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Customer Relationship Management and Observation of three Main CRM-Related Processes of the Scientific& Technological Research Council of Turkey

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Abstract

The competition between the firms in the economy has given a huge weight on the relations of the organizations with the customers. The overall wide spreaded technology allows the producers to produce their goods in equal quality, what makes the customer relationship even more important for the distinguishment. Today the customers have a great variety of choices for almost every product. That is why the firms try to lock the customers by finding new methods under customer relationship management[1].

This paper will try to give a brief inside look to the CRM, which seems to have such importance to the firms. In the first part of this paper the general idea and the general definitions of the customer relationship will be explained. The theorie of the CRM will be with details researched. In the second part, which will be a real time observation, the three CRM-related processes of the Scientific and Technological Research Council of Turkey(STRCT) are going to be the studied in detail.

[1] Kirim (2001), S.4.

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1. Introduction

1.1 Problem Definition

The century we are living in right now has the power of sudden changes in every area of our lives. The changes in the business sector is just one of them. These changes bring also rational theoretical developments in the companies. It becomes everyday more obvious that the traditional marketing methods donot provide the needs of the the same and new companies. Day by day distinguishing among and competing with so many others gets even more and more difficult, what means difficulty by selling the products.

The changes and developments mentioned above created more and more customer oriented companies and put more value to the customer relationship management(CRM). For all companies a well functioning customer relationship became the key factor to high profits.[2] Commonly used face to face relationship as an example, which is actually not a new concept for the firms, is an often used method of marketing for the firms since the development of the communication mediums. The progress of this and other methods created a relationship, which puts the customer in the center of the relationship and builds everything around according to the needs of the customers. Thus the companies began to compete in the customer gaining, customer satisfaction and creating customer loyalty processes.[3]

1.2 Objectives

The objective of this seminar thesis is to define the customer relationship management theoretically and to show how this theoretically explained method is functioning in the reality.

[2] Kovanci, Ahmet (2001), p.14.
[3] Kirim, Arman (2001), p.5.

The details of the processes related to customer relationship will be exposed to the reader by giving real-time examples. It will allow the reader to understand the customer relationship management and see the application of theory in real life.

The thesis will try to answer the following questions:

- How is CRM in literature explained and recommended?
- How does real time CRM processes work?
- What are the differences of the theory and the real time experience?

1.3 Method of the Paper

The paper is constructed in two different parts. The first part of the paper is the theory part of the thesis and gives a brief inside look to the customer relationship management. In this part the method is explained in detail and things to be understood under the idea of the customer relationship management are made clear. The importance of the customer relationship today for the companies and the contribution of it to the success of the company in the future are indicated.

In the second part of the paper the three CRM-related processes of the Scientific and Technological Research Council of Turkey (STRCT) will be described in detail for the real-time example. That should help for the better understanding of the theory and in what way STRCT uses to distinguish itself from the competitors in the market and to offer the best services to the customers.

As the thesis comes to the conclusion part the reader should see, how the companies try to achieve a well functioning customer relationship management, which processes should be used and in which conditions they should be used. By seeing the functioning characteristics of the STRCT processes

the reader will get a broad idea of the importance of the customer relationship management and what the organization try to constantly improve its customer relationship management.

2. Customer Relationship Management

In general the word customer is being used to determine the person, who purchases anything from a company or an organization.[4] In today's world anyone and everyone could be a customer. And the plain definition of customer relationship management is the process, which bears all the activities between the customer and the company before, during and after the purchase.[5] This process can also be seen as the strategic approach that obligates the firms to find all the information possible about the customer for the satisfaction of their needs.[6]

To gain a permanent effective customer relationship management, it is important to see the tendency of the customer relationship development in the last decades;[7]

- 1960 …… New products
- 1970 …… Producing at low costs
- 1980 …… Total Quality
- 1990 …… Customer Relationship Management

Thus the customer orientation could be seen as the final point of marketing development that has been reached today. This point of view allows accepting the customer relationship management as a kind of marketing and the customer relationship as a strategy of the firm.

At this point it is important to explain, why the customer relationship management is more a customer centric process than customer oriented process. Customer orientation is a definition that comes along with the total quality management. However customer centric thinking and process is the one comes along with the customer relationship management. The customer cen-

[4] Odabasi, Yavuz (1997), p.3.
[5] Odabasi, Yavuz (1998a), p.79.
[6] Kirim, Arman (2001), p.85.
[7] Odabasi, Yavuz (1998a), p.75.

tric process includes all the processes beginning with what to produce, how to advertise and how to support the customer before and after the purchase.[8] This leads us to another definition for customer relationship management; it is the way of thinking, how to get to know the customer needs, create the life-time loyalty, and create new products for different needs for the whole time. [9]

A company accepting to behave customer centric explains the points and needs of a well-functioning customer relationship management to all members of the company and also makes them accept to behave according to this. Every each member of the firm should acknowledge the importance of a well-functioning customer relationship management. This is why the success of CRM comes with the learning and applying the knowledge of the members to the firms. [10]

As the individuals show progress at their work, they will feel a new bound to their work, what bears within the better services for the customers and development of the organization. Learning organizations have accepted being flexible and consistent. In another way, relationships between the individuals, flexibility and adaptations to the needs of the others are the most important assets of a firm in this globally competing market.[11]

2.1 Collecting Information about the Customers

The beginning point of customer relationship management is to provide the most possible information about the customers and define a CRM according to the information collected. The chances of competing among the other firms decline with the lack of information obtained and the following marketing, based on that information.[12]

[8] Kirim, Arman (1998), p.80.
[9] Kirim, Arman (2001), p.53.
[10] Taskin, Erdogan (200), p.96ff..
[11] Braham, J. Barbara (1998), p.9.ff.
[12] Kirim, Arman (2001), p.61ff..

The customer relationship management needs strategic thinking and development.
These are[13];

- To create a customer centric strategy for the firm and newly define the effects of the customer on the organization,
- The customer centric structure development of the organization,
- New projects to manage the developments,
- And to create and educate the right personnel.

And again the strategic way of thinking has to do a lot with the information. Knowing the existing products, the needs of the customers and the products to be developed according to the needs of the customers builds the base of strategic thinking.[14]

There are different kinds of customers, some of them wish to have a long lasting relationship, some could be more passive but profitable; profitable because they would be satisfied easily. Both these and other kind of customer needs should be equally known and the company should be able to behave due to the wishes and expectations of different kinds of customers.[15] Salient Multi Attribute Research Technique (SMART) is one of the methods being used to determine the needs of the customers. The purpose of this method is to get the information about the customers directly from their mouths. One of the most important characteristics of this method, is to give the initiative to the customer himself and guide them as they explain their thoughts and ideas.[16]

Don Peppers and Martha Roggers point to the importance of getting to know the customer types the best way you can. Using the same products does not mean that it satisfies two different customers in the same way, at the same time. For example one bank client could use a banking account for invest-

[13] Kirim, Arman (2001), p.65.
[14] Clayton, Susan (1999), p.71.
[15] Seybold B. Patricia, Marshak T. Ronni (2001), p.68.
[16] Taskin, Erdogan (2000), p.113ff..

ment reasons while another client could use it just for saving reasons. In this case the bank should realize the different needs and act differently to the customers. Otherwise the satisfaction of one party would mean not fulfilling the needs of the other party. [17]

2.2 Customer Value and Customer Satisfaction

With the rise of customer relationship management the paradigm of customer satisfaction has lost its value to the concept of customer value. But it is still not deniable that the customer loyalty is positively related to the customer satisfaction.[18]

Although it is possible to understand the opposite from the statement above, the customer value and customer satisfaction are also positively related. If the firms want to achieve customer satisfaction, they should not only satisfy the needs of the customer today, but define the needs of tomorrow and should try to satisfy the needs of the tomorrow, too. The following equation is a basic explanation of the customer value;[19]

$$V = R - E$$

where V stands for Value, R for Result and E for expectation of the customers. If the expectations of the customers are higher than the result of the goods/services they got today or in the future, then the customer value is negative and vice versa.

Altintas shows the differences between the customer satisfaction and value in the following table.

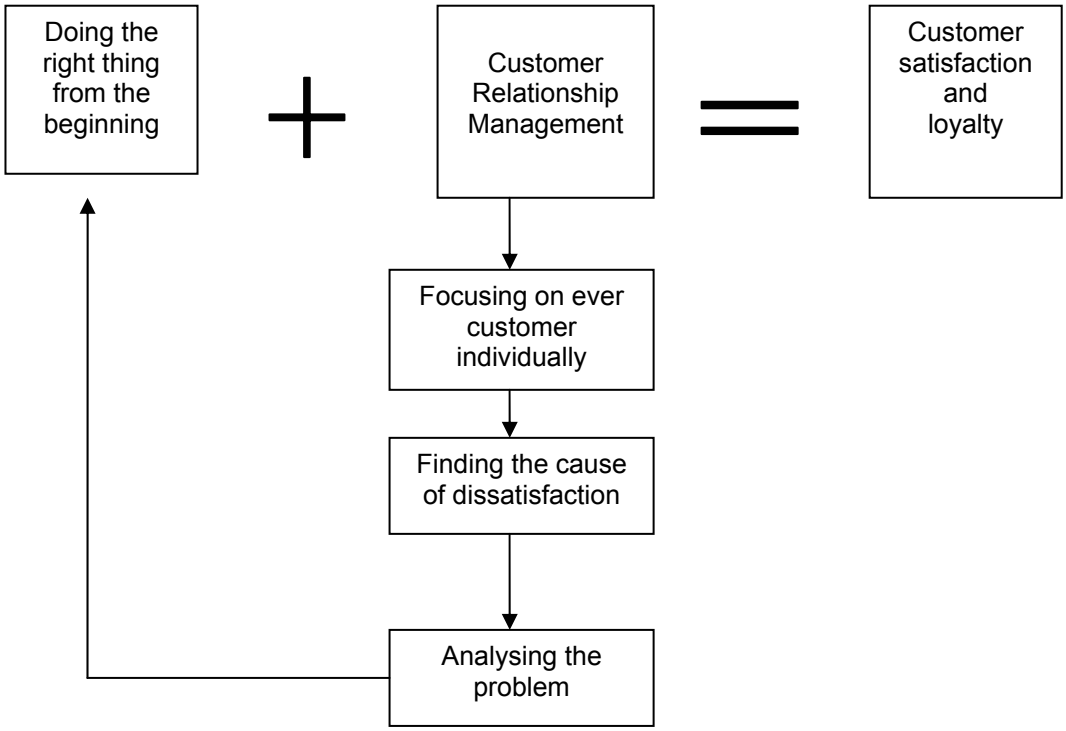
[17] Fırat, Ebru (2000a), p.27.
[18] Altintas, Murat Hakan (2000), p.67.
[19] Altintas, Murat Hakan (2000), p.68ff..

Customer Satisfaction	Customer Value
Shows the effections of the customers to the goods/services.	Show what the customer wishes as a good/service.
Past related. It is the feeling of the customer during or after the use of good/service.	Future related.
It could be seen as a scorecard to the firm showing what has been achieved so far and not.	Plays a guiding road for the company for the future achievements.

Tabel 1: Differences between customer satisfaction and value.
Source: Altintas, Murat Hakan (2000), p.76.

The company, which has a high customer loyalty must also have a high customer value. Understanding what causes this high value allows the company to achieve even more value and high sale rates.[20]

The picture below helps to understand the way to the customer satisfaction.



Picture 1: Way to customer satisfaction.
Source: Odabasi, Yavuz (1997), p.5.

Also seen in the picture 1 doing the right thing from the beginning plays a huge role by customer satisfaction. Doing the right thing today for the future allows companies to achieve more customer value and also customer satis-

[20] Seybold B. Patricia; Marshak, T. Ronni (2001), p.69.

faction at the same time, what leads to customer loyalty. Here the positive relation between the customer satisfaction and the value can easily be understood. Finding the wishes and expectations of the customers and the way to satisfy them for the future is what the companies should do to achieve high profits.[21]

Both Kotler and Don Pappers claim that the way to a high customer value is possible by having both customer satisfaction and loyalty. Companies building customer databases search continuously ways of increasing the customer loyalty. According to Kotler a 5% rise by customer loyalty results in 35-85% rise in customer value.[22]

However in some sectors measuring the customer value is hardly possible. These sectors try to make a prognosis for the value according to their databases. The president of the Turkish Customer Relationship Institute Gültekin Güldür explains the customer value has to be considered as the top priority by finding the organization's net value. He names several customer value keys as a way of finding the customer value[23]:

- Profit per customer is the most significant indicator for its value.
- Customers with high socio-economic status or customers, who are being taken as role models in the community have a high value.
- Customers, to whom the company can cross-sell its products have high value.

According to Ramaswamy there are three key factors, that have to be paid attention for having high customer values[24];

- the development by the competition,
- changes of the customer needs,

[21] Odabasi, Yavuz (1997), p.6ff.
[22] Firat, Ebru (2000b), p.152ff.
[23] Firat, Ebru (2000a), p.12.
[24] Ramaswamy, Rahit (1996), p.352.

- and changes in the environment as the customer needs stay the same.

The customer value is a life time value, which implies that it also has a strategic character for the companies. Losing customer value means loss of profit and loss of organizational value at the same time.[25]

2.3 Creating Customer Loyalty

Deminy tells that the companies make the real profit not from the happy customers but the loyal customers. A happy customer could buy once and be happy with the product but loyal customers keep buying company's products. B. God Frey talks from the four categories of customers;

- ones, that observe the company continuously,
- satisfied customers,
- normal customers,
- and the unsatisfied customers.

He adds that the type of customers from the third and the fourth category are four times likely to choose another provider for the same product.

The customers remember always the companies that solved their problems. To convert an angry customer to a loyal one, the members of the company always have to remember behave according to phrase "Customer is always right". A survey made by the Burke Customer Satisfaction Associates shows that the most loyal customers are the ones, that once had problems with the company itself or its product.

Laure Gregg one of the technical tutors in Wizard Textware found in researches that finding loyal customer increases the company's profit at least

[25] Firat Ebru (2000a), p.15.

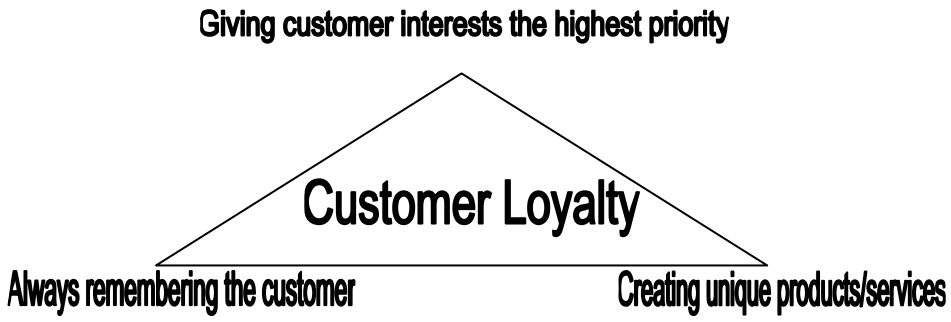
5%. A 2%-rise in the customer loyalty causes 10% drop in company's costs. Loyal customers should be registered and searched for their needs and thoughts to achieve even more customer loyalty.[26]

For the companies just providing the education to the employees and hoping for good customer services do not help for customer loyalty. Creating a project on its own, in that the employees could use their knowledge for creating good customer service is the only way to reach high loyalty rates.[27] These projects should afterwards create the backbone of the program for the customer relationship management.[28] Imitation of products and services are easy but imitation of such a program for the customers could be much more difficult, even impossible. This in the end is a unique product for the customer, which they can find nowhere else. Here lies the actual meaning of the customer relationship management; it is a strategy that as a first step, learns the customer needs and then distinguishes the company among others by offering unique opportunities and possibilities with the aim of increasing the customer loyalty.[29]

For example if a customer always buys from the same grocery, after some time he would probably wish to be remembered or even called by his name. Or being remembered and given the same favorite table in a restaurant for a loyal customer means a lot more than the delicious meal he orders every time he eats there.[30]

The picture below shows the three important criterions for the customer loyalty. These criterions help the customer to feel important and unique for the company and give him reason to continue his purchase of the same product or service from the same company.

[26] Kovanci, Ahmet (2001), p.93ff.
[27] Gerson, F. Richard (1997), p.20ff.
[28] Young, Trevor L. (1998), p.48.
[29] Kirim, Arman (2001), p.179.
[30] Mc.Cormack, Mark, p.601.



Picture 2: The three criterions for the customer loyalty.
Source: Odabasi, Yavuz (1997), p.7.

2.4 Customer Centric Thinking

The time the companies stop acting according to the special needs of the customers, they will no longer be able to compete in the market. That is why it is not a waste, to tell once again, that defining the processes customer centric, educate the employees and develop projects parallel to customer needs has a huge value for the company.[31]

In the 21st century it is not companies that only satisfy the needs of the customers but also making their purchase for them more entertaining. Being customer centric means, that the company starts thinking just like the customer himself and behave like a customer with the purpose of getting closer to real customers than the competing companies. Because binding the customer is only possible, if the company starts thinking and deciding as the customer. So the thing is to think as a real customer. The Polaroid camera is one of the best examples to give for this case. The wish, which was needed to fulfill was to see the pictures right after taking them. And Polaroid as a result of customer centric thinking, made it possible and got ahead among other camera producers for the time.[32]

By providing customer satisfaction and by customer centric thinking there are three main factors[33];

[31] Kirim, Arman (2001), p.65.
[32] Johnson, Mike (1998), p.82ff.
[33] Bentley, Trevor (1999), p.164.

- continuously controlling customer satisfaction,
- keeping the customer up to date,
- providing customer support.

Customer centric thinking requires all these three points parallel to developing technology and changing needs. As an example here the T-Model of Henry Ford could be given. He created an auto according to the needs of the customers and once again due to increasing demand after a while he created mass-production.[34]

The companies should be analyzing themselves to see, if they are customer centric or not. There are several obstacles within the companies that interfere with the customer centric thinking. First of all, in today's world most of the grown ups lived merely in a world, that was product centric. The conversion from product centric thinking to customer centric thinking could be in some cases very difficult. The other problem is commonly seen during companies' expanding period, during which the intern problems could inevitably take the place of the customer needs and problems. That also has a negative effect on customer centric way of thinking. Also during this time, because the ones, who make the decisions in the companies, move always further away from the customer, what causes the loss of the empathy with the customer, which directly effects customer centric thinking.[35]

Thus the companies must evaluate themselves periodically to see if they still can think customer centric and act customer centric. A company, that reached a certain level of customer centric thinking once should not lose it but improve it.

[34] Kirim, Arman (1998), p.154ff..
[35] Kirim, Arman (1998), p.156.

2.5 Advantages of CRM in Competition

Porter does not see the internet as a place to compete, but a platform, that everyone has access to and in which everyone has to exist. Thus he does not consider internet as a way of gaining advantage in competition.

The real competition is more the traditional one. For example different products, different ingredients or customer relationship managements could be advantages in competing. In the future the internet platform will be much more interesting than today, the companies with huge customer profiles will be able to use that platform in a very different kind of way than the other loser companies, which can hardly sell products in the real world today. First the competition must be won in the real world, in the traditional way.[36]

In customer relationship, face to face marketing and face to face relationship are two different things. In face to face relationship these four criterions must be fulfilled[37];

- Defining the customers in every detail.
- Grouping the customer according to their needs and wishes.
- Trying to develop better relations to the customer according to their potential value.
- Taking all needs of every customer into consideration and sometimes producing with social limitations.

And all these four must be done face to face, in direct contact with the customer. The companies fulfilling these criterions have also a new approach to traditional strategic thinking. Such companies have created a concept called “strategic architecture”, which allows them to build new ways of confrontation with the customers and new processes within the customer relationship management.[38]

[36] Tekinay, N. Aslı (2000), p.192ff.
[37] Peppers, Don; Rogersi Martha (1998), p.1.
[38] Sarihan, Halime İnceler (1998), p. 78.

For example after the economical crises in Turkey the companies started producing VCDs (Video CD) instead of DVDs because of pricing reasons. The VCDs were much cheaper than the DVDs but also there was a loss of picture quality.[39] Another example is the way of banks by opening new offices. The new idea is not opening as many offices as possible but opening offices, which are easily reachable for the customers.

These developments in the customer relationship managements of the companies carry them ahead of the other competing ones and create even more company value and profit.[40]

In the following capital of the thesis, the ways to achieve a well functioning customer relationship management will be examined. Three processes within customer relationship management of Scientific and Technological Research Council of Turkey will be explained as an example of how the companies build their customer centric thinking. It will be possible to see the important sides of the customer relationship management processes.

[39] Seckin, F. Sedef (2001), p.87.
[40] Levent, Belgin Bayir (2001), p.32.

3. CRM Related Processes of the Scientific and Technological Research Council of Turkey(STRCT)

3.1 Brief Information about STRCT[41]

STRCT is a central body, which is assigned to the task of organizing, coordinating and encouraging scientific research and technological development in various fields of natural sciences in line with the national economic development targets. STRCT enjoys financial and partial administrative autonomy, that based on its private establishment law and it is affiliated directly to the Prime Minister.

The supreme decision-making organ of the Council is the Science Board. It is composed of a chairman and twelve members, which of eight of the members are elected from distinguished scientists, who are renowned for their scientific activities. Minimum half of said members must be members of the Turkish Academy of Sciences. The duties of the Science Board are;

- Determining the policies, operation principles and priorities of the Council,
- Establishing research centers and institutes, research units, work groups and other related units and approving the organization diagram,
- Appointing Associate Vice Presidents, Secretary General, Directors of the Centers and Institutes, and the Secretaries for the Executive Committee of the Research Group,
- Approving the work program, budget recommendations, and regulations and guidelines.

[41] www.tubitak.gov.tr

President of STRCT is nominated by the Science Board from distinguished scientists, recognized in the field of natural sciences, and is appointed by the President of Turkey upon the recommendation of the Prime Minister. The President chairs the Science Board and manages the Council pursuant to the decisions reached by the Science Board. Vice Presidents are recommended by the President of STRCT, from scientists with similar qualifications and are appointed by the Prime Minister. There are currently three vice presidents.

STRCT is not just an institution supporting researches, a formation only determining science and technology policies, a system developing R&D human resources or a structure composing solely of research institutes; STRCT is all of these and much more. In addition to the ordinary duties of a national research institution, STRCT has been assigned to numerous additional tasks, which are generally executed by the Science Ministries. The main functions of the institution are listed below:[42]

- Develop the science and technological policies of Turkey,
- Support, encourage and monitor academic R&D
- Support, encourage and monitor industrial RTD and innovations,
- Develop academic-industrial relations,
- Operate R&D institutes conducting RTD activities in line with the national priorities,
- Operate units facilitating and providing technical services for R&D activities,
- Identify and encourage scientists of the future,
- Award annual prizes to incite scientific excellence,
- Organize and manage international scientific and technological cooperation,
- Publish scientific journals, popular science books and periodicals.

[42] STRCT (1999), p.3.

3.1.1 Customer Relationship Policy of STRCT

STRCT defines the customer relationship management as follows[43];

It is a series of processes, which are shaped with the input and education of the personnel and supported with technological developments to profile every individual customer and help the company to think customer centric for increasing the customer value, customer trust and respect.

This definition allows us to list the objectives of customer relationship management in STRCT[44];

- Building a customer database,
- Using the information collected for the satisfaction of the customers,
- Thinking customer centric,
- Provide customer trust and respect,
- Creating customer loyalty,
- Using CRM as an advantage in competition.

STRCT believes that the secret to achieve a well functioning customer relationship management is the best way of communication between the managers and employees. All members of the organization have to accept the importance of CRM and beginning by the management level, it has to be explained till the doorkeeper. Only this way of thinking leads to success of the organization.[45]

With these objectives STRCT defines and uses various CRM processes. These processes are all connected to each other and each has a different effect on customer relationship management. In the following capital three of them will be shown in detail.

[43] Vgl. STRCT (2004a), p.6.
[44] Vgl. STRCT (2004a), p.8ff..
[45] Vgl. Morkoyuncu, Murat (2005).

3.2 The CRM-related Processes

3.2.1 Process of Gaining Critical Customer

The purpose of this process is the face-to-face evaluation of the performance by provided services to the customers and according to the feedback received to make the necessary corrections and improvements by the offered services, to gain further projects from critical customers.[46]

There are two types of critical customer for STRCT. The first type is the one belongs to the customers, whose projects/services have already been delivered or is still continuing. These customers have the characteristics of being open to new technologies and they could be offered another project. They usually require R&D projects and they have influence in their sector. They are also important customers for the reputation of STRCT. The second type is the ones that often require industrial and technical support projects. They have the capability of requiring at least 500 analyses from their sector and at least require these analyses for the following two years.[47]

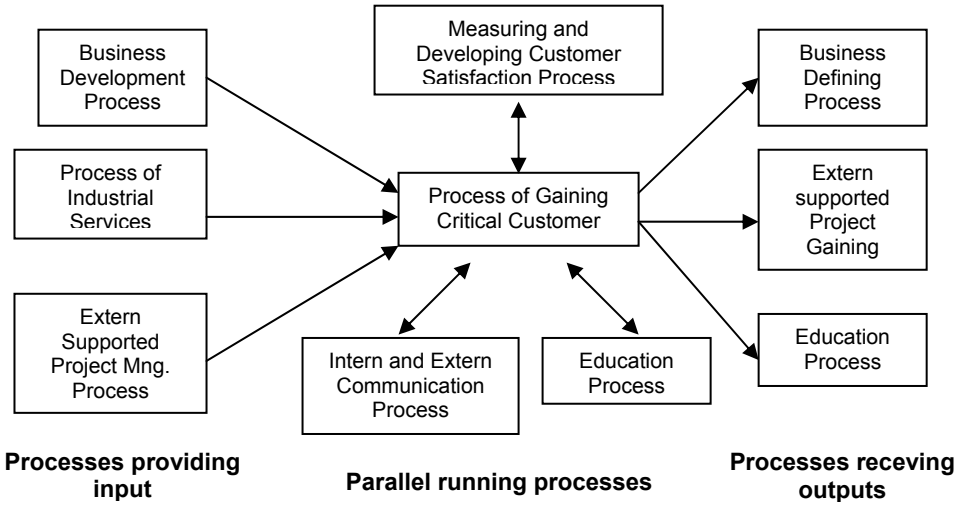
The objectives of this process in numbers are given as follows:[48]

- To receive orders from at least 5% of the visited critical customers and receive recommendation again from at least 5%.
- Reach a 5% cross-selling rate among the visited customers and increase the annual analyses rate by 10%.
- Begin to run development projects at least by four subjects.

There are also other processes, which have various effects on this process. The picture below shows how the processes affect process of gaining critical customer. There are processes providing inputs and receiving outputs and

[46] STRCT (2004b), p.2.
[47] STRCT (2004c), P.27.
[48] STRCT (2004b), p.8.

also there are processes that are being run parallel to this process. These parallel running processes give process of gaining critical customer chance to interact with different processes using different information and increases the overall success by gaining customers.[49] In this thesis the details of the other processes, except measuring and developing customer satisfaction process will not be discussed.



Picture 3: Processes interacting with the process of gaining critical customer.
Source: STRCT (2004b), p.30.

One of the inputs that are being provided by the above in the picture mentioned processes is information from the performance evaluation booklet. Using the information provided from this booklet, the performance of the projects and services for the customers are being revised and improved once again. Another input source is the customer relationship management database.[50] This database is being used to develop projects according to needs and wishes of the customers. Likewise information comes also from the industrial customer satisfaction survey as input.[51]

[49] STRCT (2004b), p.11ff.
[50] STRCT (2004b), p.35ff.
[51] STRCT (2000), p.17.

After getting the inputs, the list of critical customers is being created by the industrial service manager. After the creation of this list, the chosen visitors from the organization visit the critical customers one by one and with the information received from the customers they fill in the booklet for the performance measurement of customer relationship.[52] This booklet includes both the problems of the customers and the solution recommendations and it is published every month for the revision.[53]

After processing the inputs the revised booklet for the performance measurement of customer relationship, booklet for action planning and the report of customer feedback come as outputs for the use of next processes.[54]

The success of the process of gaining critical customer is being done every 6 months-end of June and end of December- by the business development unit using the information taken out of the booklet for the performance measurement of customer relationship. The measurements concerning the projects are[55];

- Number of recommendation taken from the visited customers,
- Number of offered projects to the critical customers,
- Number of projects offered to the customer, whom the recommendations were made,
- Areas of development.

Measurements concerning the industrial services are[56];

- Number of cross-selling made to critical customers,
- Number of analysis required by the critical customers,
- Areas of development.

[52] STRCT (2004b), p.40.
[53] STRCT (2004c), p.55.
[54] STRCT (2004b), p.42.
[55] STRCT (2004b), p.45.
[56] STRCT (2004b), p.47.

All the measurements are compared with the last period's measurements and reported by the Business Development Unit. All the results are accessible to all employees for the better integration of the processes.

According to Murat Morkoyuncu this process is a very effective way of increasing customer value and develops better customer relationship using face-to-face evaluations and recommendations from existing customers to gain new customers. Face-to-face discussions are a sign of caring for most of the customers, what helps them to express themselves in a better way and helps the organization to improve itself in the way of the customer wishes and needs. After the customer sees the differences taking place, he thinks even more satisfied and ready to assign new projects and ask for new services of the organization.[57]

3.2.2 Process of Measuring and Developing Customer Satisfaction

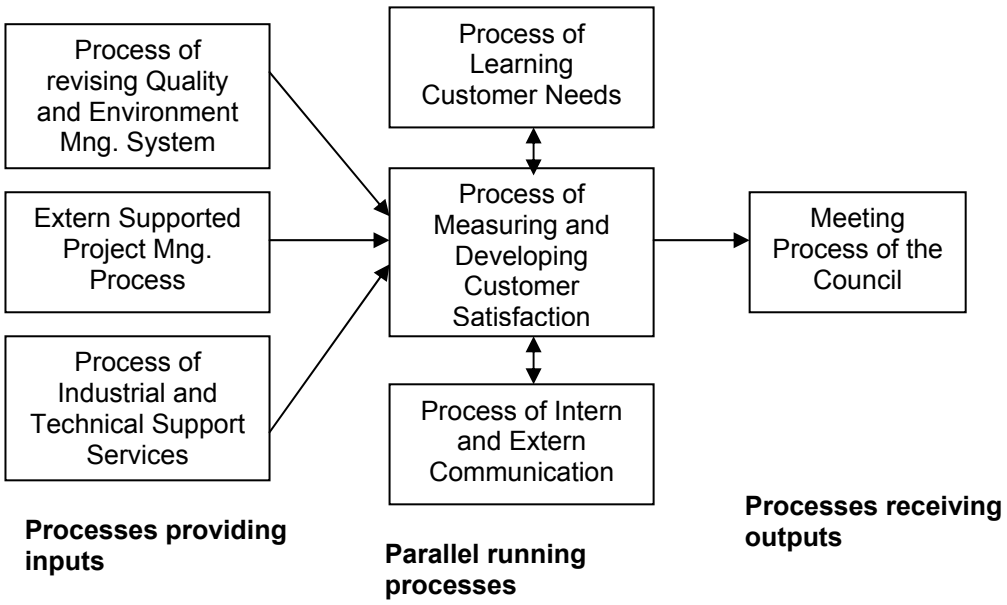
STRCT runs this process periodically to measure the satisfaction of the customers, and to find the areas or departments, which systematically needs improvement.[58]

This process allows STRCT to reach a higher level of customer satisfaction. If you do not measure your performance, you can not see how you are doing and you will not have the chance to improve it. This is the reason why measuring customer satisfaction is very important for us. If there is dissatisfaction by our services among the customers, it does not bring us any good to oversee it and just keep going on with what we are doing. We pay a lot attention to this process in STRCT.[59]

[57] Morkoyuncu, Murat (2005).
[58] STRCT(2003a), p.4.
[59] Morkoyuncu, Murat (2005).

The inputs of this process come once from the process of revising the quality and environment management system. The market searches and customer surveys are delivered by this process. The statistic data and the information about the customers as input come from the process of industrial and technical support services.[60] The outputs are being delivered to the Council of Institute and after the meeting process of the council, the related unit managers start implementing the improvement decisions parallel with an action planning.[61]

Below the picture 4 shows the pre- and post processes and the parallel running processes.



Picture 4: Process of measuring and developing customer satisfaction.
Source: STRCT (2002), p.15.

The inputs to this process begin to flow after the annual elimination of the customers for that year's customer survey. The distribution and the feedback of the customer surveys are controlled by the manager of the development and improvement department, who also reports the results to the council.[62]

[60] STRCT (2000), p.59ff..
[61] STRCT (2003a), p.33.
[62] STRCT (2002), p.11.

In the scorecard of this process the success is measured in the following terms[63];

- The monthly number of improvements covered in action planning,
- The number of surveys received back, which concern the industrial and technical support services,
- The number of survey received back, which were filled out by the customers of industrial projects.

The results of this process just like every other process are documented in several reports, and for the best integration and acceptance by the personnel, are accessible to all the members of the organization.[64]

The success of this process is directly related to the success of process of learning customer needs. The time the organization knows the needs of the customer better, it starts to satisfy the customers easier.[65]

3.2.3 Process of Learning Customer Needs

Except the given standard services of STRCT, some organizations as customers with different needs wish services rather than the standard ones. By this process STRCT tries to find these specials needs of the customers to modify and specialize their standard services for them. Once again STRCT sees this process is a good way of achieving advantage against the competing companies or organizations in the market.

[63] STRCT (2002), p.22ff.
[64] STRCT (2000), p.61.
[65] Morkoyuncu, Murat (2005).

3.2.3.1 Collecting Customer Needs and Wishes

STRCT defines the customer needs as extra wishes to be delivered besides the standard services and customer complaints about the already delivered services or products. [66]

STRCT uses several ways of receiving customer needs and complaints about its services. The most important ways, which are being used, are;

- Data from the output of the process of gaining critical customer,
- Survey results made for the process of measuring and developing customer satisfaction,
- Interviews made by the customers before, during or after delivering the promised service or product,
- Direct application of the customers.

If the wishes or complaints of the customers were taken oral, those statements are turned into written documents and sent to customer for the signature to be sure that the statements documented correctly.[67]

The wishes and complaints of the customers received in different sectors are processed in different processes. For example if the complaints are received by a survey of customer satisfaction, it is the duty of the process of measuring and developing customer satisfaction to respond to that complaint. Likewise a complaint about the offer made for a project is processed in the extern supported project gaining process or a complaint about the industrial and technical support services is processed in the industrial service process.

The processing of the wishes and complaints contains the examination of the realization of them. They are searched to determine if they are to be seen as new products or extra services enclosed to the standard delivered ones.[68]

[66] STRCT (2003b), p.8ff..
[67] STRCT (2000), p.31.
[68] STRCT (2003b), p.11ff..

If the special needs require new investments and the outcome of the realized investments (for example new research or new hardware for providing the desired service) are not certain, then the responsible units make data analysis and decide according to statistical data provided by the database and archive management. Only after this analysis the customer is informed about the realization possibilities of his needs.[69]

3.2.3.2 Evaluation of Customer Complaints

In STRCT the complaints received about the services and products are being processes according to regulations of ISO 9001. ISO 9001 pays special attention to the evaluation of the complaints. After the reception of the complaint, at the very same day the activities to avoid the complaint by further services are decided and documented. In some cases to prevent misunderstanding the customer called personally and is asked for a confirmation of his complaint. After the decision of improvement activities the customer is called once again to be informed about the activities and the time needed for the improvement.[70]

These personal contacts with the customer and being fast and rational by finding solutions are the best way to show the customer, that it is important for the organization to be almost perfect by all its services and products for the highest possible customer satisfaction. What we do in this process is the best sign to show that the organization started thinking customer centric and aware of the advantages of it. By using the regulations of ISO 9001, STRCT implies that it is ready to compete not only in the national boundaries but also at the international platform.
STRCT improves itself by using the mistakes and complaints to beat the competition. They have always had an educational value for the organization.

[69] STRCT (2000), p.35.
[70] STRCT (2003c), p.25.

The improvement provided by these complaints decreases the chance of losing customers and instead gaining new ones.[71]

After providing the required service with extra features according to the needs of the customers, the success of the services is being measured and controlled in the terms of customer satisfaction in the process of gaining critical customer. Once again this data used as input for the customer satisfaction process and the improvements are applied if needed.

In the end all the results reached during this process are published at the beginning of January of every year and evaluated. During evaluation the commission determines the most important key indicators for customer satisfaction. The data collected is published for all the members of the organization and also sent to every customer. In this published report not only the achieved improvements and realized wishes take place, but also the ones that were needed by some customers but due to various reasons could not be realized.[72]

This kind of communication with the customers implies to them that the STRCT is working not just the way the organization wants but is working by taking the environment and its components into considirations. This is what the customers expect from a firm or an organization in these years. The substitution possibilities for them are increasing day by day and you have to distinguish yourself and give the customers enough reason to choose you and not the competitors.[73]

[71] Morkoyuncu, Murat (2005).
[72] STRCT (2003b), p.20ff..
[73] Morkoyuncu, Murat (2005).

4. Conclusion

As often underlined in this thesis, in today's market situation it is always getting easier for the customers to reach the best alternative they wish and it is getting much more difficult for the companies to reach the customer they want, although with the technological developments, such as internet, the market gets bigger and the number of customers increases. That is why the customer relationship management became so distinguishing among the companies and becomes even more important. The customers are not only paying for the product itself but also a certain level of before and after sales service, like marketing campaign or customer call centers.

The growing competition around the world forces companies to find as much data as they can find about the customer even before they make the purchase. An early specification of potential customer needs makes it easier to get in touch for the companies.

After reading this thesis, it gets once more clear that the companies pay more and more attention to the customers and do not think the way they used to think in the times, in which the idea was, what was produced, could also be sold. At this time it is also not just the quality of the product or the service that affects the purchase but the extra services, which the customers get with the purchase.

Accepting this fact STRCT finds it very important to specialize in the processes of the customer relationship management. As it is seen above STRCT tries to reach a high quality of customer relationship management and use this as a plus point in the competition.

As the processes examined in detail, process of learning customer needs proves that the more information the companies get about the customers, the more successful they become in their relationships. Also the success of the other processes depends on the success of the process of learning customer

needs. Without knowing what the customer wants from the companies it is not possible neither to gain new customer nor to hold the customer they already have.

Measuring the satisfaction they get by using the products is also an essential point. If the satisfaction does not get measured, it does not get clear if the products fulfill the wishes of the customer and if not which needs are yet to be fulfilled.

The vivid development of the customer relationship management into the future is inevitable; it can not and should not be overseen. Every company should think as this management a must and should take the precautions to develop its own management as a unique product for the customers.

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