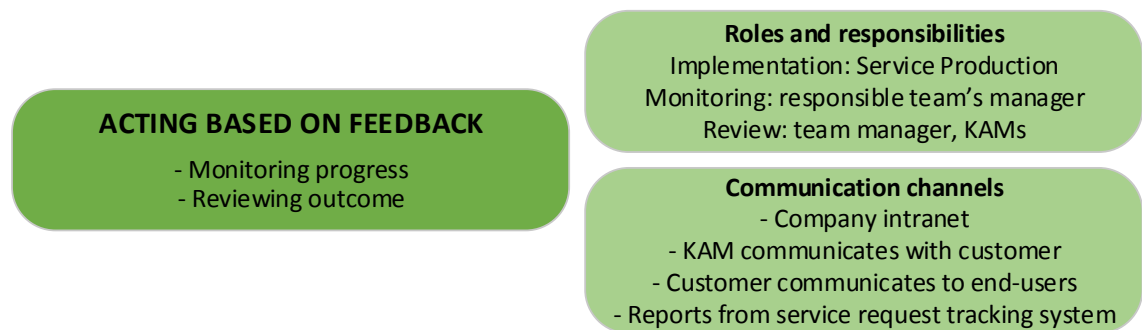


Figure 27. Acting based on feedback

The Service Manager, as well as the CEO of the case company, were satisfied with the proposed operating model regarding the acting phase.

The details of the roles and responsibilities can be seen in Table 20.

Feedback Type	Implementation	Monitoring	Review
Customer satisfaction survey for end users	Service Production teams	Service Production managers	KAM Team manager
Survey for customers' decision makers			
Service encounter surveys			
Project surveys	Project Managers	Project Managers	Project Managers
Unsolicited feedback	Service Production	Service Production managers	KAM

Table 20. Roles and responsibilities for acting based on the feedback

As illustrated in the table, no changes are required to the roles and responsibilities. The roles are clear, and the communication channels are suitable for the acting phase.

Overall, the informants were satisfied with the proposal of the operating model.

This looks very good. Now we have to make sure that this model will also be implemented in practice.

(CEO of the case company 2016)

As the CEO stated, the next step is to implement the operating model. Given the timeframe of this Thesis, it was not possible to test the model in practice. The model will be tested in Q2 in 2016 when a decision-maker survey is conducted. Next, the final operating model is introduced and after that, a suggestion for an action plan for taking the operating model into use is presented.

### 7.3 Final Operating Model

Based on the feedback from the 1<sup>st</sup> Level Support team's Service Manager and the CEO of the case company regarding the proposal of the operating model, the final operating model was developed and is illustrated in Figure 28.

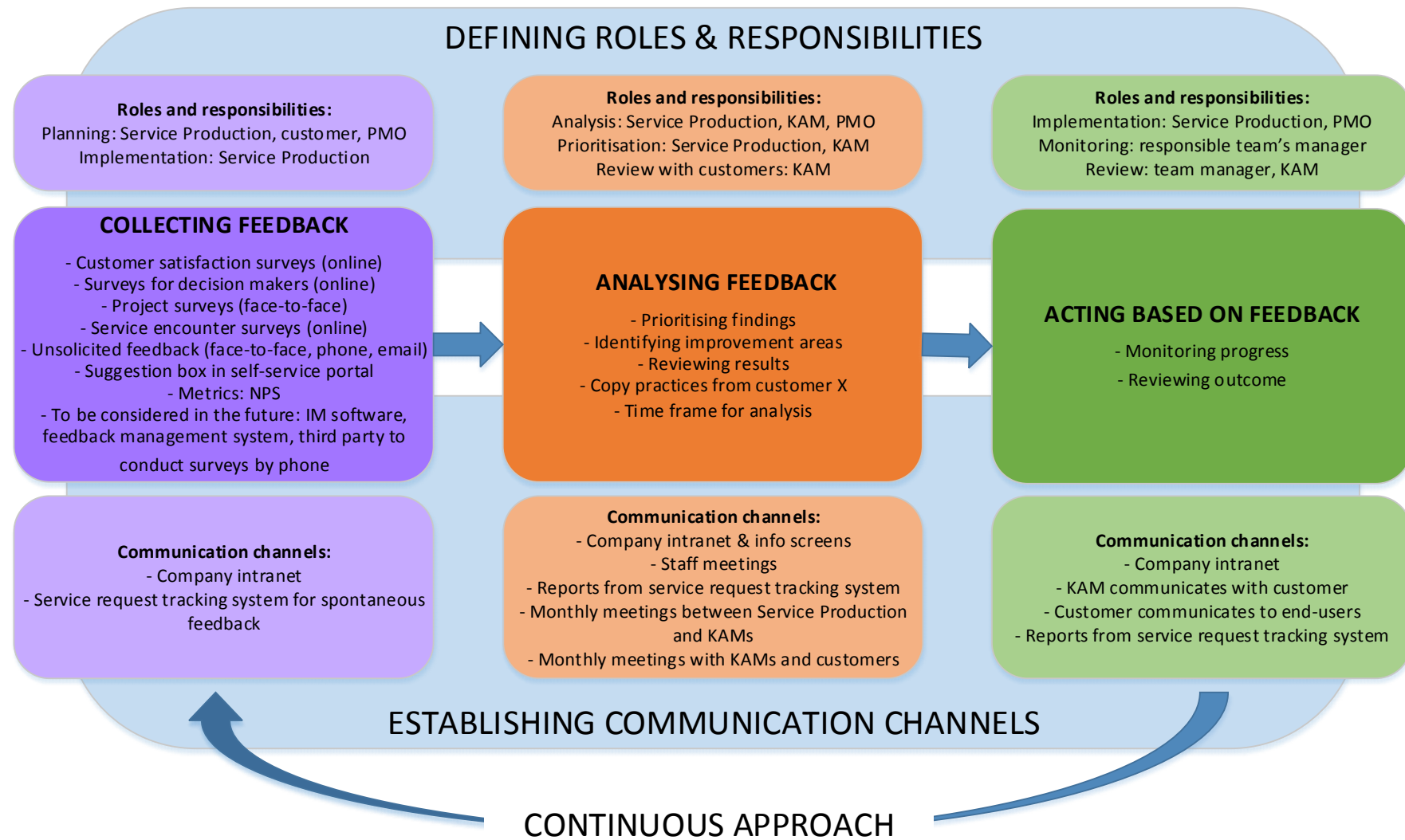


Figure 28. The final operating model to manage customer feedback

As illustrated in the figure, the operating model to manage customer feedback consists of three phases: collecting feedback, analysing the feedback and acting based on the feedback. For each phase, the roles and responsibilities, as well as the communication channels, are defined. As explained in section 7.2, the main changes compared to the initial proposal were made to the roles and responsibilities and the yearly feedback collection plan.

### *Collecting Feedback*

The collection phase includes the feedback collection methods, metrics, and issues that should be considered in the future. The final yearly plan for collecting feedback is illustrated in Figure 29.

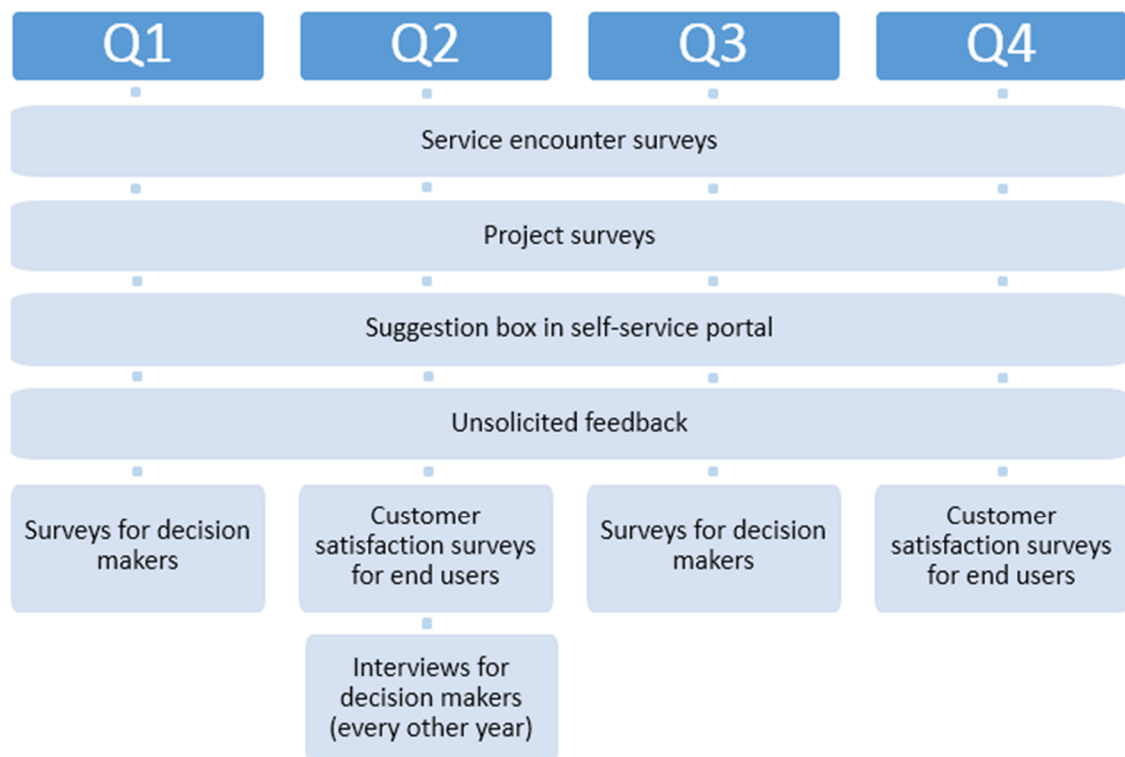


Figure 29. The final yearly plan for collecting feedback

As seen in the figure, the case company will collect feedback throughout the year. The service encounter surveys are conducted every time a service request is resolved, and the project surveys are conducted in the project debrief meetings. The customers will be able to make improvement and development proposals to the suggestion box in the self-service portal whenever they want, and the unsolicited feedback is collected mostly by

the front-line employees every time they receive feedback or development ideas from the customers.

The customer satisfaction surveys for end users and decision makers will be conducted twice a year. End-user surveys will be conducted in Q2 and Q4, whereas the decision-maker surveys will be conducted in Q1 and Q3 every year. The face-to-face or phone interviews for the customers' decision makers will be conducted every other year.

Regarding the metrics to be used, Net Promoter Score (NPS) was chosen. The NPS should be used at least in the surveys for decision makers and possibly in the self-service portal that will be introduced in the case company in the following months. NPS was chosen because of its simplicity and because the question "Would you recommend...?" was considered more useful than for example the question "Were you satisfied...?".

The feedback collection phase also includes matters that should be considered in the future. They include expanding the usage of an instant messaging (IM) software to include more customers, taking the feedback management system into use and using a third-party provider for conducting phone surveys.

The roles and responsibilities of the feedback collection phase are seen in Table 21.

Feedback Type	Planning	Implementation
Customer satisfaction survey for end users	Service Production managers KAM	Service Production managers
Survey for customers' decision makers	Service Production managers CIO KAM	Service Production managers
Service encounter surveys	Service Manager, 1 <sup>st</sup> Level Support Customer	Service Manager, 1 <sup>st</sup> Level Support
Project surveys	Project Managers	Project Managers
Unsolicited feedback	-	Front-line employees

Table 21. Final roles and responsibilities for feedback collection

As seen in the table, the collection phase is divided into two parts: planning the feedback collection and implementing the collection. The planning of the feedback collection includes for example planning the survey questions. The planning of the end-user and

decision-maker surveys is the Service Production managers' and the Key Account Managers' responsibility. The CIO is also responsible for planning the decision-maker surveys. In addition, the Marketing Manager should be consulted when planning the survey questions. The Service Production managers will implement the surveys. The service encounter surveys are planned and implemented by the 1<sup>st</sup> Level Support team's Service Manager. The customer in question will also participate in planning the survey questions. The Project Managers are responsible for planning and implementing the project surveys in every project debrief meeting. The unsolicited feedback should be collected by all the employees, but mostly by the front-line employees.

The practices for collecting feedback as well as the roles and responsibilities should be documented in the case company's intranet. The unsolicited feedback that requires actions to be taken should be documented in the service request tracking system for easier implementation and monitoring.

### *Analysing Feedback*

The analysis phase is divided into three parts: prioritising the findings, identifying the improvement areas and reviewing the results. As it would require more thorough research to explore how the feedback is analysed, this Thesis focuses more on defining the roles and responsibilities and the communication channels.

The service encounter surveys are conducted with one customer, and this Thesis suggests that the surveys should be extended to include more customers. Hence, the case company would receive more feedback. In addition, a timeframe should be defined for the feedback analysis. For the end-user surveys, for example, a one month analysis time could be defined.

The roles and responsibilities regarding the feedback analysis phase can be seen in Table 22.

Feedback Type	Identifying improvement areas	Prioritisation	Review
Customer satisfaction survey for end users	Service Production managers KAM	Service Production managers KAM	KAM
Survey for customers' decision makers			
Service encounter surveys	Service Manager, 1 <sup>st</sup> Level Support KAM		
Project surveys	Project Managers	Project Managers	Project Managers
Unsolicited feedback	Service Production managers	Service Production managers KAM	KAM

Table 22. Final roles and responsibilities for feedback analysis

As illustrated in the table, the Service Production managers and the KAMs are responsible for identifying the improvement areas as well prioritising the findings from the customer surveys. The Project Managers are responsible for the surveys regarding projects. Regarding unsolicited feedback, the Service Production managers are responsible for identifying the improvement areas. In the prioritisation, the KAM should also be involved. The KAMs should review the feedback results with their customers.

The results should be documented on the company intranet site. Additionally, info screens are planned to be introduced, and some of the results should be presented on the screens. The staff meetings are held every few months, and some of the results should be reviewed in those meetings as well. The reports from the service request tracking system regarding the unsolicited feedback should also be placed in the intranet.

This Thesis suggests that the monthly meetings with Service Production managers and the Key Account Managers should be introduced. The feedback and the results could be reviewed in those meetings. The KAMs should then review the results with the customers in their monthly review meetings.

#### *Acting Based on Feedback*

In addition to implementing the improvement actions, the acting phase consists of two stages: monitoring the progress and reviewing the outcome of the actions. As the actions

depend highly on the feedback in question, this Thesis focused on defining the roles and responsibilities and the communication channels.

The roles and responsibilities are illustrated in Table 23.

Feedback Type	Implementation	Monitoring	Review
Customer satisfaction survey for end users	Service Production teams	Service Production managers	KAM Team managers
Survey for customers' decision makers			
Service encounter surveys			
Project surveys	Project Managers	Project Managers	Project Managers
Unsolicited feedback	Service Production	Service Production managers	KAM

Table 23. Final roles and responsibilities for acting based on feedback

The table shows that the Service Production teams are responsible for implementing the improvement and development actions, depending on what has to be done. The manager of the team in question is responsible for monitoring the progress of the improvement action. Then, if the improvement concerns a customer, the KAM is responsible for reviewing the outcome and communicating the results to the customer. Regarding the project surveys, the Project Managers are responsible for implementing, monitoring the progress and reviewing the outcome.

As in the analysis phase, the results of the improvement actions should be documented to the case company's intranet and the KAM should communicate the results to the customers. As the review meetings with KAMs and customers include the decision makers or IT team members from the customer's side, the end users do not receive the information of the survey results. Therefore, the customers are responsible for communicating the results to their end users. The feedback documented in the service request tracking system and the improvement actions based on that feedback should be documented in the case company's intranet site.

The next steps for taking the operating model to manage customer feedback into use in the case company are explained in the following sub-section.



## 7.4 Next Practical Steps

The next steps for taking the operating model into use are illustrated in Table 24 below. Also, the target timeframe on which the task should be completed and the responsible persons for the tasks are shown in the table.

Task	Timeframe	Responsible
Introducing operating model to stakeholders responsible for different phases	1 month	Researcher
Introducing operating model to all employees	1 month	Managers / team leaders
Arrangement of Service Production – KAM monthly meetings	1-2 months	Service Manager, 2 <sup>nd</sup> Level Support
Conducting decision-maker survey and testing the operating model in practice	1-2 months	Marketing Manager
Preparing service request tracking system	4 months	Service Manager, 1 <sup>st</sup> Level Support
Preparing intranet site	4 months	Service Manager, 2 <sup>nd</sup> Level Support
Purchasing and planning of info screens	4 months	Service Manager, 1 <sup>st</sup> Level Support Service Manager, 2 <sup>nd</sup> Level Support
Suggestion box to self-service portal	Unknown	Service Manager, 1 <sup>st</sup> Level Support
Service encounter surveys to include minimum of 5 customers	End of 2016	Service Manager, 1 <sup>st</sup> Level Support Key Account Managers
IM software to include more customers, investigation and decision	End of 2016	Service Manager, 1 <sup>st</sup> Level Support
Full implementation of operating model	End of 2016	Service Production business unit Key Accounts business unit
Evaluation plan	End of 2016	Service Production managers

Table 24. Next steps with timeframes and responsibilities

As illustrated in the table, the first step is to introduce the final operating model to the stakeholders that are responsible for the different phases of the model. As the stakeholders are managers and team leaders, they should then introduce the operating model to their teams.

The monthly meetings between Service Production managers and the KAMs should be arranged within 1-2 months. The 2<sup>nd</sup> Level Support team's Service Manager is responsible for arranging the meetings and planning the agenda for the meeting.

The plan is to conduct the first decision-maker survey in Q2/2016. As it has already been planned by the Marketing Manager, it was agreed that she will take the responsibility of the implementation. The analysis can then be conducted by the Service Production managers, which will be the first test on how the operating model works in practice.

The preparatory actions for establishing the necessary communication channels, such as introducing the intranet site for the feedback results and preparing the service request tracking system for documenting the feedback, should be implemented in the next four months. In addition, the info screens should be purchased and installed. The Service Manager of the 1<sup>st</sup> Level Support is responsible for the service request tracking system as well as the info screens. It is not yet certain when the self-service portal will be implemented and therefore, it not possible to say when the suggestion box can be taken into use.

The service encounter surveys should be expanded to include at least five more customers by the end of the year 2016. The 1<sup>st</sup> Level Support team's Service Manager and the Key Account Managers of those customers are responsible for that step. The expansion of using the IM system for customer contact channel still requires more investigation, and although it is not a high priority task, the investigation should be ready in the next six months to be able to make the decision about the expansion by the end of 2016. The operating model is planned to be fully implemented by the end of 2016. After the operating model has been in use for 1-2 years, the success of the implementation should be evaluated. Furthermore, a relevant metric to measure the success should be chosen. The evaluation plan should be done by the end of 2016 and the Service Production managers will be responsible for the plan.

## 8 Discussion and Conclusions

This section summarises and finalises this Thesis. First, an overview of the Thesis is given, and the managerial implications explained. Then, the Thesis is evaluated by comparing the objective to the final outcome and by analysing whether the validity and reliability plans from section 2.4 were carried out.

### 8.1 Summary

The initial objective of this Thesis was to provide a systematic approach to enhance customer centricity in an IT services company. Analysis of the current state revealed deficits in customer feedback practices. This led to refocusing the objective to developing an operating model to manage customer feedback. The company's vision is to become a leader in customer satisfaction in the IT outsourcing industry and therefore, it is crucial to put the customers at the core of the business.

This Thesis provides a practical model for listening to the customers. The operating model consists of three phases that process feedback: collecting, analysing and acting upon it. In the collecting phase, the methods for collecting feedback, as well as the metrics to be used, are introduced. One of the main issues identified in the current state analysis was the unclear roles and responsibilities regarding feedback practices. Another identified shortcoming was the lack of established communication channels within the company. Therefore, the analysing and acting phases essentially focus on these areas. Persons responsible for each task in the three phases are defined, and the channels for communicating feedback results are outlined.

Two conceptual frameworks were created in the process. The approach for conducting the current state analysis was chosen based on customer centricity best practices. The knowledge of the case company's stakeholders was utilised to gain a deeper understanding of the current situation and to identify the strengths and weaknesses of the company's customer centricity. The operating model is based on the best practices of customer feedback management, and it was co-created with the company's key stakeholders.

The operating model has been approved by the company's top management and received with great interest by the stakeholders. If the model is implemented properly, it can help the case company to enhance customer centricity.

## 8.2 Managerial Implications

The outcome of this Thesis was an operating model to manage customer feedback in the case company. The model was created to provide a systematic approach to enhance customer centricity in the company. Therefore, implementing the model correctly and properly can increase customer satisfaction, which correlates to the vision the case company has: to be a leader in customer satisfaction in the IT outsourcing industry.

First, the operating model has to be introduced to the company's stakeholders that are responsible for the different phases of the operating model. Then, as it was not possible given the timeframe of this Thesis, the next step in implementing the operating model is to test the model in practice. The survey for customers' decision makers should be conducted in Q2 in 2016, which will be the next opportunity for testing the model. The next practical steps for implementing the operating model are explained in section 7.4, and an overview of the steps are seen in Table 24 of that section.

In the future, it is important to develop and improve the model continuously. Also, the operating model does not include detailed steps on how to analyse the feedback and how to organise the improvement actions in practice and therefore, those steps has to be planned and documented after the testing. In addition, the goals for improving customer satisfaction have to be defined after the company has the baseline data collected and analysed from different surveys.

## 8.3 Evaluation of the Thesis

This section evaluates the Thesis by comparing the objective to the final outcome and revising the reliability and validity plans made in section 2.4.

### 8.3.1 Outcome vs. Objective

The initial objective of this Thesis was to provide a systematic approach for the case company to enhance customer centricity. Based on the findings of the current state analysis, the scope of the study was narrowed down and therefore, the refocused objective was to develop an operating model to manage customer feedback in the case company. The outcome of this study is an operating model to manage customer feedback. The operating model includes phases that are required for feedback management: collecting feedback, analysing feedback and acting based on the feedback. The model also defines

the roles and responsibilities as well as the channels for communicating the feedback results internally and to the customers. The operating model is a systematic approach to enhance customer centricity, and therefore, it can be concluded that the objectives of this Thesis were met.

The business challenge was that the case company is missing a systematic approach to enhance customer centricity. As the outcome of this Thesis is an operating model to manage customer feedback, it can be concluded that the business challenge was overcome. However, the implementation of the operating model should be evaluated after the model has been in use for 1-2 years. After that, it can be concluded if the model actually did enhance the case company's customer centricity.

Summing up, the future will show whether the implementation of the operating model will enhance the case company's customer centricity. However, the company's business challenge was overcome, and the objectives were met.

### 8.3.2 Validity and Reliability

The plans for meeting the validity and reliability requirements of a study were explained in section 2.4 of this Thesis.

*Construct validity* of this Thesis was addressed by exploring relevant literature first regarding customer centricity in section 3 and then regarding customer feedback practices in section 5. In addition, multiple sources and techniques for data collection were used. The current state analysis stage of this Thesis explored existing customer surveys to get an overview of the external customer centricity and company employees were interviewed to collect data of the internal customer centricity. In the proposal building stage, a workshop was conducted between stakeholders that consisted partly of different informants than the ones used in the interviews. In the validation stage of this Thesis two people, who did not participate in the workshop, were interviewed. The informants of all the data collection stages were from different teams. Also, managers, as well as non-managers, were included among the informants. The construct validity could have been improved by giving the workshop participants the opportunity to review the initial proposal of the operating model before the validation stage, but as the proposal was considered to be co-created in the workshop, it does not significantly decrease the level of construct validity.

*Internal validity* of this Thesis was addressed first by using an existing customer centricity model that has been tested and consulted in different industries and applying it to the case company. Moreover, relevant literature regarding customer centricity models as well as customer feedback management practices was explored. In addition, the study used the experts in the case company to analyse the current state of customer centricity to develop the initial proposal for the operating model and finally, to validate the proposal.

*External validity* of this Thesis, which is a single-case study, was addressed first by using an existing model for analysing the current state of customer centricity in the case company. Secondly, the relevant literature was explored to address the issues revealed in the CSA. Giving the general nature of this Thesis' topic, the developed operating model can be utilised not only in IT outsourcing industry, but in other industries as well.

*Reliability* of this Thesis was addressed by conducting interviews, a workshop and discussions, which the researcher documented by making field-notes. Also, the workshop and some of the interviews were tape-recorded. In the interviews conducted in the current state analysis stage, a questionnaire template with closed-ended questions was used and therefore, the possibility of researcher bias was minimised. As the researcher works in the case company, avoiding the researcher bias completely was not possible and also, she has contributed to the process from her own experience. In the future, when the operating model is implemented, she is likely to be responsible for some phases.

To conclude, based on the above reasoning, the validity and reliability plans presented in section 2.4 were largely accomplished.

#### 8.4 Closing Words

This Thesis provides a practical operating model for the case company to manage customer feedback. As the company's vision is to become a leader in customer satisfaction in the Finnish IT outsourcing industry, the company has to differentiate itself from their competitors by offering great customer experiences throughout the customer journey. The company can become more customer-centric by implementing this operating model, hence making the customers part of the service design process.

In recent years, the service business has been expanding rapidly creating new demands for the companies and their products. Since the Internet enables data to be easily available, the customers are more knowledgeable and also more demanding regarding the services they use. That forces companies to develop the service offerings continuously and design the services taking into account the customer's perspective. Hence, the customer centricity and the customer experience play a significant role in the service business.

Collecting feedback is one way of involving customers in company's processes. Most of the times the problem is not in collecting the feedback, but using it in decision making and service development. Also, the improvements that are done based on the feedback have to be communicated to the customers to show that their opinions are valued. The operating model developed in this Thesis takes into account all these aspects. Moreover, giving the general nature of the model, it is not limited to IT outsourcing industry, but can be utilised in other sectors as well.

To conclude, the operating model can be a valuable asset in reflecting the customers' perspective throughout the service lifecycle. It can help the case company to close the gap between the current situation and the aspiration of becoming a leader in customer satisfaction.

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## Appendix 1. Service Encounter Survey Questions

	10	9	8	7	6	5	4
1. How satisfied are you with Service Desk's service orientation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. How satisfied are you with Service Desk's knowledge?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. How satisfied are you with Service Desk's overall service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Free comments:							

## Appendix 2. Customer Satisfaction Survey Questions

1. Have you been in contact with [case company's] customer service?

- ☐ Yes
- ☐ No. You can move directly to question 8.

2. How often have you been in contact with customer service during the past six months?

- ☐ 1-2 times
- ☐ 3-6 times
- ☐ Over 6 times
- ☐ Not even once

3. Customer service resolved my problem

- ☐ Yes
- ☐ No. You can tell about the situation, in which this happened:

4. Evaluate the following:

	Completely agree	Partly agree	Not agree nor disagree	Partly disagree	Completely disagree	Don't know
My waiting time was reasonable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customer service understood my problem	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customer service offered the solution understandably	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Service was competent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Service was friendly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Has our level of service been better than before, at the same level as before, or worse than before? You can ground your choices if you want.

- ☐ Better
- ☐ At the same level
- ☐ Worse

6. What overall grade do you give for [case company's] customer service in scale 4-10?

- ☐ 10
- ☐ 9
- ☐ 8
- ☐ 7
- ☐ 6
- ☐ 5
- ☐ 4

7. Thanks or complaints:
8. We draw lots between all the respondents who give us their contact information. If you want to participate in the drawing, you can leave your contact information. The customer satisfaction survey's results are handled confidentially and individual respondent cannot be identified among the responses. The winners are contacted personally.
9. Tell us, if you want us to be in contact with you regarding the [case company's] customer service.
  - ☐ Yes, I want you to be in contact with me.

## Appendix 3. Questionnaire for Analysing Customer Centricity

### Leadership Commitment



## Reality check for leadership commitment



		Totally disagree		Totally agree		Don't know	Not important			Very important		
		1	2	3	4		1	2	3			
1	Customer centricity is part of the company strategy.											
2	Customer orientation is explicit in the company values.											
3	Dedicated resources are allocated to Customer Experience Management.											
4	CX topics are a regular agenda item in leadership meetings.											
5	Customer topics are an essential theme in the company's internal and external communications.											

1. Maturity: To what extent do you agree/disagree with the statements?
2. Importance: How important is it to put effort into developing this area?

## Listening to Customers



### Reality check for listening to customers



		Totally disagree					Totally agree				Not important			Very important		
		1	2	3	4	Don't know	1	2	3	4	1	2	3	1	2	3
1	The company has a holistic plan for collecting customer insights for different purposes.															
2	Feedback collection points during the customer journey have been defined.															
3	Customers have an easy mechanism to give feedback to the company.															
4	Both quantitative and qualitative data is collected.															
5	The available data meets the company's internal insights needs.															

1. Maturity: To what extent do you agree/disagree with the statements?
2. Importance: How important is it to put effort into developing this area?



## Analysing Customer Feedback



### Reality check for **analyzing** customer feedback



		Totally disagree		Totally agree		Don't know	Not important		Very important	
		1	2	3	4		1	2	3	
1	Customer data is analysed in an effective way. Related roles and responsibilities are clear.									
2	Both quantitative data and free text feedback are analysed.									
3	Key customer metrics have been defined.									
4	Drivers behind the numbers are understood.									
5	Top issues are identified for improvement actions.									

1. Maturity: To what extent do you agree/disagree with the statements?
2. Importance: How important is it to put effort into developing this area?

## Engaging Stakeholders



# Reality check for engaging stakeholders



		Totally disagree		Totally agree		Don't know	Not important		Very important	
		1	2	3	4		1	2	3	
1	The company has/has had an initiative (CX or VOC program) for focusing on customer experience.									
2	Goals for improving customer experience have been defined and communicated.									
3	Relevant communications channels (e.g. intranet, reporting tools, newsletters, info sessions) for customer insights have been created and are continuously maintained.									
4	Customer data is easily available across the company.									
5	Training and support about customer topics, related measurement and available tools is organized.									

1. Maturity: To what extent do you agree/disagree with the statements?
2. Importance: How important is it to put effort into developing this area?

## Taking Action



### Reality check for taking action



		Totally disagree					Totally agree					Not important			Very important		
		1	2	3	4	Don't know	1	2	3	4	Don't know	1	2	3	1	2	3
1	Customer feedback is used as input for defining improvement/development actions.																
2	Roles and responsibilities for taking action upon customer feedback are clear.																
3	There is a clear process for monitoring the progress of the most important customer related actions.																
4	The results and impact of improvements are communicated internally.																
5	Customers are informed about improvements based on their feedback																

1. Maturity: To what extent do you agree/disagree with the statements?
2. Importance: How important is it to put effort into developing this area?

## Appendix 4. CSA Results of Internal Customer Centricity in the Prioritisation Matrix

<p>Commitment Listen Analyse Engage Act</p> <p>Development need</p> <p>High</p> <p>↑</p> <p>Low</p>	<p>Customer data is easily available across the company.</p>	<p>Customer topics are an essential theme in the company's internal and external communications.</p> <p>Customer data is analysed in an effective way. Related roles and responsibilities are clear.</p> <p>Drivers behind the numbers are understood.</p> <p>Top issues are identified for improvement actions.</p> <p>Goals for improving customer experience have been defined and communicated.</p> <p>Customer feedback is used as input for defining improvement/development actions</p> <p>There is a clear process for monitoring the progress of the most important customer related actions</p>	<p>Customer centricity is part of the company strategy.</p> <p>Customer orientation is explicit in the company values.</p> <p>Feedback collection points during the customer journey have been defined.</p> <p>Customers are informed about improvements based on their feedback.</p>	<p>Dedicated resources are allocated to Customer Experience Management.</p>
		<p>CX topics are a regular agenda item in leadership meetings.</p> <p>The company has a holistic plan for collecting customer insights for different purposes.</p> <p>Key customer metrics have been defined.</p> <p>The company has/had an initiative (CX or VOC program) for focusing on customer experience.</p> <p>Relevant communications channels (e.g. intranet, reporting tools, newsletters, info sessions) for customer insights have been created and are continuously maintained.</p> <p>Training and support about customer topics, related measurement and available tools is organized.</p> <p>Roles and responsibilities for taking action upon customer feedback are clear</p> <p>The results and impact of improvements are communicated internally</p>	<p>Customers have an easy mechanism to give feedback to the company.</p> <p>Both quantitative and qualitative data is collected.</p> <p>The available data meets the company's internal insights needs.</p> <p>Both quantitative data and free text feedback are analysed.</p>	
		Low	→	High
		Maturity		

## Appendix 5. Field Notes from Workshop (Building the Proposal)

**TOPIC:** Building the proposal for operating model to manage customer feedback

**Information about the informants**

<b>Positions of the informants</b>	Marketing Manager, Sales and Marketing Sales Manager, Sales and Marketing KAM, Key Account Managers CIO, Service Production CTO, Technologists Project Manager, PMO
<b>Date of the interview</b>	11 Apr 2016
<b>Duration of the interview</b>	2 hours 20 minutes
<b>Document</b>	Field notes, tape recording

### Field notes

<b>Topics of the discussion</b>	<b>Field notes</b>
<b>Collecting feedback</b>	<ul style="list-style-type: none"> <li>- [Marketing Manager] introduced the yearly plan               <ul style="list-style-type: none"> <li>• Customer satisfaction surveys: in the fall, the feedback is processed internally with KAMs. How is the feedback processed with customers?</li> <li>• Decision-maker surveys: in the spring</li> <li>• Qualitative survey for decision makers</li> <li>• Metrics or goals have not been defined</li> </ul> </li> <li>- [Marketing Manager, 1<sup>st</sup> Level Support Service Manager, Financial Assistant] decided the questions for the end-user survey</li> <li>- [Marketing Manager, 1<sup>st</sup> Level Support Service Manager, Financial Assistant, Sales Manager] have been discussing the questions of the decision-maker survey               <ul style="list-style-type: none"> <li>• 2<sup>nd</sup> and 3<sup>rd</sup> Level Support manager or the CIO could be included</li> </ul> </li> <li>- CTO: Regarding metrics it should be decided what information the company needs so that the services can be improved</li> <li>- KAM: Numbers express trends, help to show what areas the company should concentrate on and what is being done well, free text data tells more details</li> <li>- Introduction of NPS               <ul style="list-style-type: none"> <li>• [Marketing Manager and Financial Assistant] are going to Webropol training, where NPS is one part</li> <li>• End-user survey or decision-maker survey?                   <ul style="list-style-type: none"> <li>▪ End users might not know the whole service being offered, therefore, hard to evaluate</li> </ul> </li> </ul> </li> <li>- End-user survey               <ul style="list-style-type: none"> <li>• 9 questions, which is too much according to CIO &amp; CTO</li> <li>• The results were reviewed</li> <li>• End-user survey has been done from the sales and marketing perspective</li> <li>• In the future also Service Production and KAMs should plan the questions</li> </ul> </li> <li>- Service encounter surveys               <ul style="list-style-type: none"> <li>• Project Manager: The results below 6 are reviewed in the review meetings with the customer</li> <li>• [1<sup>st</sup> Level Support Service Manager] calls the end user if decided in the review meeting</li> <li>• Conducted continuously</li> </ul> </li> <li>- Decision-maker survey tells how the service is being produced</li> </ul>

	<ul style="list-style-type: none"> <li>- Feedback from projects               <ul style="list-style-type: none"> <li>• Survey in debrief meetings</li> <li>• How did the project go? What challenges?</li> </ul> </li> <li>- Spontaneous feedback               <ul style="list-style-type: none"> <li>• Should be collected in one place, now SD/On-Site Support tells KAM if received feedback</li> <li>• Tickets to document feedback, SP managers should monitor the queue</li> </ul> </li> <li>- Discussion about chat               <ul style="list-style-type: none"> <li>• Has been tried, but the technique didn't work</li> <li>• Requires someone to be online all the time</li> <li>• Chat is also a way to meet customers from the sales perspective</li> <li>• Trial could be arranged</li> </ul> </li> <li>- [Customer X] uses IM for contacting Service Desk               <ul style="list-style-type: none"> <li>• SD has shifts for monitoring it</li> </ul> </li> <li>- Feedback management system               <ul style="list-style-type: none"> <li>• Too heavy for a company this size?</li> <li>• Should be decided whether to introduce</li> <li>• There should be one place, where the feedback is collected</li> </ul> </li> <li>- Feedback form to company website?               <ul style="list-style-type: none"> <li>• Could be designed, but not urgent at this stage</li> </ul> </li> </ul> <p><b>Roles and responsibilities:</b></p> <ul style="list-style-type: none"> <li>- [Marketing Manager] responsible for implementing the surveys</li> <li>- End-user surveys: [1<sup>st</sup> Level Support Service Manager]</li> <li>- Decision-maker surveys: 2<sup>nd</sup> and 3<sup>rd</sup> Level Support</li> </ul>
<b>Analysing feedback</b>	<ul style="list-style-type: none"> <li>- Some plans for collecting feedback exist, but analysis and further development is missing</li> </ul> <p><b>Roles and responsibilities:</b></p> <ul style="list-style-type: none"> <li>- KAMs review the results with customers               <ul style="list-style-type: none"> <li>• Should be also reviewed internally</li> <li>• How can the things be improved? What should we improve?</li> <li>• The summary is reviewed in the staff meetings</li> <li>• Feedback should be reviewed case by case</li> </ul> </li> <li>- Marketing and Service Production analyses and reviews the feedback</li> <li>- Service Production prioritises</li> <li>- KAM involved in prioritising</li> <li>- KAM reviews with customer</li> </ul> <p><b>Communication channels:</b></p> <ul style="list-style-type: none"> <li>- End-user survey results found in intra</li> <li>- Reports of service encounter surveys available for everyone (in progress)</li> <li>- Info screens?</li> </ul>
<b>Acting based on feedback</b>	<p><b>Roles and responsibilities:</b></p> <ul style="list-style-type: none"> <li>- Service Production responsible for implementing the improvement actions</li> <li>- KAM involved in monitoring the progress</li> <li>- KAM reviews the outcome</li> </ul> <p><b>Communication channels:</b></p> <ul style="list-style-type: none"> <li>- Meetings with KAMs and Service Production managers               <ul style="list-style-type: none"> <li>• Should be prepared</li> <li>• Someone to lead the meeting</li> <li>• Further actions have to happen</li> </ul> </li> </ul>
<b>Final words</b>	<ul style="list-style-type: none"> <li>- In the future, the yearly plan will be followed</li> <li>- The most important thing is to decide the internal operating model for managing the feedback</li> </ul>

## Appendix 6. Field Notes from Discussion 1 (Validation of the Proposal)

**TOPIC:** Validation of the proposal for operating model to manage customer feedback

### Information about the informant

<b>Position of the informant</b>	Service Manager, 1 <sup>st</sup> Level Support
<b>Date of the interview</b>	20 Apr 2016
<b>Duration of the interview</b>	1 hour 30 minutes
<b>Document</b>	Field notes

### Field notes

Topics of the discussion	Field notes
<b>Collecting feedback</b>	<ul style="list-style-type: none"> <li>- Year and month folders to intra, where the feedback and results could be documented</li> <li>- Instant messaging:               <ul style="list-style-type: none"> <li>• Praises from [a customer] about the possibility to use IM</li> <li>• Might be possible and useful to introduce for other customers as well</li> <li>• Discussion about how it would be possible to expand the IM usage</li> </ul> </li> <li>- A feedback box to self-service portal</li> <li>- Discussion about where to use NPS</li> <li>- End-user survey could be conducted twice a year</li> </ul> <p><b>Roles and responsibilities:</b></p> <ul style="list-style-type: none"> <li>- Ok to reduce customer satisfaction survey questions</li> <li>- Survey planning and implementation could be transferred to Service Production</li> </ul> <p><b>Communication channels:</b></p> <ul style="list-style-type: none"> <li>- Feedback management system could be considered in the future, but not needed now</li> <li>- Service request system might be too difficult for unsolicited feedback</li> </ul>
<b>Analysing feedback</b>	<ul style="list-style-type: none"> <li>- A timeframe should be defined for analysing the results</li> </ul> <p><b>Communication channels:</b></p> <ul style="list-style-type: none"> <li>- The info screen implementation has been investigated by [a 1st Level Support employee]: mostly 3rd party vendors</li> </ul>
<b>Acting based on feedback</b>	<ul style="list-style-type: none"> <li>- Looks good as it is</li> </ul>

## Appendix 7. Field Notes from Discussion 2 (Validation of the Proposal)

**TOPIC:** Validation of the proposal for operating model to manage customer feedback

### Information about the informant

<b>Position of the informant</b>	CEO
<b>Date of the interview</b>	21 Apr 2016
<b>Duration of the interview</b>	45 minutes
<b>Document</b>	Field notes

### Field notes

<b>Topics of the discussion</b>	<b>Field notes</b>
<b>Collecting feedback</b> <b>Analysing feedback</b> <b>Acting based on feedback</b>	<ul style="list-style-type: none"> <li>- Suggestion: Project surveys conducted online</li> <li>- Surveys for decision makers conducted twice a year</li> <li>- Discussion about info screen and how to introduce them</li> <li>- NPS should be used, asked in due diligence processes</li> <li>- Suggestion: 3<sup>rd</sup> party telecom company for conducting surveys</li> </ul>
<b>Final words</b>	<ul style="list-style-type: none"> <li>- Operating model looks good</li> <li>- Next step: has to be implemented</li> </ul>