

PROBLEMS IN MEASURING CUSTOMER SATISFACTION

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ABSTRACT

Companies that embrace client orientation are preoccupied by measuring the level of satisfaction of those who consume their products or utilizes their products. That is why, customer satisfaction has to be transposed in measurable parameters that can be understood and influenced. Nevertheless, measuring customer satisfaction involves a lot of problems.

Introduction

According to Hill and Alexander (2006), medium size businesses lose between 10% and 30% of their clients every year. Most of the times, companies do not know what category of clients they have lost, in what moment, what was the cause and what are the costs associated with their lose. In this conditions, client orientation becomes a priority for the companies, that in ever greater numbers choose customer satisfaction as performance indicator (Mihelis, Grigoroudis, Sisikos, Politis, Malandrakis, 2001). It is, however, impossible to keep an entire company permanently motivated by an abstract and intangible notion like customer satisfaction. As a result, customer satisfaction has to be transposed in measurable parameters that can be understood and influenced.

As far as measuring customer satisfaction, the most usual method seems to be *the inquiry* (McNeal and Lamb, 1979). The inquiries offer a formal feedback to the company and send a positive signal to the customers that shows that the company is interested by their condition. Their popularity is a result of the direct trait, the ease with which is administered and interpreted, clarity of the proposed purposes and validity. Indirect measures of the customer satisfaction are used (sales, profit, complaints), but these are regarded usually as complementary to the direct research measures. The results of the customer satisfaction, resulted from the inquiries, are used to evaluate the performance of the employees in that company, they enhance the sales management and training programs and, if favorable, are included in the organization advertising.

The measurement of customer satisfaction survey forms are constructed in four stages (Hayes, 2008):

- (1) to decide questions that will be utilized;
- (2) selecting the format of the answers;
- (3) drawing up the introduction of the survey form
- (4) to decide the content of the final survey form (selecting items that will compose the scale from an initial amount of used items)

1. Deciding the questions (items)

To avoid problems relating to the different way customers interpret words that appear in the format of the questions, a survey form that investigates customer satisfaction should use specific assertions, that leave little room for interpretation, the survey form offering a specific answer regarding organizational performance and personnel performance.

The next step in constructing the survey form is deciding the questions or assertions that will be included in the survey form. One way of creating items of satisfaction is the critical incident method. Items referring to satisfaction can specify the reason for which a consumer is satisfied more or less by a certain service.

It is important that items from the survey form to possess certain characteristics, and drawing them up can be difficult. Items that seem not to measure anything relevant for the service can create confusion among the respondents. Items have to be, as well, *concise*, because those that are too long can make the survey form hard to read. For example, an assertion saying “The person responsible with the service seemed to treat me in a pleasant way when I required his/her services” can be transformed in a more concise version that would reflect the same content: “The person responsible for serving was very kind”.

Items have to *lack ambiguity*. The respondents have to be capable to understand precisely what they are asked through those items, any ambiguity of those items could lead to ambiguous answers. For example, the assertion “The transaction with the service provider was good” does not reflect why the service was good.

Some respondents can interpret the item as evaluating the promptness of the transaction, while others could think that it evaluates the professionalism of the service provider. To avoid this confusion, two items could be created: “The transaction required a short period of time” and “The service provider talked to me in a pleasant manner”.

A suitable item has to reflect *one idea*, addressing in this way one question. If one item proposes more than one question, the respondent can be frustrated trying to answer affirmative to one part of the question and negative to the other part. A positive answer infers that the respondent agrees with both parts of the item.

The fifth characteristic of a good item is that *it should not contain a double negative* (Hayes, 2008).

2. Answer formats

The second step in constructing the scale is the selection of an answer format for the survey form that determines the way in which the customers could answer. Choosing the answer format is an important step in developing customer satisfaction studies because it determines the way in which the data from the survey form will be used.

There are a few possibilities of answer formats or scaling methods for survey forms: the Thurstone’s method of equal-appearing intervals (1929), Guttman’s approach (1950) and Likert’s proposed method of scaling (1932). Hayes (2008) limits the discussion referring to the answering format for simplicity reasons and utility to two approaches: the control list format and the Likert format.

The control list format infers that for each item from the survey form, clients will have to answer with “yes” or “no”: “yes” if the item of satisfaction reflects service received or “no” if the item does not reflect that service. This format should be utilized only if the satisfaction items will be utilized effectively in the survey form, clients being able to easily indicate if the item describes or not the received service.

The Likert format is created to allow clients to answer in different degrees on each item that reflects a dimension of service. First answer format is the continuum “total accord-total disaccord”. Because items that describe satisfaction are declarative items that reflect specific aspects, positive and negative of the service, the answer scale has to reflect the measure in which these describe the service. The second and the third format (continuum “satisfied-unsatisfied and continuum “weak-good”), although reflect specific aspects of the service, are, in one perspective, neutral.

The advantage of utilizing the Likert format in detriment of the control list format is reflected in the score variation that result from the scale. Statistically, the two answer options scales have a smaller reliability than scales with five answer options (Lissitz and Green, 1975). Furthermore, utilizing this format allows for the determination of percentage of positive and negative answers for a certain item (for example, by combining answers from the end of the scale).

3. Drawing up customer satisfaction survey forms

The next step is drawing up the introduction to the survey-form. This should be short, to explain the purpose of the survey form and to offer instructions on how to fill it up. And also, is very useful to explain the purpose for which the data will be used. Sometimes, the survey form, can be conceived for a special research project and as far as knowing the purpose of the project by the customer does not influence the answers, should explain the purpose in these instructions. When the continuum “accord-disaccord” is utilized as an answer format, the instructions should request from the respondents to indicate the measure in which they are in accord or disaccord with the affirmations from the survey form. When the satisfaction continuum is utilized as an answer format, instructions should request from the respondents to indicate the measure in which they are satisfied.

4. Selecting items

Selecting items can be guaranteed if the technique of critical incidents develops a large number of items that measure satisfaction. Methods of selecting items can be based on human judgment or on mathematical indices (Hayes, 2008).

A first method of selecting items is utilizing the best judgment of the researcher, with attention focused on similarity between items. One way to select the most appropriate satisfaction items is to identify two persons to select a certain number of items independently from the total list, and those selected by both persons will be kept.

Another method of selecting items is administrating all items generated through the method of critical incidents to a certain number of actual clients. Then the analysis of the items will be realized that includes processes like correlational analysis or factor analysis. The most appropriate items will be those with equal averages and those that are strongly interrelated.

Table 1.

Selection based on the researcher's judgment	Mathematical selection of the items
1. Selection of a small number of items using judgment criteria or random selection	1. Placing all satisfaction items in the survey form
2. Placing this set of satisfaction items in the survey form	2. Application of survey form
3. Application of survey form	3. Conducting an item analysis to determine which ones will be used for the final survey form (a sufficient dimension of the sample of approximately five persons per item if factor analysis will be used)
4. Conducting item analysis to determine if these measure quality dimensions	4. Examination of items analysis result in order to use appropriate items for the final survey form
5. Examination of items analysis result in order to use appropriate items	5. Utilizing the final version of the survey form
6. Results can indicate total revision of survey form (if items do not measure afferent dimensions)	

(Source: Hayes, 2008, p. 73)

In practice, the customer satisfaction measurements are projected to identify global satisfaction or “clear” of a product or service. The observed distribution of satisfaction scores determines “the real” satisfaction. Anyway, we have to be careful because scores observed for satisfaction depend in part of measuring artifacts and in another part of personal characteristics of the interviewed customers (Peterson and Wilson, 1992). In these conditions, we ask ourselves: “In what measure does the real satisfaction reflects personal opinions expressed in studies by customers?”

Client satisfaction studies are characterized by lack of conceptual and methodological standardization. Customer satisfaction studies have a common characteristic: virtually, all customer satisfaction auto-reports have a distribution in which a majority of answers indicates that customers are satisfied and distribution by itself has a negative incline. The modal answer to a satisfaction question is typically the most positive allowed answer.

The obliqueness and positivity of satisfaction scores are interesting intellectually and pragmatically important. There are four possible explanations of observed distribution of customer satisfaction measuring. Distribution can reflect pure and simple actual satisfaction for the products and services bought and consumed. What rational customer would learnedly buy a product or a service from which it does not expect to fulfill a need or a desire? Satisfaction is caused by factors like expectations and requires a considerable cognitive effort, its precedents can influence shape and the level of observed distribution. Satisfaction can have a distribution that is different from the normal distribution. Finally, the level and shape of satisfaction appreciation distribution can be artifacts of the methodology of research used like functions of factors like inherent characteristics, interpersonal of investigated customers.

The typical form of customer satisfaction measuring is owed to the fact that scales used for customer satisfaction measuring do not have a sufficient number of categories to allow the participants to make fine discriminations, specially at the highest level. Furthermore, there are other explanations (Peterson and Wilson, 1992, p. 64-67):

- answer rates tendency;
- inclination in the way data is collected;
- form of questions;
- context of questions;
- time at which measuring is done;
- styles of answer.

The hypothesis has been emitted that satisfaction scores are artificially enhanced because of identified tendencies in the customer answers. According to this hypothesis, the individuals that are more satisfied are more inclined to answer to a satisfaction study than those that are less satisfied. An opposed argument could be brought. Dissatisfied customers can be inclined to answer negatively to a study of this kind because dissatisfaction is more oriented towards action and more intense under emotional aspect than satisfaction.

Inclination in the way data is collected refers to the influence data collection has on satisfaction measuring. Different results can be obtained if data are collected by mail, personal interview or telephone. Inclination refers to the degree of “infiltration” of the person that realizes the study in the interview process.

The way in which questions are addressed from the satisfaction survey forms can influence both the level of answer as well as their distribution. Many researchers measure satisfaction using a scale presented in a positive way: “How satisfied are of...?”.

Tverski and Kahneman (1981) have suggested that when a *decision is framed in positive terms, will be perceived more positive then when the same decision is formulated in negative terms.*

Regarding *the question context*, there is considerable literature on the question context effects, if the questions put to the beginning of the survey form influences the answer to the next questions.

The measuring moment is in relation, as well, with the level of client satisfaction obtained in a study. Generally, customer satisfaction seems to be immediately to purchasing and then decreasing in a certain measure once time passes by.

Certain researchers (El-Guebaly et. Al, 1983 Levois, Nguyen and Attkinson, 1981) sustain that satisfaction measuring depend on personal characteristics (styles of answer) like social desirability. It is thought that settling this aspect requires future research.

Personal disposition state influences satisfaction scores. Lloyd, Cate and Henton (1984) considered satisfaction as a momentary evaluation of sentiments towards a certain phenomenon.

Conclusions

Managing business following continuous customer satisfaction is desirable. Unfortunately, customer satisfaction measures do not have, especially, an informative or diagnostic character, mainly due to characteristics linked to the unusual distribution of answers. That is way, greater efforts have to be made to improve customer satisfaction measuring.

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