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Research of sales process improvement based on customer satisfaction

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ABSTRACT

Under the increasingly competitive environment, the success or failure of sales details often determines the enterprise sales level, and the sales level matters to the profits of the enterprise and the interests of the related subjects. The degree of perfection of the sales details is usually determined by the enterprise sales process and the design of the sales process and its continuous improvement are often considered according to customer satisfaction. Therefore, the following goals can be achieved via the sales process improvement research based on customer satisfaction. The first is to summarize the characteristics of customer satisfaction and realize its importance; the second is to implement customer satisfaction model design and quantitative description; the third is to construct the customer satisfaction evaluation index system and speed up the sales process improvement steps; the fourth is to understand the problems appeared in the improvement process, especially the establishment the strategy of customer satisfaction, the establishment of an overall sense of customer satisfaction and the attention to the customer relationship management (CRM). This research adopts the qualitative analysis and quantitative analysis research methods, demonstration and mode and finally works out the customer satisfaction model and sales process improvement steps based on customer satisfaction. This study, however, is only a rough one on sales process improvement based on the perspective of customer satisfaction. Other related aspects which help sales process improvement requires further research in the future.

KEYWORDS

Customer satisfaction; The sales process; Improvement.



INTRODUCTION

The “Enterprise Sales Process Reengineering and Application” coauthored by Mu Dong and Song Liyan points out the methods and steps of the sales process reengineering, analyzes and evaluates the effect. In “Business Process Reengineering based on Customer Satisfaction”, Liu Songxian writes that the business process reengineering is regarded as the central task of enterprises to improve customer satisfaction. In “Customer Satisfaction Theory Model and its Application”, Lv Yanru discusses the value analysis model based on the theory of customer satisfaction, value assignment system and value marketing mode. In “The Mechanism of Customer Satisfaction and Strategy of Promotion”, Sun Minggui and Liu Jianxin discuss the implementation of customer satisfaction strategy, customer relationship management, customer value innovation and so on. These researches involving customer satisfaction subject of various degrees show that customer satisfaction has important relation with enterprise development. Corporate profits mainly depends on the level of sales, sales revenue closely relates with sales process condition, and the perfection of the sales process needs to be improved continuously. So this paper studies the sales process improvement dimension based on customer satisfaction, focuses on customer satisfaction model and improvement steps based on customer satisfaction. The aim of this study is to improve customer satisfaction and maintain customer loyalty so as to create "aircraft carrier enterprise" enterprise.

THE SUMMARY OF CUSTOMER SATISFACTION

The importance of customer satisfaction

The current society is in an era of machine production. Manufacturer is no longer a problem to enterprise. How to meet the society needs, especially the customer needs becomes the key point to make enterprise impregnable in the world market. This inevitably requires enterprise to strengthen management in various aspects so as to promote the continuous improvement of product quality and innovation and make the enterprise brand to be an international famous brand. Therefore, satisfaction improvement is crucial; the brief analysis is as follows.

High customer satisfaction is the precious resource of enterprise. To some extent, customer is inseparable assets of enterprise, which can hardly be replaced by any other product. A product without customers' acceptance, even if it is in good quality, can not be sold out. After all, the ultimate goal of production is to provide product to customers. Therefore, technology innovation and management improvement have close relationship with the customers' suggestion, and customers' experience, desires, and needs are the most valuable resources of the company.

Customer satisfaction can improve enterprise's profits and efficiency. Enterprise production is to obtain profits, and the profits come from products, and the design of the product must meet customer demand, thus forming the production chain around customer satisfaction. At the same time, enterprises products bring physical and mental satisfaction to customers, which will make customers keep a long time loyalty to product, brand and company. During their repeated purchase process, they will spare no effort to introduce other clients to buy the products. By using public praise, enterprise gradually expands product awareness and finally raises the profile of the enterprise. According to the theory of Reich Hyde and Sather, if an enterprise reduces 5% of the customer churn rate, their profits will increase 25% to 85%, the cost of developing a new customer is twice to six times of that of retaining an old customer. Therefore, many enterprises realize a sales philosophy— one transaction, lifelong service, and generally set up the business objectives –“Satisfy the customers and make them be loyal”. In constant practice and empirical process, customer loyalty is proportional to enterprise's profit ability. Their relationship is shown in the following Figure 1.

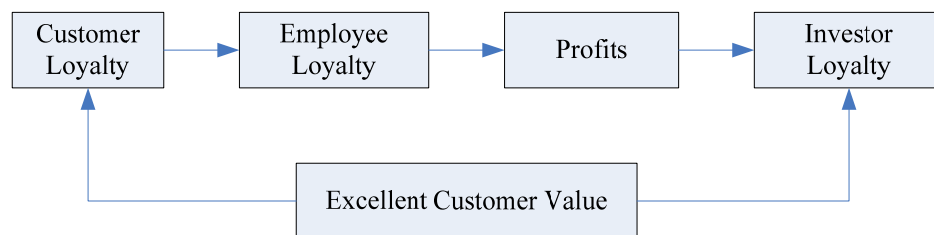


Figure 1 : The relationship of customer loyalty and enterprise's profit ability

Customer satisfaction connotation and characteristics

ISO9000 defines customer satisfaction as: "the feeling of customer satisfaction degree". And the feeling is from inner experience after using products and services. The higher satisfaction will encourage customers continually to buy their products or services and keep their trust and loyalty to the enterprises so as to better develop enterprises. This is very different from the enterprise-centered management style, because it regards the enterprise, customers and stakeholders as an integral part of the whole system, takes customer as the focus, continuous improvement and innovation as the management philosophy, and finally effectively integrates and optimizes the various management resources.

According to definition, customer satisfaction has the following characteristics: the first is the subjectivity. The degree of customer satisfaction is determined by people's subjective consciousness, connected with customer's ideas and emotions and the influence caused by customer life changes. However, these will transfer with customer's subjective will. The second is the hierarchy. Due to different industries, experience and understanding, customer's economic conditions and the regional environment conditions also affect the hierarchy of needs of product or service. This also determines the purchase level of this series of products or services. This does not mean that the customer satisfaction associates with level, but matters service direction it needed. The third is the periodicity. Products or services are constantly changing, so as the customer demand. This means customer satisfaction is not fixed, but with stage characteristics.

Customer satisfaction model

Customer satisfaction is a subjective feeling. Because there is no big difference in people's physical sensation, customer satisfaction model can be designed to measure it (as shown in Figure 2). At the same time, it also can be measured according to the theory of three-degree quality, that is, the effect of customer satisfaction value brought by product quality is divided into pleasure quality and expected quality and product quality (as shown in Figure 3). Pleasure quality, the added quality, is shown in favorable sales price or other ways. It can not decide the satisfaction, but it can positively improve satisfaction; expected quality, the expectation of purchased products or services, is proportional to the degree of satisfaction; product quality, the additional condition, is a problem that the selling link must face.

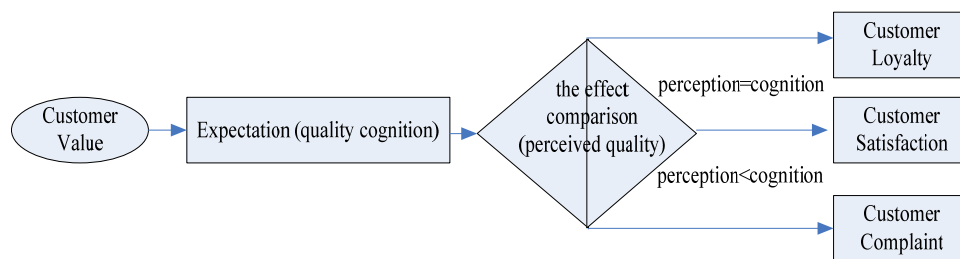


Figure 2 : customer satisfaction model

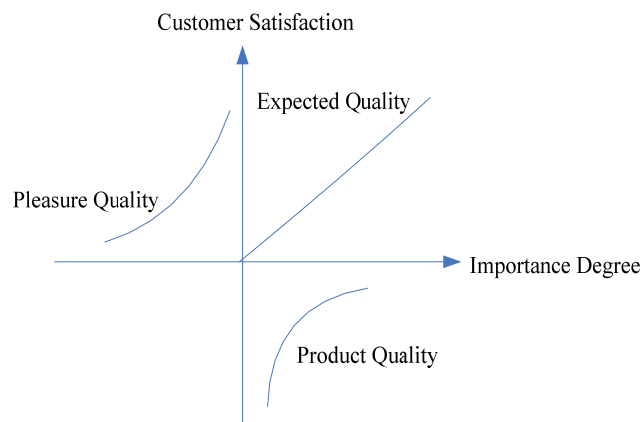


Figure 3 : Model of three-degree quality theory

Quantitative description of customer satisfaction

In order to better grasp the customers' feeling degree, also known as customers' satisfaction, it is necessary to carry out the quantitative analysis of customer satisfaction. And satisfaction level is a function of showing differences between perception effect and expectations, that is customer satisfaction = $f(\text{perception effect, the expectation})$. At present, relatively mature and widely used quantitative method is used to measure customer satisfaction, and the index is the customer satisfaction index. Based on scientific theory and consumer psychology, it can directly reflect the customer's purchase confidence and can be used to measure enterprise, industry, and even the national economic operation quality.

CUSTOMER SATISFACTION UPGRADE AS THE CORE TASK IN SALES PROCESS IMPROVEMENT

Sales process improvement regards customer satisfaction as its core task

In the sales process, the selling party not only needs to ensure the good quality of the product or service, but also pays attention to customer needs, attitudes or views to existing products or services so as to achieve the maximum satisfaction continuously according to customer demands. Of course, the maximum satisfaction is within some limitations. In other words, the product or service quality is continuously improved according to customer demands, and the sales process

also needs proper improvement with the customer satisfaction upgrade. The sales process improvement is a certain degree of improvement to find the shortage of the sales process, so as to improve the product or service quality. However, the sales process improvement is not only a process to maximize customer demands, but also a process to take care of relative proliferation of the shareholders, employees, interest groups, otherwise there would be no incentive to improve sales process.

TABLE 1 : The type of customer satisfaction and its behavior

Manifestation	Feelings	Psychological Status	The CS Type	Customer Behavior
perceived quality > quality cognition	Above the Value	Very satisfied	Customer Loyalty	Regular customer, positive publicity
perceived quality = quality cognition	Worth the Value	Satisfied or not certain	Customer Satisfaction	Uncertainty
perceived quality < quality cognition	Not worthy of the value	Dissatisfied	Customer Complaint	lose customer, anti propaganda, complaints

Sales process improvement object is the one related to customer requirements

The core process plays a vital role in the enterprise value creation and a process directly delivers value to customers. And the main factors influencing the customer satisfaction are the product or service quality, cost, etc.; these are reflected in the specific flow of enterprise. The operation process has close relation with the quality of the staff; after all, man is the main body of all activities. So the sales process improvement object needs to be clear so as to better meet the customers’ demands and enhance customer satisfaction.

SALES PROCESS IMPROVEMENT BASED ON CUSTOMER SATISFACTION

The influence factors analysis of customer satisfaction based on sales process improvement

Because sales directly faces with customers, and customers are under the background of emotional consumption, sellers need to consider customer demand seriously through the analysis of the discourse communication and adopt different sales strategies according to different customer requirements. The possession of these good abilities needs sales process improvement to fit customer requirements. The sales process improvement is a kind of corresponding adjustment and perfection according to the influence factors of customer satisfaction so it is necessary to make an analysis on factors affecting customer satisfaction.

There are many factors that affect customer satisfaction and they can be analyzed mainly from two perspectives, the customers and the company sales staff. From the customer aspect, subjective expectation and customer demand level affect the satisfaction index. Customer subjective expectation includes sellers’ politeness, product cleanliness, the reliability of product quality, product payment speed and service quality in customers’ impression. Based on Maslow’s five levels of needs, customer demand levels include security requirements, handling requirements, comfort needs, value demand, respected demand, environmental protection needs, cultural needs and personality demand. From the corporate sales staff aspect, the objective performance factors influence the customer satisfaction index, such as the environment and facilities of sales location, staff attitudes, after-sales service and tracking.

The construction of the evaluation index system based on customer satisfaction

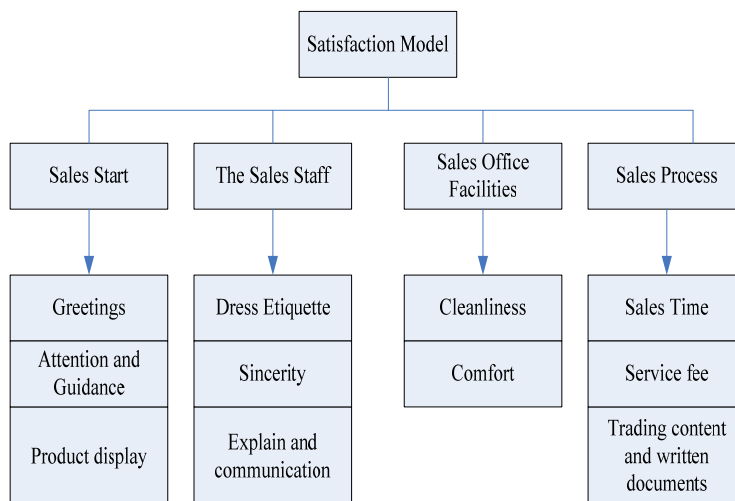


Figure 4 : The customer satisfaction evaluation index system

The steps of sales process improvement based on customer satisfaction

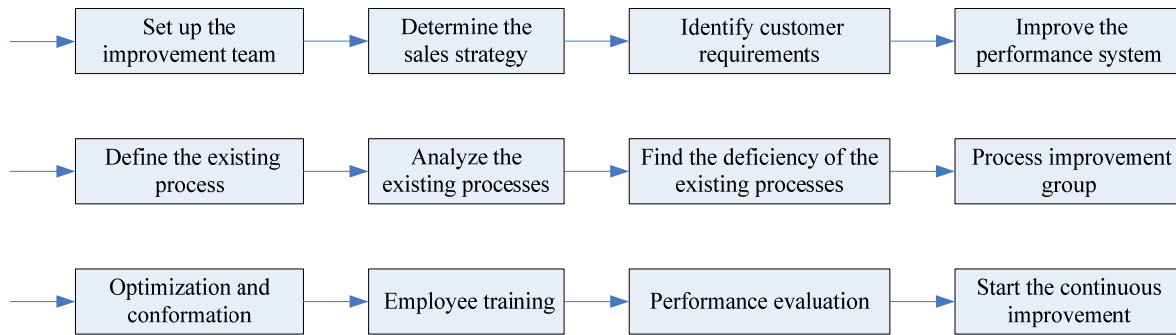


Figure 5 : The steps of sales process improvement

Problems need to be aware of in sales process improvement based on customer satisfaction

Establish customer satisfaction strategy

Sales process improvement is an organizational change activity aiming at the shortcomings in the existing sales process. It emphasizes the process oriented organization mode improvement so as to better serve customers and maximize customer satisfaction. The key factor of improvement is to optimize the sales process based on customer satisfaction so as to realize the sustainable development of enterprises. Customer consumption values go through the rational consumption (pay attention to the good quality, cheap price and durability), sensory consumption (pay attention to a product or service image and brand) and emotional consumption (pay attention to soul satisfaction) and have experienced the purchase standards such as good or bad, like or dislike, satisfied or unsatisfied. "All customer-oriented" becomes the strategic focus of enterprise sustainable development, which means enterprises set up the strategy of customer satisfaction.

Set up overall customer satisfaction

Customer satisfaction often points to the satisfaction of product or service buyers or users. This may ignore the satisfaction of internal staff. This idea is common among enterprises, just shows in different levels. And from the perspective of modern management theory, customers are divided into external and internal. In the process of sales process improvement, sales work facing the enterprise staff must be done within sales service system, after all, they also need consumption. Under the environment of globalization, the familiar coefficient of multinational company's employees is very low, so internal customers should be considered in customer satisfaction so as to enhance the enterprise cohesive force and centripetal force and ensure employees' stability. Therefore, in order to satisfy customers, first of all, the internal customer must be satisfied, after all, internal customers have a sense of belonging to the enterprise and their requirements for products or services are not as high as those of the external customers. Following this analysis, if the enterprises sales cannot satisfy internal customers' requirements, the satisfaction of requirements of external customers can be imagined. So, internal customer requires attention in sales process improvement so as to set up the ideas of overall customer satisfaction.

Importance of the customer relationship management (CRM)

CRM is a kind of one-to-one management mode mainly based on the learning relationship. By taking the after-sale tracking service to learn those problems appeared in sales process, or using products or services quality evaluation system to know the customer's satisfaction, enterprises adopt different measures to perfect their products or services. At the same time they also can develop different types of products or services according to customer demand of different levels, so as to meet customer demands and improve enterprise brand awareness. And CRM, a management mode combined with human resources, professional technology and sales process, is beneficial to improve communication efficiency between top sales staff and clients or potential clients so as to maximize customer satisfaction, ensure the maintenance of good relationship with customers, reduce or avoid customer turnover, constantly develop potential customers and make enterprise customer base continue to grow. Therefore, the key point of CRM is to shorten the sales cycle, increase sales channels, reduce sales cost and eventually improve enterprise core competitiveness through continuous sales process improvement.

CONCLUSIONS

Enterprises, the main body of national economic development and also a part of society, matter social stability and national wealth. Under the background of marketization and informationization, the pursuit of customer satisfaction is the inevitable choice for enterprises to adapt to the new era and the inner motive power of enterprise to keep sustainable development. This depends on continuous sales process improvement, so that products can meet customers' different levels of demand, thus realize enterprise profits and customer demands, so as to realize China dream.

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