

Customer satisfaction - facts and measuring Case: Takamäki Group

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Raisa Flinck-Heino Business Management Thesis December, 2009 Laurea University of Applied Sciences Hyvinkää Unit Business Management Services and Customer Relationship Management **Abstract**

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Today the competition among companies is fiercer then ever. The world economy is talking about recession; customer value becomes the key success factor since companies cannot compete in product and service differentiation so much anymore. Customer satisfaction can be defined as a positive reaction towards a product or service. It is always subjective and comparable and from a unique point of view. Companies should always try to satisfy their customers since customer satisfaction is one of the most important measures in analyzing and defining company's success possibilities.

Qualitative research seeks out the 'why' from its topic through the analysis of unstructured information - things like interview transcripts, emails, and feedback forms. Qualitative research is used to gather information about people's attitudes, behavior, motivation, culture or lifestyle. Quantitative research is used to measure how many people feel, think or act in a particular way. Quantitative research is numerically oriented and involves statistical analysis.

Customer satisfaction research helps the company to determine their customer's satisfaction towards their products and services. In order for the research to be trustworthy and practical, it has to have validity, reliability, objectivity and has to be economically profitable. There are many risks in conducting customer satisfaction research. These risks are for example; having a wrong target group, the research does not cover the whole sample or there is not a valid register and is focused on certain types of respondents. Other risks are imperfect questionnaires, negligence of the interviewers and errors in interpretation. As a result the research is gives false results and is lacking validity and reliability.

Key words: Customer satisfaction, Qualitative research, Quantitative research, Customer satisfaction research

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Kilpailu yritysten välillä on kovempaa kuin koskaan. Maailmantaloudessa puhutaan lamasta; Asiakkuuden arvosta tulee yrityksen menestyksen avaintekijä, sillä yritykset eivät enää pysty kilpailemaan tuotteiden ja palveluiden eroilla. Asiakastyytyväisyys voidaan määritellä positiivisena reaktiona tuotetta tai palvelua kohtaan. Asiakastyytyväisyys on aina subjektiivinen ja suhteellinen, yksilöllinen näkemys. Yritysten pitäisikin aina yrittää pitää asiakastyytyväisyys korkealla, sillä asiakastyytyväisyys on yksi tärkeimmistä mittareista, kun analysoidaan ja määritellään yrityksen menestysmahdollisuuksia.

Kvalitatiivinen tutkimus etsii epämuodollisen analyysin, kuten palautelomakkeiden, sähköpostien, ja haastattelulomakkeiden, avulla vastausta kysymykseen "miksi". Kvalitatiivista tutkimusta käytetään apuna kerättäessä tietoa ihmisten asenteista, käyttäytymisestä, motivaatioista, kulttuurista tai elämäntavoista. Kvantitatiivinen tutkimus taas mittaa ihmisten käyttäytymistä, tunteita sekä ajatuksia tietyissä tilanteissa. Kvantitatiivinen tutkimus on numeropainoitteinen sekä pitää sisällään tilastollisia analyysejä.

Asiakastyytyväisyystutkimus pyrkii määrittämään yrityksen asiakkaiden tyytyväisyyden sen tuotteita ja palveluita kohtaan. Jotta tutkimus on luotettava ja käytännöllinen, pitää sen olla paikkansapitävä, todenperäinen, objektiivinen sekä taloudellisesti kannattava. Asiakastyytyväisyystutkimuksen teossa on monia riskejä. Tällaisia riskejä ovat muunmuassa väärä kohderyhmä; tutkimus ei kata koko otosta tai käytössä ei ole voimassaolevaa rekisteriä, tai on keskittynyt tietynlaisiin vastaajiin. Muita riskejä ovat muunmuassa puutteellinen kysymyslomake, haastattelijoiden huolimattomuus sekä tulkintavirheet. Näiden virheiden puitteissa tutkimus antaa virheelliset tulokset eikä ole paikkansapitävä ja todenperäinen.

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1 INTRODUCTION

Today the competition among companies is fiercer then ever. The world economy is talking about recession and more and more customer value becomes the key factor of success since companies cannot compete in product and service differentiation so much anymore. When a company is looking for quick ways to decrease the costs, most of the cuts are done in the information technology parts. Competition helps to keep a company working toward improvements and the only way to survive in a strong competitor-environment is by providing quality.

Service quality and customer satisfaction are usually considered the same. But service quality is a part of customer satisfaction and technically means the quality of customer service. Customer satisfaction points to the customer's total satisfaction towards the company. If the company serves their customers with a positive attitude, the company gets a positive reputation and lures new customers and best of all, keeps the existing customers satisfied. Customer satisfaction has become the most important part of the company. Juvonen (2009, 35) says that it is unprofessional to expect that if one customer is happy, all the other customers are happy too. It is safer to know then expect.

The purpose of this project is to give to the case company Takamäki Group the ability to measure their customer satisfaction which the company has never done before. This project gives the company examples of how to conduct a customer satisfaction survey and how to use the results as a benefit to its business. This project has been in collaboration with myself and the case company.

First I am going to briefly introduce the case company Takamäki Group. After that I will elaborate on the project's justification, following the theory of customer satisfaction. In the latter part I elaborate on the main points of quantitative and qualitative research and also the main points for customer satisfaction research.

2 BACKGROUND

2.1. Case company Takamäki Group

Takamäki Group was established in 1991 and it has become an IT line contract producer developing long-term customer relationships, implementing highly demanding application development projects and system integrations. Takamäki Group's innovative team develops and produces its own programme solutions for the special needs of clients and business lines. Takamäki Group solutions make customer's business activities more efficient and productive and enable its personnel to concentrate on its own core expertise.

Takamäki Group's business strategy is based on comprehensive research and an understanding of the customer's business processes. Loyalty to the agreed schedule and budget is the Takamäki Group's high priority. The Takamäki Group continually develops its own IT system products to meet the special needs of different business activities, serving customers in large corporations, in the public sector and in small and medium-sized enterprises. The Takamäki Group gets acquainted with their customer's business activity processes in close cooperation with the client company. They define how to implement custom-tailored applications and their services cover the whole lifespan of custom specific solutions, from consultation to development, launching and maintenance. The Takamäki Group's biggest customers are Finavia, Finnair, Neste Oil, Hartela Building Services Group, the Finnish Red Cross, the Association of Finnish Pharmacies (AFP) and The Finnish Radiation and Nuclear Safety Authority and the company collaborates with more than 50 companies. High customer satisfaction is the company's most important criterion in serving their clients.

(http://takamaki.fi/index.php?option=com_content&task=view&id=16&Itemid=28&lang=en)

2.2. Project justification

A project is a temporary and one-time attempt to create a unique product or service that brings about beneficial change or added value. Project management is the discipline of organizing and managing resources in such a way that these resources deliver all the work required to complete a project within a defined scope, quality and time and cost constraints. The principal challenge of project management is to achieve all of the project goals and objectives while honouring the pre-conceived project restrictions.

As I mentioned in the beginning of this paper, companies have fierce competition for customers these days. Customer satisfaction is the key factor in retaining customers. The Takamäki Group has a long history but they have never conducted a customer satisfaction survey before. They have been depending on their service quality through direct feedback from their

customers. The idea for this project came directly from the founder and owner of the company, Tapani Takamäki. He realized that to be able to compete in the recession today, you have to put effort in retaining the customers more than acquiring new customers because retaining old customers in much cheaper. I think it is important to measure the level of customer satisfaction in order to follow-up the possible changes that have taken place in customer satisfaction. It is crucial to listen to the customers and take their opinions into account when the Takamäki Group is developing its business.

The purpose of this project was to create a comprehensive package for the Takamäki Group about conducting a customer satisfaction survey: Why to do it, how to do it and general theoretical information about the reasons and means of doing it. I have collected a package together with Vesa-Matti Heino, Takamäki Group's software designer. Vesa has worked with Takamäki Group for 10 years now and knows their customers and processes very well. As the project moved forward, we decided to focus on its 20 biggest customers, Finavia, Finnair, Neste Oil Oyj, Hartela Building Services Group, the Finnish Red Cross, the Association of Finnish Pharmacies (AFP), Finnish Radiation and Nuclear Safety Authority, Tuuri Machinery Auction Oy, Medvia, Teliasonera, Alavuden Öljypuristamo, Tuuri Village shop (Tuurin kyläkauppa), Sampo Oyj, Visuvesi Ltd., MH-Betoni, Minerit, Nebula, Alavuden Betoni, Lipa-Betoni Oy, Yoigo, Keski-Uudenmaan Pelastuslaitos and Finvacon Oy.

3 THEORETHICAL ASPECTS RELATING TO CUSTOMER SATISFACTION

3.1. Current situation in relation to customer satisfaction

The case company does not have any previous studies about their customer's satisfaction. Because Takamäki Group is a very small company, all the feedback has been collected directly from the customers. This can be considerated a fault, if you are not able to give feedback anonymously, the feedback might not be as truthful as it could be.

3.2. Customer satisfaction

Customer satisfaction is a term well-known by everyone. For Takamäki Group to be able to understand its customer's satisfaction towards the company, it is important to explain what customer satisfaction means. Customer satisfaction can be defined as a positive reaction towards a product or service. It is always subjective and comparable, unique point of view. If the outcome does not meet the expectations, the customer is dissatisfied. If the outcome meets the expectations, the customer is satisfied. It seems self-evident that companies should always try to satisfy their customers since customer satisfaction is one of the most important measures in analyzing and defining company's success possibilities. (Rope & Pöllänen 1994, 58-59)

Customer satisfaction has been analyzed for a long period of time. Quality management has given strength and coherence to customer satisfaction. It helps to understand customers' demands and reveals the essential points of successful cooperation. Good customer relationships require total quality image and it measures how well the company handles the essential customer processes, for example the customer service, sales and production. (Lotti 2001, 63-67)

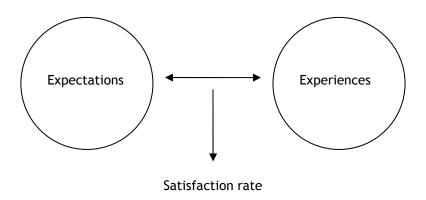
The customer is the success factor of every business. Without customers the company cannot operate. The customer has many roles. One of the most important roles is to bring sales revenue which is the basic principle for the company's successful operation. Also the customer has an important role as a spokesperson for the company. From the company's point of view the best customer is a satisfied customer who buys a lot and is easy to keep with low resources. This enables high profit with low costs. (Lahtinen & Isoviita 2001, 75)

The word "satisfaction" is like happiness - it is something we are all interested in and would like to measure - one that is hard to quantify. Johnson and Gustafsson (2000, 50) define satisfaction as a customer's overall evaluation of the purchase and consumption experience with a product or service. Satisfaction can be defined also as the total satisfaction or satisfaction

towards a service. A customer can be dissatisfied towards a single transaction but still satisfied towards the company overall. (Ylikoski 2000, 155).

Experiences and expectations form the satisfaction. The key in delivering customer satisfaction is to be able to influence customer's expectations and experiences and keep them in balance.

Satisfaction formed by expectations and experiences



Picture 1. Satisfaction formed by expectations and experiences (Rope & Pöllänen 1994, 29)

There are three expectation dimensions:

- 1. Ideal expectations are the ideals the customer has in mind concerning the company, for example the prices, location and friendly service. When examining ideal expectations, it is important to know that different people have different expectations. Therefore marketing should be targeted to the target group's special needs. Companies should focus on solving which of these ideal expectations they can deliver best.
- 2. Pre-expectations which means the same as image. These pre-expectations are in line with customer's own values and attitudes. Pre-expectations are always personal and affect purchasing decisions and the effect advertisements have on them.
- 3. Minimum expectations are the minimum level of expectations that the customer has set for himself/herself. These expectations can be personal, situational, branch oriented or company oriented.

Experiences can be categorized also into three dimensions:

- 1. A sub-expectation situations where the customer experiences the service more positively than expected.
- 2. A balance situation where the expectations meet the experiences.
- 3. An over-expectation situation where the customer is expecting more than he/she is receiving.

If the experience is positive, the expectation level increases and the customer relationships can strengthen or be created. If the experience is negative, the customer relationship can decrease or in the worst case dies completely; customers spread bad things about the company or products which creates a bad image. The ideal situation is to keep customer's experiences and expectations in balance and not to pursue perfection, which is too expensive. (Rope & Pöllänen, 1994, 30-40)

4 QUALITATIVE RESEARCH

According to Mäntyneva etc. (2003, 70), qualitative data can be obtained through many sources, for example from in-detail interviews, theme interviews, focus groups, observation, and projective methods. Qualitative researchers aim to gather in-depth understanding of human behaviour and the reasons for such behaviour. The qualitative method investigates the why and how of decision making, not just what, where, when. Hence, smaller but more focused samples are more often needed, rather than large random samples. Qualitative research involves open-ended questioning and the data is rich and often very revealing. (Sekaran 2003, 409).

Qualitative research is becoming more and more popular because it is commonly more cheaper due to smaller samples. However when thinking about time, for example in-depth interviews take much more time than filling up a simple questionnaire. Qualitative research enables better understanding of target groups; how customers relate to a single product or service or to a single feature of a product/service, or which factors affect their purchasing decisions. These examples describe the research problems which are difficult to assess out by conducting qualitative research. (Mäntyneva etc. 2003, 69-70).

4.1. Examples of qualitative data gathering methods

4.1.1. Interviews

Interviews can be very structured or loosely open interviews. In well structured interviews the researcher can focus on specific themes. If the interview is very open and loose, the interviewer must be more experienced and skillfull. In order for the interview to be successful, both the interviewer and interviewee must be very focused. Most of the errors come from changing the question form, the time point, leading the interviewee and marking the answers wrongly. (Mäntyneva etc. 2003, 71).

Interviews can be conducted face to face or by telephone. Some interviews can also be computer-assisted. The type of interview depends on the time-scale, issue complexity, convenience amd the survey's geographical cover area. In section 6 I have explained the advantages and disadvantages of interviewing.

4.1.2. Focus groups

The aim of focus group research is to learn and understand what people have to say about the topic and understand their arguments. A focus group usually consists of seven to twelve persons and a moderator is leading them in an in-depth discussion on a particual topic or concept. This helps to keep the discussion intensive and to get enough different view points. The focus group method is mostly used in consumer marketing research since the task of getting managers, engineers and sales management together is costly and time-consuming.

Mainly there are three focus group types: Piloting, which can be used in the beginning of the research to direct and define the research problem, experimenting, which enables a possibility to explore the person's satisfaction towards the product or service and clinical, which consists of the person's true feelings and motivations. The main advantage of the focus group is that it enables a small group to produce new ideas and valuable viewing points more effectively than a large group of people. Usually focus groups get together face to face, sometimes via video conferences and telephone conferences.

4.1.3. Observation

Observation can be defined as systematic data collecting from persons under observation. Observation can be considered as a very important tool for marketing research. It enables interpetation and measurement of the person's true behaviour in certain situations. Observation can occur in a real environment or in a specifically designed test environment. Usually test environment observations are cheaper but real environment observations are more authentic.

One example of observation is videotaping customers in shops, where a structured checklist is used to record behaviour such as directions that customers take. Popular forms of observational research include the mystery shopper or mystery customer technique to test the quality of the customer experience or customer service quality.

4.1.4. Table of advantages and disadvantages of qualitative research

Advantages of qualitative research	Disdvantages of qualitative research
Provides in-depth and detailed information - may not get as much in-depth as a standard-ized questionnaire	Fewer people studied usually. More easy to generalize the result
Openness -can generate new theories and recognize phenomenon ignored by most or previous researchers and literature	Difficult to classify data and make systematic comparisons
Allows the researcher to describe existing phenomena and current situation	Can be very subjective as the researcher often includes his/her own experiences and insights as part of the relevant data thus making complete objectivity impossible

Table 1. Advantages and disadvantages of qualitative research

5 QUANTITATIVE RESEARCH

Quantitative research is about measuring and quantifying measurements with data.

Quantitative research can be used to measure customer awareness and attitudes to different manufacturers and to understand overall customer behaviour by taking a statistical sample of customers to understand the market as a whole. Quantitative research is numerically oriented and involves statistical analysis.

Quantitative research can be observational (subjects usually measured once) or experimental (subjects measured before and after treatment). Observational study can fulfill and replace questionnaires and interviews. In experimental study hypothesis is tested in special test environment. (Isoviita & Lahtinen 1998, 104-107).

5.1. Examples of quantitative data gathering methods

5.1.1. Surveys

Surveys are most commonly used to gather a lot of information about a target group's impressions, opinion and attitudes. Surveys can be used for general surveying and as a preresearch for more specific researche. If the the population is not carefully targeted, the surveys are not useful. The data has to be collected from people, events or objects that can provide the correct answers to solve the problem. The process in selecting the right people, events or objects is called sampling.

In a letter survey the respondent receives a cover letter, return envelope with postage costs paid, and the questionnaire. The questionnaire has to be clearly formed and as short as possible, because it is a fact that the longer the questionnaire, the less answers are received. If the answering dead line is over and not enough answers have been received, the same questionnaire can be sent again to other respondents. In order to avoid sending the questionnaire to already answered respondents, discreet numbering can be used. In some cases the numbering can reduce the answering since some respondents wish to stay totally anonymous. The cover letter should include the research purpose and topic. Also signing the cover letter personally increases the response percentage because the letter feels more personal.

Since the Internet has received more and more users, the usage of the Internet and email surveys has increased. Cost efficiency can be mentioned as the main benefit but at the same time the response rate is very low. There is specifically designed software and email forms

for conducting these Internet surveys. Some organizations utilise their own Internet pages for collecting one-time or regular research material. (Mäntyneva etc. 2003, 71).

5.1.2. Omnibus studies

Omnibus studies can be defined as continuous studies where the client can ask a limited number of questions for reasonable costs starting from one question. Cost efficiency is based on sharing the same study among a number of clients. Mostly Omnibus studies are conducted weekly, monthly or on a quarterly basis, through personal interviews or telephone interviews.

Omnibus research is suitable for heavy data - for example the usage and purchase of products - but less suitable for attitude and opinion studies. Typically an omnibus survey lasts for 40 minutes or more and during that time the respondent might have to answer to six or more entirely different topics. (Proctor, 2003. 143).

5.1.3. Panels

A panel consists of persons, households or business firms which respond to questions from time to time. A certain panel may exist for as long as a year or more or only for a week. Panels are used for example for measuring how marketing communications affect purchasing behaviour. Panel participators have to write down specific notes about their purchasing behaviour which is not typical for everybody. (Proctor 2003, 138).

As Mäntyneva etc (2003, 50) mentions, panels have many known challenges, for example the changing of the panel members or changes in reporting. The members are expected to make detailed notes about their purchasing behaviour which is not typical for all customers and in that way it has an effect on the credibility of observations.

5.1.4. Table of advantages and disadvantages of quantitative research

Advantages of quantitative research	Disdvantages of quantitative research
Objective and can be measured so that comparisons can be made	Findings can be biased by researcher's perspective. The researcher must try to keep a 'distance' from the subjects - they can use unknown respondents and should make no attempt to get to know the respondents other than to collect data from them
Results can be reduced to few numerical statistics and interpreted in few short statements	Provides narrow, unrealistic information using measures which capture only a small proportion of the concept originally under study. This raises a question whether the research actually measures what the researcher claims it does. Hence, quantitative research has a low validity
	The results may be statistically significant but are often humanly insignificant

Table 2. Advantages and disadvantages of quantitative research

6 DATA COLLECTION METHODS

There are several data collection methods, each with its own advantages and disadvantages. Interviewing, questionnaires and people observing are the three main data collection methods in survey research. When choosing the correct data collection method there are things to be considered: the accuracy needed, the resources possibility, the expertise of the researcher, the time line and of course the costs spent on the research.

6.1. Table of advantages and disadvantages of interviews and questionnaires

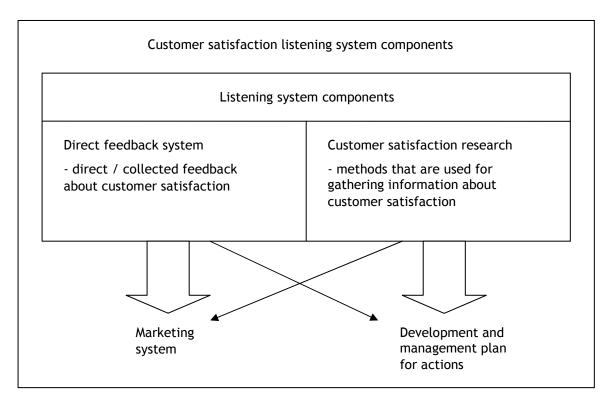
Interview type	Advantages	Disadvantages
Online interviews	Easy for a researcher to administer	Low response rates
	Low cost	Poor response to open ended questions
	Respondents can complete in a time to suit them	Misunderstanding of questions can not be rectified by an interviewer
	Easy to complete questions	Attracts response from com-
	Visual explanations can be provided	plainers or the very satisfied
Face-to-face interviews	Ability to build rapport and hold the respondent longer	Expensive for a geographically dispersed population
	Queries can be answered	Takes longer to carry out the fieldwork because of the lo-
	Good response to open ended questions	gistics
	Additional observations	Large sample of respondents
Telephone interviews	Quick	Can be boring for respondents when there are dozens
	Ability to clarify questions	of attributes to rate
	Low cost	Some consumers are hard to access by phone
	High control of interviewer standards	Cannot show explanatory visuals
	Easy to ask for ratings using simple scales	Visuals
	More personal	
Personally Administered	Ability to build rapport and motivate the respondent	High commitment of person- nel which takes a lot of com-
questionnaires	Ability to clarify questions	pany resources
	Low cost	
	Almost 100 % response rate	

	ensured	
	High anonymity of respondents	
Mail questionnaires	Respondents can complete in a time to suit them	Response rate almost always low
	High anonymity of respondents	Cannot clarify questions
		Follow-up procedures for
	Wide geographical areas can be reached	non-responses necessary
Electronic questionnaires	Easy for a researcher to administer	Computer literacy is a must
	Wide geographical areas can be reached	Respondents must have access to the facility
		Respondents must be willing
	Low cost	to complete the survey
	Quick	
	Respondents can complete in a time to suit them	

Table 3. Advantages and disadvantages of interviews and questionnaires

7 CUSTOMER SATISFACTION RESEARCH

I would define customer satisfaction research as a marketing research that helps the company to determine their customer's satisfaction towards their products and services. Companies can follow-up the development of customer satisfaction by conducting continuous or regular researches and based on the results, develop its actions. Researching customer satisfaction can be easily mixed with listening to customer satisfaction. Listening is a system that helps the company to gather and save customer feedback. Actually the listening system includes the customer satisfaction research and so called direct feedback system. Both of them are crucial in measuring customer satisfaction but cannot determine the customer satisfaction level alone. (Rope & Pöllänen 1994, 56-57).



Picture 2. Customer satisfaction listening system components (Rope & Pöllänen 1994, 57)

As we can see from the image the direct feedback system gives development impulses mainly for the marketing system and secondly to the development plan and vice versa. These tools are meant for using side by side and they support each other.

8 PLANNING THE RESEARCH

The customer satisfaction research moves forward in steps. In the picture below I have elaborated the process.

Customer satisfaction research helps the company to understand how to increase customer satisfaction and how the company's actions effect customer satisfaction. The research has four main goals:

- 1. Finding out the actions that bring satisfaction to the customers
- 2. Finding out how well the company is currently producing customer satisfaction
- Analyzing the results and taking the necessary actions to ensure customer satisfaction
- Conducting continuous customer satisfaction surveys to enable the development of customer satisfaction

The hard way is to discover which aspects make the customers happy or unhappy, so the first thing is to discover the key points that bring satisfaction for the customers. The best way to find out the important aspects of customer satisfaction is qualitative research. Sources for qualitative data can be in-depth interviews, participant or non participant observations, films and videotapes and case studies. (Ylikoski 2000, 156-159).

A questionnaire can be defined as a research instrument which consists of a series of questions as the purpose of gathering information from respondents. A questionnaire is an effective method for data collection when the researcher knows what is required and how to measure the variable factors.

The questionnaire has three major parts; the introduction which has to be persuasive and has respondants who fit to sample, the body which consists of questions that cover information needed to solve the marketing problem and the basic data of all the demographics about the respondents. Self-identification is the starting point of the questionnaire. Prior to the study the company has to identify the research problem or objectives, for example what we need to study, why we need to study and how to conduct the study. (Proctor 2003, 178-180).

A typical questionnaire has the following questions:

1. "Check-up questions". These questions are for screening out respondents that don't belong to the target group, for example people who don't use the Takamäki Group's services or

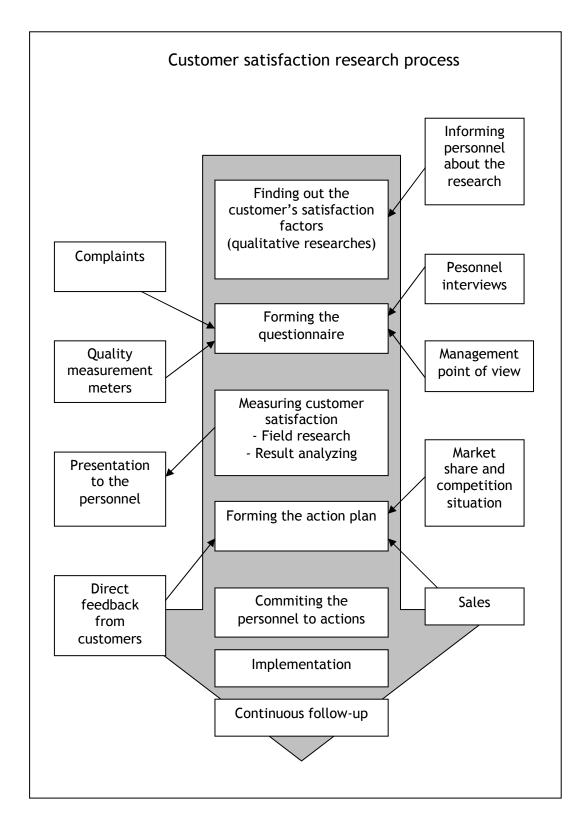
products. If the research is based on up-to-date customer database, these check-up questions are not needed.

- 2. Grade point average; measures the grade that the customer gives to the Takamäki Group (scale 1-10 or 4-10).
- 3. How the Takamäki Group is overcoming the customer satisfaction motives; measures customer's view point how Takamäki Group has succeeded in producing satisfaction.
- 4. Puchasing intentions. Because Takamäki Group is of course interested in how loyal the customer will stay in the future, it is common to ask the respondent to evaluate the chances their using the services again. In addition it can be inquired if the respondent is willing to recommend Takamäki Group to colleagues.
- 5. Data concerning the service. This data is used for grouping the customers to key customers and random customers. In addition it can be inquired which competitor services or products the customers use.
- 6. Background information. Commonly asked questions are age, gender, income and education. All these questions are essential in analyzing research results.

Usually the questions are classified in advance because it expedites the result analyzing. It is also common to use some open questions at the end of the questionnaire where the respondent can elaborate his/her own opinions. (Ylikoski 2000, 162-163).

Nowadays companies can decide whether to design and conduct the survey themselves. In this case I would suggest that Takamäki Group should outsource this study because they are a small company and they don't have enough experience about survey handling. This would enable the maximum benefit for them to be able to handle the results. As an example I will present an example questionnaire that could be used in the study and also the means for conducting the study themselves if they wish to do so. Outsourced surveys can be cheaper in the long-run due to economies of scale and specialized staff, expertise and software available. The outsourced survey can also be more trustworthy to the customers, as they will see it coming from an independent party.

For a small company, as Takamäki Group is, the best way to gather the answers is to create a personal administered questionnaire. As the main advantage I would mention the minimum time spent on the response gathering time.



Picture 3. Customer satisfaction research process (Ylikoski 2000, 157)

Basic demands for customer satisfaction research

In order for the research to be trustworthy and practical, it has to fullfill certain aspects of marketing research. *Validity* is the concept that ensures that the test measures what it claims to measure. Validity is vital for the test to be valid in order for the results to be accurately applied and interpreted. *Reliability* refers to the measurement consistency. A test is considered reliable if the same test results are received repetitively. *Objectivity* is reached when the researcher won't let his/her own values, experiences and views affect the results. Objectivity can be tested by changing the interviewer. The reseach also has to be *economically profitable*. Research is profitable when its benefits and expences are in a correct balance. If the company's profitability does not increase, the research is unprofitable which usually is discovered after the research. The research results have to be *quick and upto-date* at the decision making point. If the results are received too late, they are old and do not provide good enough information. Finally the results have to be *relevant and usable*. Irrelevant information is pointless and increases costs and takes time and complicates the decision making. The reason for the research is to benefit decision making and find out things that cannot be determined in other ways. (Isoviita & Lahtinen 1998, 26).

Because of these above-mentioned demands, there are many risks in conducting customer satisfaction research. These risks are for example; having a wrong target group, the research does not cover the whole sample or there is not a valid register and is focused on certain types of respondents. Other risks are an imperfect questionnaire, negligence of the interviewers and errors in interpretation. As a result the research gives false results and is lacking validity and reliability. (Isoviita & Lahtinen 1998, 27).

Customers express their satisfaction in many ways. When the customer is satisfied, they mostly say nothing but return again to buy or use more. When asked how they feel about a company or its products in open-ended questioning they respond with anecdotes and may use terminology such as delighted, extremely satisfied, very dissatisfied etc. A market trader has a continuous pressure in relation to customer satisfaction. Direct contact with customers indicates what the company is doing right or where going wrong. Such feedback is valuable in any company but hard to formalize and control. For this reason surveys are necessary to measure customer satisfaction.

9 CONCLUSIONS AND SUGGESTIONS

Customer satisfaction has been studied for many years and in every company the amount of effort put into enable the high level of customer satisfaction is increasing due to the need of cost the decreasing. I hope to have included the key elements that have to be taken into consideration in customer satisfaction survey planning and conducting. The process of this thesis has been quite long and time consuming but I have to give my personal thanks to the case company for their efforts too. I hope that this project has given them the theory and reasons to conduct a customer satisfaction research for the first time ever.

Since customer satisfaction survey conducting is a long and difficult process, I would suggest that the Takamäki Group assign it to an outsourced company. The company does not have any experience from that field and I would suggest that they could outsource the research for example to students as a project. That enables the validity of the research and gives objective points of view. Also it is more cost efficient to outsource the research.

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APPENDIX 1

Asiakastyytyväisyystutkimus

Hyvä Takamäki Yhtiöiden asiakas,

Haluamme kartoittaa asiakkaidemme tyytyväisyyttä tuotteisiimme ja palveluihimme, jotta voimme jatkossa kehittää toimintaamme entistä enemmän Teidän toiveidenne mukaisesti. Toivomme rehellisiä vastauksia, sillä juuri Teidän mielipiteenne on tärkeä. Tämän tutkimuksen tarkoituksena on parantaa Takamäki Yhtiöiden yleistä tasoa ja näin ollen tästä tutkimuksesta on hyötyä myös Teille asiakkaana.

Kaikki vastaukset käsitellään luottamuksellisesti eikä yhteystietojanne julkaista missään julkisesti. Vastaamalla tähän kyselyyn osallistutte arvontaan, jossa arvomme yhden matkalahjakortin, jonka arvo on 500 euroa. Toivon vastaustanne xx.xx.xxxx mennessä.

Ystävällisin terveisin,

Takamäki Yhtiöt Vesa-Matti Heino

1	Mikä seuraavista vaihtoehdoista kuvaa yrityksenne toimialaa parhaiten?
	Rakennusteollisuus
	Kemianteollisuus
	Lääketeollisuus
	Palveluntuottaja
	Telekommunikaatioala
	Kansalaisjärjestö
	Viranomainen
	Vähittäismyynti
	Kiinteistöyritys
	Monitoimialayritys
2	Mikä on yrityksenne vuotuinen liikevaihto?
	Alle 200 000 euroa
	200 000 - 600 000 euroa
	600 000 - 1 000 000 euroa
	vli 1 000 000 euroa

3	Roolini yrityksessä
	Käytän Takamäki Yhtiöiden tuotteita /palveluita asiantuntijaroolissa
	Olen mukana määrittelemässä tarvittavia tuotteita/palveluita
	Olen mukana kehittämässä tuotteita / palveluita
	Päätän yrityksen tuote- / palveluhankinnoista
4	Kuinka monta vuotta olette ollut yhteistyössä Takamäki Yhtiöiden kanssa?
	alle 1 vuotta
	1-3 vuotta
	4-6 vuotta
	yli 6 vuotta
5	Kuinka tärkeiksi yrityksenne toiminnan kannalta arvioisitte Takamäki Yhtiöiden tuotteet ja palvelut?
	Erittäin tärkeä
	Tärkeä
	Kohtalaisen tärkeä
	Ei kovin tärkeä

6	Mielikuvani Takamäk	i Yhtiöistä or	1		
	Luotettava				
	Asiantunteva				
	Nykyaikainen				
	Edelläkävijä				
	Yksilöllinen				
	Muu, mikä?				
7	Kuinka tyytyväinen o osa-alueisiin:	lette Takamä	iki Yhtiöiden t	oiminnan seu	ıraaviin
		Erittäin tyytyväinen	Tyytyväinen	Tyytymätön	Erittäin tyytymätön
	Toimitusaika	0	0	0	0
	Toimitusvarmuus	0	0	0	0
	Tuotteiden hinta-laatu - suhde	0	0	0	0
	Valikoima	0	0	0	0
	Tuotteita koskevan tiedon saatavuus Internet - sivuilta	0	0	0	0
	Kyky ratkaista käytännön ongelmia	0	0	0	0
	Kyky ymmärtää asiakkaan liiketoiminnan luonnetta	0	0	0	0
	Myyntihenkilökunnan asiantuntemus ja ammattitaito	0	0	0	0
	Myyntihenkilökunnan ystävällisyys ja palvelualttius	0	0	0	0
	Asennushenkilökunnan asiantuntemus ja ammattitaito	0	0	0	0
	Asennushenkilökunnan ystävällisyys ja palvelualttius	0	0	0	0
	Laskutuksen selkeys ja oikeellisuus	0	0	0	0

8	Minkä kokonaisarvosanan antaisit käyttämillesi palveluille kouluarvoasteikolla 4-10?
9	Mitä parannettavaa palveluissa voisi mielestänne olla?
10	Minkä kokonaisarvosanan antaisit käyttämillesi tuotteille kouluarvoasteikolla 4-10?
11	Mitä parannettavaa tuotteissa voisi mielestänne olla?
12	Muuta palautetta tuotteiden/palveluiden edelleen kehittämiseksi. Mielipiteenne toiminnastamme?
13	Kokonaisarvosana Takamäki Yhtöille kouluasteikolla 4-10

Kiitos vastauksistanne!

Jos halua	ıtte osallistua	500 euron	matkalahjako	rtin arvontaan,	olkaa l	hyvä jo
jättäkää	yhteystietonr	ie.				

Nimi	
Yritys	
Puhelin	