

# Customer Satisfaction and Acceptance of Relationship Marketing Concept: An Exploratory Study in QM Certified Serbian Companies

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Satisfying customers and other groups of interest is the key output of relationship marketing. This paper presents the parts of the research that had been carried out by the first quarter of 2008 which included 84 quality management (QM) certified companies and 37 experts from Republic of Serbia. The goals of the research, related to this article, were: firstly, to explain customer satisfaction from the standpoint of relationship marketing concept; secondly, to show that relationship marketing concept is/can be accepted and implemented in QM certified Serbian companies – in order to integrate customer satisfaction and relationship marketing in QM concept.

**Key Words:** the process of customer satisfaction, QM, RM, Serbia

## 1 Introduction

### 1.1 Literature review in customer satisfaction and related concepts

Achieving business excellence and creating world class products and services, as a basic precondition of company's growth and development in modern economy, are not functions of one organizational unit within the company, but they are the result of synchronized activities of all company's functions, according to precisely defined objectives of the company (Cockalo and Djordjevic, 2006). The objective of an organisation should be achieving and understanding the optimum level of customer satisfaction (Sajfert et al., 2008). On the other hand, customer satisfaction influences the company's characteristics, such as spreading positive information about the company and its services and products (Tsuen-Ho and Ling-Zhong, 2006; Evans and Burns, 2007; Cockalo and Djordjevic, 2008). This field represents the base of, at least, three concepts: quality management (QM) (quality components, such as solving complains, cooperation of company's representatives with customers, availability of products and services, cost and price policy and activities related to making contracts) (Saraph et al., 1989; Conca et al., 2004), total quality management (TQM) (Dale, 1997; Terziovski and Samson, 1999; Irani et al. 2004), as well as relationship marketing, which is conceptually, the subject of a wider analysis of this paper.

The term "relationship marketing" (RM) was first introduced by Berry (1983) in a services marketing context. Managing relationships is, however, nothing new in business. Many entrepreneurs do business by building and managing relationships without using the term relationship marketing. RM, defined as marketing activities that attract, develop, maintain, and enhance customer relationships (Berry, 1983; Grönroos, 1994), has changed the focus of a marketing orientation from attracting short-term, discrete transactional customers to retaining long-lasting, intimate customer relationships. Many firms have established RM (or loyalty) programs to foster customer loyalty towards their products and services (Schiffman and Kanuk, 2004). The basis of RM has been described best as the formation of "bonds" (links) between the company and the customer (Roberts et al., 2003). As the existing literature suggests business can build customer relationships by initiating one or several types of "bonds", including financial, social, and structural (Berry, 1995; Williams et al., 1998; Lin et al., 2003). However, much should be learned about the relationship between "bonds" initiated by a company and customer perceptions and behavior (Gwinner et al., 1998). This connects RM with some terminologically and conceptually researched phenomena which can be considered as crucial for this research. They are: values, creating values for customers and customer satisfaction. The results are customers' loyalty and general improvement of company's performances. The question of measuring customer satisfaction represents one of the key issues of this paper, as well as the research itself.

Value is an important element in managing long-term customer relationships (Pride and Ferrell, 2003). Because definitions of value vary according to the context (Dodds et al., 1991; Babin et al., 1994; Holbrook, 2005), some researchers (Hung-Chang Chiua et al., 2005) conceptualize value as the result of consumption experiences. In Babin's (1994) study, value is defined as a subject's relativistic preference after his or her interactions with things or events. In developing marketing activities firms must recognize that customers receive benefits from their experiences and that a well-designed marketing mix can enhance perceptions of value (Pride and Ferrell, 2003). Therefore, customers' experiences with relational bonds may influence their value perceptions.

Several consumer behavior studies have focused on the perceived value of marketing activities. Various literature references have evaluated details such as shopping trips (Babin et al., 1994) and sales promotion activities (Chandon et al., 2000; Ailawadi et al., 2001) according to their utilitarian value, or the worth of the acquired economical factors and their emotional or hedonistic value generated from these activities. In this study (Hung-Chang Chiua et al., 2005), the researchers propose that customers' utilitarian or hedonistic value may be improved by economic or emotional marketing activities taking care about relational "bonds". When consumers highly value these bonds, they are motivated to be loyal.

Customer satisfaction (CS) can be defined in different ways. According to Kotler (1994, p.40), satisfaction is "the level of a person's felt state resulting from comparing a product's perceived performance (or outcome) in relation to the person's expectations." Satisfaction level is a function of the difference between perceived performance and expectations (Stahl, 1999). Loudon and Bitta (1993, p.579) stated that satisfaction is "a kind of stepping away from an experience and evaluating it (...) one could have a pleasure. It was not as pleasurable as it was supposed or expected to be. So satisfaction and dissatisfaction are not emotions, they are the evolution of emotions".

In the contemporary global economy and highly competitive business environment, it might be fatal for a business organization to be non-customer oriented (Dimitriades, 2006). In fact, only those customer-centered organizations that can deliver value to their customers will survive in the modern business arena. To "make" highly satisfied and loyal customers, organizations throughout the world are striving to produce world class products and services of high quality. For a long time, CS is considered to be the key success factor for every profit-oriented organization as it affects companies' market share and customer retention. In addition, satisfied customers tend to be less influenced by competitors, less price sensitive, and stay loyal longer (Dimitriades, 2006).

Many executives seem to trust their intuitive sense that high customer satisfaction will eventually be translated into higher loyalty and with it ultimately into improved company performance (Paulssen and Mirk, 2007). Thus achieving high customer satisfaction has become a central focus of corporate strategy for most firms (Homburg et al., 2005). However, "despite the claim that satisfaction ratings are linked to repurchase behavior, few attempts can be found that relate satisfaction ratings to actual repurchase behavior" (Mittal &

Kamakura, 2001, p.131). That the validity of this assumption is all but given, is nicely illustrated by Reichheld (1996), who reports that while around 90% of industry customers report to be satisfied or even very satisfied, only between 30% and 40% actually do repurchase. Some researchers have consequently even gone as far as to question the usefulness of satisfaction measures in general (Reichheld, 2003). Apparently, current knowledge doesn't fully explain the prevalence of satisfied customers who defect and dissatisfied customers who do not (Jones and Sasser, 1995; Keaveney, 1995; Bendapudi and Berry, 1997; Ganesh et al., 2000). One of the reasons is that the relationship between satisfaction and retention is not a linear one, but moderated by several different variables. Oliva, Oliver, and MacMillan (1992, p. 84) stated that "the response function linking (...) satisfaction to customer response may not operate as is frequently assumed because the complexity of the relationship may be underestimated".

There is a broad available technical (or marketing) literature that supports moves towards formalizing the measurement of customer satisfaction. This supporting base is concerned primarily with such issues as (Piercy, 1996):

- developing different concepts of CS which can be evaluated;
- designing effective CS data collection and reporting systems;
- adopting methods for measurement CS into organizational systems of control; and
- developing systems for responding effectively to customer dissatisfaction and complaints.

In fact, it has been noted that customer satisfaction measurement has proved to be one of the most successful products for market research agencies through the recession (Coleman, 1992). The market research industry offers a full range of products in this area: customer satisfaction survey methodologies; focus groups to study customer satisfaction issues; standardized packages for monitoring customer satisfaction; and the computer software needed to analyze and report customer satisfaction data to management. However, the key issue in this area is somewhat different from this focus on measurement techniques and reporting systems.

The question is what effect the measurement of customer satisfaction has – both on the implementation of marketing strategies of service, quality, and so on; *and* in the internal market of employees, managers, distributors, and all those on who we rely to implement our marketing strategies (Piercy, 1996).

Evans and Laskin (1994) present a model of effective marketing process which, in some way, shape everything said before in a coherent whole. They define RM as "the process whereby a firm builds long-term alliances with both prospective and current customers so that both seller and buyer work toward a common set of specified goals" (Evans & Laskin, 1994, p.440). It is also emphasized that achieving the "goals" of RM can be realized through: (1) understanding customers' needs, (2) treating customers as partners (3) providing satisfaction of all customers' needs by employees; this may demand initiative and efforts on the part of employees that exceeds norms of the company and (4) providing the best qual-

ity according to customer's individual needs. Efficiently positioned RM will lead towards the following positive outputs: (1) high percentage of satisfied customers, (2) higher loyalty of customers, (3) customers' perception on products/services higher quality and (4) increasing profit of a seller company. RM is a continual process which demands the following from companies: (1) continual communication with customers (provides correct definition of requirements) and (2) to integrate RM process into strategic planning (enables better resource management and anticipation of future customers' needs). The model is in a cyclic form with three sub-processes: (1) inputs (understanding customer expectations, building service partnerships, empowering employees and TQM); (2) positive outputs (customer satisfaction, customer loyalty, quality of products/services and increased profitability); (3) checking phase (customer feedback and integration). Brookes and Little (1997) enhance the explanation of the effective marketing process by saying that this concept is based on data base management, interactive market communication and web marketing.

## 1.2 Serbian background

Companies from transitional countries, like those of the Western Balkans (Serbia among them), have problems with the quality of their business practices and production productivity. Inherited inefficient production systems and transitional recession, which are common to all countries in transition, affect these companies and can be blamed for their insufficient competitive capacity. The problem is especially obvious in companies dominated by autochthonous private capital. The reason why only a relatively small number of Serbian companies have implemented a quality system can be found in the difficult financial situation of the domestic economy and the fact that the implementation of QM calls for considerable effort on the part of management. What is of greatest concern is that, while almost all big companies have already implemented QM, the majority of companies in Serbia are small to medium sized enterprises (SMEs). The concept of RM exists, but only on the basic level and in a small number of companies. Furthermore, there are no clear indicators concerning this.

In accordance with the above, an acceptable concept or a model that would satisfy customers' requirements by integrating QM and RM seems the possible solution in a transitional, Serbian context (Bešić et al., 2009). The main directions of this research, from the standpoint of business, are: RM with customers which deals with the influence of customer satisfaction on competitiveness and realized profit; methods for measuring customer satisfaction and techniques which enable implementation of such data in the strategy and, in that way, improve relations between companies and customers.

## 2 Research methodology

### 2.1 Objectives of the research

The objectives of the research were: CS should be explained from the standpoint of RM concept and its acceptance in

QM certified (ISO 9000 series of standards) Serbian firms. Answers to the following questions were expected:

- how many Serbian companies take care about CS and requirements,
- if they recognize the values they deliver to their customers,
- if they recognize the elements of RM concept in their own business activities and how they evaluate them concerning their business significance,
- how they manage and organize the recognizing processes of customers' requirements together with measuring CS,
- what methods they use,
- how they incorporate the effects of researching, monitoring, measuring and analyses in their own business (Ćočkalović, 2008).

The process and the model of effective RM described by Evans and Laskin (1994) were accepted as a base for this research. Whether the concept of effective RM and its extent were representative for such research in Serbian economy was not the subject of the research. The reasons for accepting the model of effective RM as a relevant one were: simplicity, universality, convenience, usability, its measurability and comparability of results. Also, there is a principal analogy with QM concept: cyclic characteristic and orientation towards constant improvements point at PDCA cycle (which is the very essence of QM), customer orientation, process approach etc. Besides, the effective RM model, as an input, contains a component of TQM, another essentially serious field of QM concept. On the grounds of this, it was natural to choose QM certified companies for representatives of this research; if it was possible to find indications of application of RM concept, then it was the case with these companies.

The model of effective RM was extended by managerial and organizational component as well as by a set of methods and techniques designed for collecting data from the customers according to (Hanić, 1997, pp. 52-67). Elements of integration for an organization were designed in relation to the concept of effective RM and according to the elements frequently mentioned in the QM literature (Saraph et al., 1989; Miller, 1992; Terziovski and Samson, 1999; Conca et al., 2004). They are: corrective/ preventive measures, (re)definition of a policy, objectives and tasks, planning in the future period, training of employees; potentially: a system of award and punishment, or "good practice" – collective experience, etc.

### 2.2 The sample, collecting and processing of research data

Target groups in the research are:

- companies (production and/or services) which are certified according to the standards of QM (ISO 9000 series) and which work and have residence in Republic of Serbia; quality managers and/or marketing managers from these companies, as a primary group,
- experts, in the sphere of quality and/or marketing (with reference to the subject sphere, published works and/or cited), as a control group. They were to confirm the

companies' attitudes; it was interesting to see whether considerable differences would appear in the companies' answers and the answers of those who were dealing with this matter from academic (university professors) or some other standpoint (ex. consultants). It was not important whether they belonged to primary research group, it was essential that they considered the problem from their individual, expert standpoint.

Surveying available companies and experts was primarily realized by e-mail survey. The reasons for choosing this kind of survey are fast responding and costs, which are lower than postal survey or some other kind of interview; considering the main characteristics and problems (the greatest respond, which goes from 20 to 30%, and sometimes does not go over 5%, so the sample is not representative) (Hanić, 1997, p. 57). Data base of Serbian Chamber of Commerce (<http://www.pks.rs>) was used during the selection of companies, so the survey included about 600 companies; at the moment of creating the list there were about 600 companies in the base (at that point, more than half of QM certified organizations in the Republic of Serbia). At selecting the sample of experts it was used data base and contacts in UASQ – United Association of Serbia for Quality (<http://www.jusk.org>), as independent and sufficiently representative body for Serbia. The survey included 100 experts.

For the sake of the survey it was created a special questionnaire (taking care of methodology of the research); communication principle was: one questionnaire – one company/expert.

Totally 84 companies accepted the call to participate in the research (which is according to (ISO ed., 2006) and (ISO ed., 2007), between 4.5 and 5.5% out of all certified companies in Serbia) and 37 experts from the subject sphere. It means that the response for companies was about 14% and for experts 37%. It seems that a part of the problem which influenced such a small response, especially in companies, was caused by inertness and the lack of interest while another reason has to be attributed to “technological factors”, taking care of IT (il)literacy of the employees (Preradović, 2008), as well as about the application of “antispam” programs on the servers in companies. However, these are only allegations.

The survey was mainly realized during the first quarter of 2008.

The structure of the surveyed companies was:

- According to ownership structure the companies were mainly private (61 (72.6%)), then public (10 (11.9%)), socially owned (8 (9.5%)) and other (5 (6%));
- According to the field of work: agriculture, hunting, forestry and water management 3 (3.4%), ore and stone mining 1 (1.1%), manufacturing industry 46 (52.3%), electrical, gas and water generation and supply 5 (5.7%), building construction 9 (10.2%) wholesale and retail trade ; motor vehicles, motorcycles and house-ware/personal repair 8 (9.1%), traffic, warehousing and connection 3 (3.4%), administration and defence ; compulsory social insurance 2 (2.3%), education 3 (3.4%), health and social care 3 (3.4%), other communal, social and individual services 5 (5.7%);

- According to the size: micro 6 (7.2%), small 8 (9.5%), middle 38 (45.2%), big 32 (38.1%);
- Position of the interviewed: executives 10 (11.9%), leading managers 49 (58.3%), consultants 3 (3.6%), the others - 22 (26.2%);

The structure of the interviewed experts:

- The greatest number of the interviewed were over 50 years of age 13 (41.9%), 11 (35.5%) were between 30 and 40, and the smallest number made those between 40 and 50 years of age 7 (22.6%). Six experts did not answer this question;
- Level of education: the majority were PhD (15 (40.6%)), experts with Master's degree and Bachelors made (10 (27%)) and 2 (5.4%) of the experts had college diplomas;
- Occupation (answered 22 (59.5%) of the interviewed): the majority were university professors/college professors - 11, five experts were employed as consultants, there were 2 assistants and 2 technologists, 1 director, 1 engineer and 1 programmer;
- Position of the interviewed in their organizations (answered 36 (97.3%)): directors 5 (13.2%), leading managers 10 (26.3%), consultants 1 (2.6%), owners 2 (5.3%), others 20 (52.6%).

During the checking phase of statistically relevant differences in the answers of different-size-companies (types of companies: 1 – micro and small, 2 – medium and 3 – large), the data types which appeared in the survey caused the application of two different methods of statistic analyses:

1. Kruskal Wallis – one-way analyses of the variant among the ranks for data types of lower level (nominal), as well as with data without beginner's presumption on the existence of a certain distribution (most frequently normal);
2. One way ANOVA – one-way analyses of the variant, but in this case for more superior data of interval level, such as significance grades.

ANOVA was also used in comparison of companies (total) and experts' data.

It was taken that evaluation limit of reliability results, i.e., probability which enabled claiming that the data were error consequences or random variations was  $p = 0,05$ . That means that for  $p \leq 0,05$  exists statistically significant difference in results.

It was determined that significant statistic exception in the answers of companies and experts (in general) didn't exist, therefore, there is no discussion on this matter.

Where appropriate, in processing and analysis of the research results, Pareto analysis was used in order to sort the answers according to degree of importance both for the companies and experts. The research results presented in this paper, include the answers that belong to categories “very important” and “important”. The category “other” was neglected.

### 3 Research results

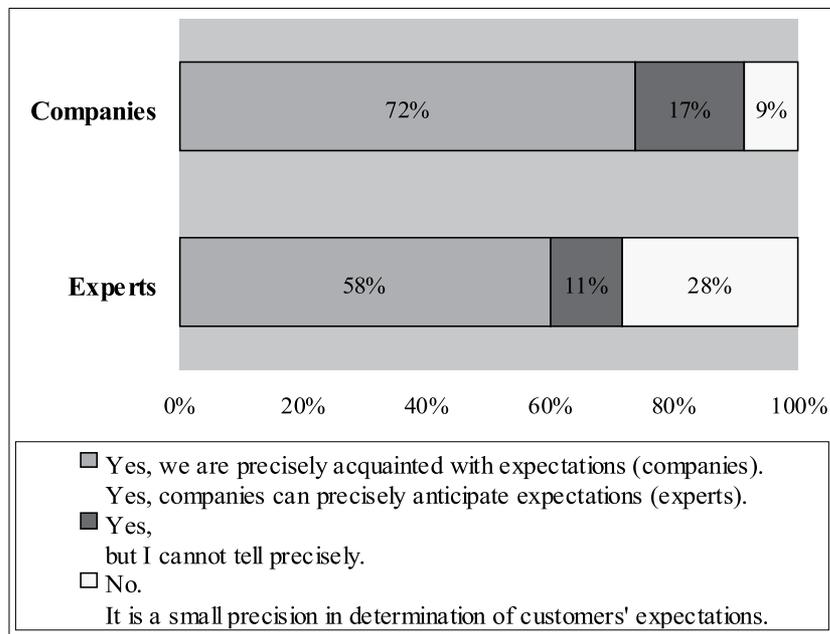
The research results point at the fact that the majority of companies 63 (80.8%) (out of 78 (92.9%) that responded) apply some

Table 1: Comparative review - average grades of significance of input elements in RM concept

Input elements of RM concept	Average grades of the interviewed in companies	Average grades of the experts
Understanding customer expectations	4.31	3.88
Building service partnerships	3.92	3.42
Empowering employees	3.66	3.71
TQM	3.76	3.26

ANOVA significance test  
Group: companies

	Sum of Squares	df	Mean Square	F	p
Between Groups	0.478	2	0.239	2.892	0.107
Within Groups	0.743	9	0.083		
Total	1.221	11			



Kruskal Wallis Test

Grouping Variable: companies

Ranks

	companies	N	Mean Rank
frequency	1	5	5.80
	2	5	10.00
	3	5	8.2
	Total	15	

Test Statistics

	frequency
Chi-Square	2.319
df	2
p	0.314

Figure 1: Parallel review of companies and experts' attitudes related to precise knowing of customers' expectations

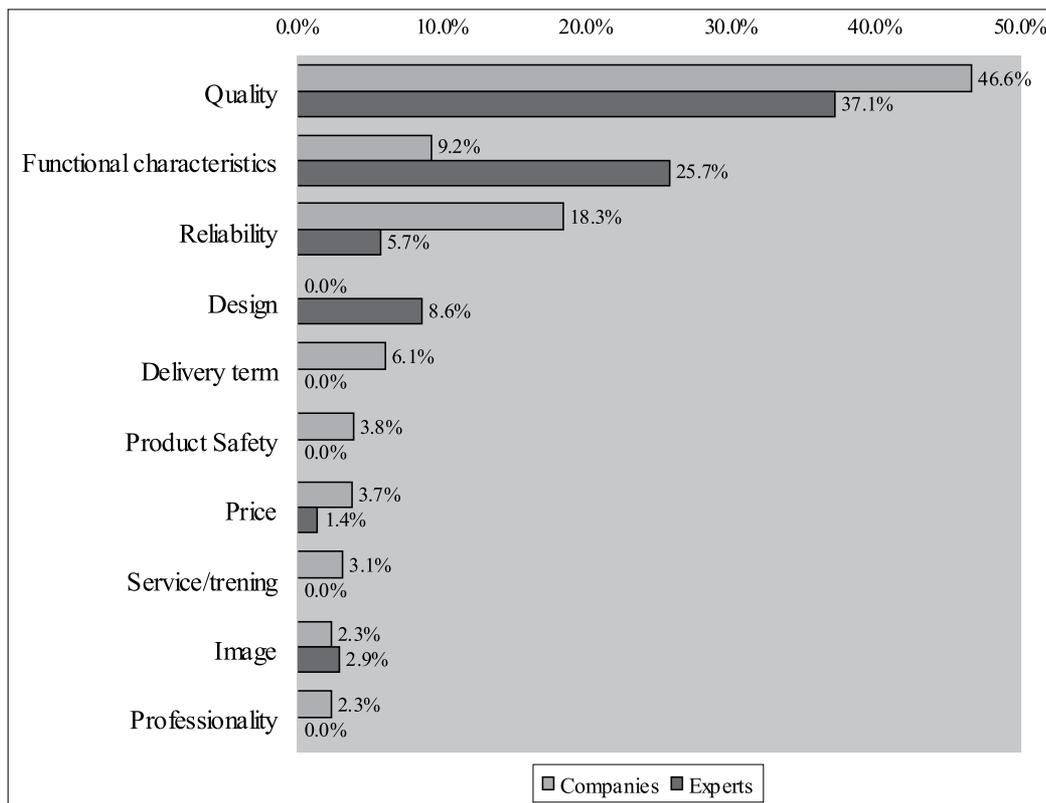
kind of RM concept. This fact was confirmed by the experts; 32 (91.4%) (out of 35 (94.6%) who answered) said that it was possible (in some way) to apply RM concept in Serbian companies.

Both companies and experts consider input elements of effective RM concept significant, or significant enough, which the table 1 presents. In the research (survey) it was used the Likert 5-point scale.

Figure 1 shows in what degree the analyzed companies are conscious of their customers' expectations and also the experts' estimation concerning the ability of the companies to work in our conditions. Structurally, the opinions do not differ,

although the average grades of agreement between customers' expectations and delivered value vary: 4.19 (companies) – 3.05 (experts). This question was answered by 82 (97.6%) companies and 36 (97.3%) experts.

Further on, it was expected that companies and experts express their opinions on the values delivered to customers, through products and/or services. 70 (88.6%) of the interviewed in companies out of 79 (94.1%) and 17 (56.7%) experts out of 30 (81.1%) point at: quality, functional characteristics and reliability. Comparative review of companies and experts' answers is presented in Figure 2.



Kruskal Wallis Test  
 Grouping Variable: companies  
 Ranks

	companies	N	Mean Rank
frequency	1	15	19.17
	2	15	25.37
	3	15	24.47
	Total	45	

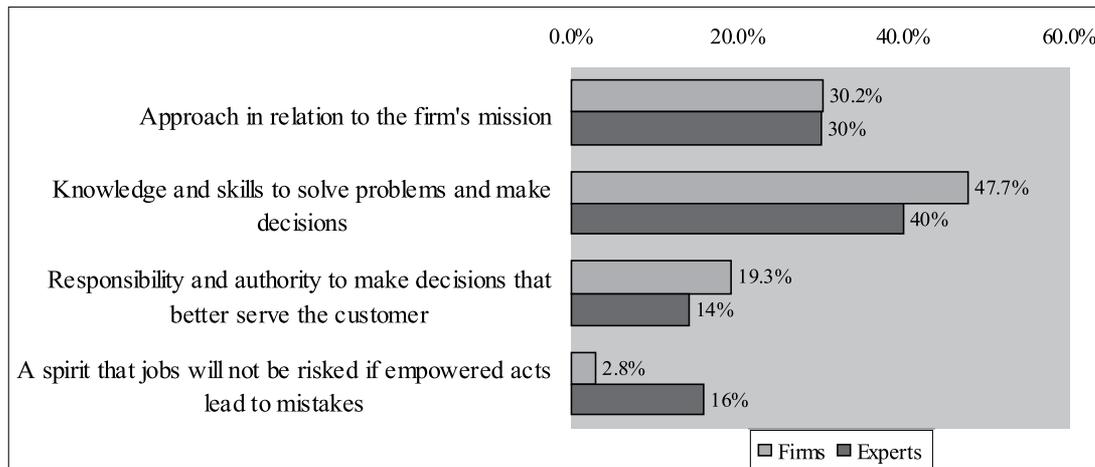
Test Statistics

	frequency
Chi-Square	2.032
df	2
p	0.362

Figure 2: Review of attitudes – companies and experts, related to the value delivered to customers

About the conditions for active participation of the employees in organization's activities (in relation to RM) 4.79

(94,1%) companies and 35 (94.6%) experts expressed their opinions, Figure 3.



Kruskal Wallis Test  
 Grouping Variable: companies/firms  
 Ranks

	companies	N	Mean Rank
frequency	1	4	5.00
	2	4	7.38
	3	4	7.13
	Total	12	

Test Statistics

	frequency
$\chi^2$	1.052
df	2
p	0.591

Figure 3: Conditions for active participation of employees in RM concept

Comparative review of the average grades which the interviewed gave about the significance of output elements in RM is presented in Table 2. It should be emphasized that all the elements were evaluated as significant both by companies (81 (96.4%) of the interviewed answered) and experts (35 (94.6%) of the interviewed).

The part of the questionnaire related to the processes of identifying expectations, monitoring and measuring CS had to provide insight in several elementary questions:

- how the companies, generally, carry out processes,
- to establish management and organizational division of responsibility over processes,

- to establish the best methods, techniques or activities for data obtaining and analysis,
- the ways at which the results of researching needs, especially customers' satisfaction influence business and RM realization.

When they were asked to say if they had a special defined process for identification of customers' expectations, the majority of the interviewed in companies, 66 (79.5%) out of 83 (98.8%), gave positive answers. A part of them- 14 (16.9%) connected this process to some process in their organization, only in 3 (3.6%) companies this process was not defined at all. Similar structure of the answers was given by experts: 31

Table 2: Comparative review of average significance grades of output elements in RM concept

Output elements of RM concept	Average grades of the interviewed in companies	Average grades of the experts			
Quality of products/services	4.64	4.06			
Customer satisfaction (effects: complaints, repeated purchase, recommendation)	4.44	4.26			
Customer loyalty	4.04	4.09			
Increased profitability	4.19	3.91			
ANOVA significance test Group: companies					
	Sum of Squares	df	Mean Square	F	p
Between Groups	0.206	2	0.103	1.431	0.289
Within Groups	0.649	9	0.072		
	Total	0.855	11		

(83.8%) of them said it was necessary to define this process and only 6 (16.2%) of them thought that this process could be joined to some other process.

The situation is similar when the process of monitoring, measuring and analysis is in question: 69 (82.1%) of the interviewed in companies said that this process existed as separately defined one, 14 (16.7%) said that it was a component of some other process and only 1 (1.2%) thought that it didn't exist. This time, the experts were almost unique in opinion that the process had to be separately defined and only 3 (8.1%) of the interviewed said that it could be a part of some other process.

Considering the question which demands definition of management and responsibility over processes, identification of expectations, monitoring, measuring and analysis, a certain generalization can be noticed in the answers given by experts when they are compared to those obtained in companies. No matter, we can find some similarities which are presented in the Table 3a for process identification of expectations and Table 3b for process monitoring, measuring and analysis. Statistically significant difference in the answers of different types of companies is noticed considering the question of management/responsibility over processes – identification of expectations ( $p = 0.005$ ) and the answers are given separately. Totally, 68 (80.9%) companies and 35 (94.6%) experts answered the question about the process of identification of expectations and the question related to the process of monitoring, measuring and analysis 71 (84.5%) companies gave the answer.

It is interesting to notice the moving of responsibility (both companies and experts agree in this) from marketing top manager, for the process identification of expectations, towards sale top manager, for the process of monitoring, measuring and analysis. Especially expressed significance of

organizational units (sectors) can be noticed: trade/sale, marketing, development sector and quality sector.

Comparative review of the answers that are related to the phases in which the research of needs and measuring satisfaction are carried out, is presented in Tables 4a and 4b respectively. Here is noticed a statistically significant difference in the answers of different-type-companies concerning the phases in which research of needs and expectations ( $p = 0.001$ ) and measuring satisfaction ( $p = 0.002$ ) are carried out, so the answers are presented separately. Totally 83 (98.8%) companies answered the question related to the process of identification of expectation and 80 (95.2%) companies gave the answer to the question concerning the process of monitoring, measuring and analysis.

Generally, it is good to realize both research of needs and expectations and measuring satisfaction in all mentioned phases, taking care that going from definition of policy and objectives towards post-sale and service activities the focus of these activities is moving from research of needs and expectations towards measuring satisfaction. This process is presented in tables 4a and 4b.

Methods and activities for researching attitudes, acceptable in opinions of experts and companies to be used in research of needs and expectations and in measuring satisfaction of customers, are presented in the following comparative review, Table 5.

The most important methods and activities are customers' interviews, especially personal interview and postal interview. The least attention, in opinion of the interviewed, is paid to monitoring of products in use.

Customers' satisfaction is integrated in business of the whole organization. This is, according to the research, the reality in Serbian companies. 81 (96.4%) companies and 36 (97.3%) experts confirmed this fact in their answers, Table 6.

Table 3a: Comparative review of management and responsibility over processes identification of expectations

Given answers - companies		Process identification of expectations			
		Companies			Experts
		1	2	3	
(a)	Top manager and/or owner	1 (5.6%)	15 (14%)	6 (9.2%)	13 (17.6%)
(b)	Executive management	-	10 (9.3%)	3 (4.6%)	
(c)	Development unit manager	1 (5.6%)	12 (11.2%)	4 (6.2%)	7 (9.5%)
(d)	Marketing unit manager	3 (16.7%)	4 (3.7%)	15 (23.2%)	25 (33.8%)
(e)	Trade/sale unit manager	5 (27.8%)	18 (16.8%)	14 (21.5%)	13 (17.6%)
(f)	Quality unit manager (or QM manager)	3 (16.7%)	9 (8.4%)	9 (13.8%)	10 (13.5%)
(g)	Unit managers (generally)	3 (16.7%)	9 (8.4%)	6 (9.2%)	-
(h)	Staff in direct contact with services customers or those directly involved in services realization.	-	10 (9.3%)	6 (9.2%)	4 (5.4%)

Kruskal Wallis Test  
Grouping Variable: companies  
Ranks

	companies	N	Mean Rank
frequency	1	15	15.33
	2	15	30.77
	3	15	22.90
	Total	45	

Test Statistics

	frequency
$\chi^2$	10.740
df	2
p	<b>0.005</b> <0.05

The encouraging fact is that the “system of award and punishment” is almost completely excluded in companies (5 (2.5%)), while the experts do not consider it at all.

With a certain difference in opinions, the companies and experts give advantage to corrective/preventive measures and planning, while the least attention is paid to collective experience.

## 4 Discussion

There are certain problems concerning the acceptance of RM in Serbian economy and they have been briefly explained in the text. However, it is also obvious that an orientation towards CS is present in QM certified Serbian companies. This is confirmed by the acceptance of the input and output elements of effective RM model in the sphere of planning quality for the future. According to the research, the output elements of the RM should also be incorporated in the reconsideration phase on the management side. Taking all this into account, it is not

surprising that considerable significance is paid to customer satisfaction. Namely, particular significance is paid to the elements which are directly oriented towards customers (the lowest average grade is 4.23); which shows the readiness of the organizations to devote themselves to their customers, as well as the importance which the experts gave to this question.

According to the answers of both, experts and companies, there is a clear picture related to customers' expectations and the value that is “delivered” to them. This picture is, however, partially “greyed” by Serbian economic reality which is similar to reality of most transitional countries. As it was written in the introduction, the companies from this region have problems with the quality of their business practices and productivity. Yes, it is possible to make and deliver quality. The question is – at what price and who will pay for it?

The part of the research related to the process of selecting, involving, training and motivating employees (i.e. Human Resource Management), especially those in direct contact with customers, was indirectly confirmed by the special importance given to “communicative abilities” and “experience” criteria when selecting staff who should be in direct contact with cus-

Table 3b: Comparative review of management and responsibility over processes monitoring, measuring and analyses

Process monitoring, measuring and analyses		Given answers - experts	
Companies	Experts		
12 (6.9%)	10 (12.7%)	Top management and/or executive management	(a)
10 (5.7%)			
4 (2.3%)	7 (8.9%)	Development unit manager	(b)
25 (14.3%)	24 (30.4%)	Marketing unit manager	(c)
41 (23.5%)	13 (16.5%)	Trade/sale unit manager	(d)
36 (20.6%)	21 (26.6%)	Quality unit manager (or QMS manager)	(e)
14 (8%)	-	-	-
17 (9.7%)	2 (2.4%)	Employees in sale network	(f)

Kruskal Wallis Test  
Grouping Variable: companies  
Ranks

	companies	N	Mean Rank
frequency	1	14	15.36
	2	14	24.57
	3	14	24.57
	Total	42	

Test Statistics

	frequency
$\chi^2$	5.436
df	2
p	0.066

tomers. Precisely, the advantage is given to “knowledge and skills required to solve problems and make decisions” and the “approach to the firm’s mission” considering the conditions for the active involvement of employees in the RM concept.

The greater part of Serbian companies had defined customer-related processes - 66 (79.5%) of those which participated in the survey for the process of identification of customers’ expectations and 69 (82.1%) of them for the process of monitoring, measuring and analyses.

Particular importance was given to the techniques used to survey customers, especially personal interviews and postal interviews, while the least attention was paid to monitoring a product’s life in usage. Feed-back information from customers, including their complaints, were considered as highly effective solutions in communication with customers in measuring satisfaction.

The analysis of customer satisfaction influences the improvement of QM and, in general, the business of an organization. The research has shown that this is a simultaneous process - demand imposed by the standard and the practice of Serbian companies. The ways in which this is performed, or should be performed was demonstrated by 81 (96.4%) companies and 36 (97.3%) experts in their answers respectively: corrective and/or preventive actions and planning future quality.

It is encouraging to note that the “system of award and punishment” has almost completely disappeared in companies.

Although it was expected, there are no statistical differences between the answers given by micro, small, medium-sized and large enterprises, except in three cases, concerning strategic orientation:

- Management and responsibility over processes identification of expectations. Trade/sale unit manager operates this process in micro and small companies; in big companies this job is given to Marketing unit manager. In medium-size companies, Top manager and/or owner is involved in these activities. .
- The phases in which research into needs is/should be performed. Here, one of the three most significant answers is the same for all types of companies; defining quality policy, objectives and tasks. The most significant deviations appear in: research of requirements and expectations, through validation of results (within a phase or the project) and during the performance of activities (products and services realization).
- The phases in which measuring customer satisfaction is/should be performed. Here, one of the three most significant answers is the same for all types of companies; after realization or product delivery. The most significant

Table 4a: Comparative review of the phases in which research of needs and expectations is/should be carried out

Offered answers		Research of needs and expectations			
		Companies			Experts
		1	2	3	
(a)	Definition of policy and objectives	5 (20.8%)	23 (18.7%)	18 (16.5%)	13 (11.7%)
(b)	Research of needs and expectations	6 (25%)	17 (13.8%)	17 (15.6%)	30 (27%)
(c)	Definition of resources for products/services realization	1 (4.2%)	9 (7.3%)	15 (13.8%)	7 (6.3%)
(d)	During reconsideration of contracts	5 (20.8%)	18 (14.6%)	15 (13.8%)	12 (10.8%)
(e)	Through validation of some phases (designing products and/or services)	6 (25%)	14 (11.4%)	13 (11.9%)	11 (9.9%)
(f)	During realization of activities (realization of products and/or services)	-	20 (16.3%)	10 (9.2%)	10 (9%)
(g)	After the realization of business or product delivery	-	17 (13.8%)	8 (7.3%)	6 (5.4%)
(h)	Through post-sale and services activities	1 (4.2%)	5 (4.1%)	13 (11.9%)	18 (16.2%)

Kruskal Wallis Test

Grouping Variable: companies

Ranks

	companies	N	Mean Rank
frequency	1	8	4.81
	2	8	17.38
	3	8	15.31
	Total	24	

Test Statistics

	frequency
$\chi^2$	14.645
df	2
p	<b>0.001</b> <0.05

deviations appear in: research of requirements and expectations and during the review of product related requirements.

It is obvious that the answers are in harmony with the size and organisational structure of the companies in question and any deviation is related to these factors.

Finally, it can be noticed from the analysis and discussion that Serbian companies take care about CS and customer requirements, they recognize the elements of effective RM model in their own business activities and accept this concept in relation to the context presented in this research.

## 5 Conclusions

Organization management directed towards building relations with customers should result in achieving loyalty of customers. Making supply that overcomes consumers' expectations creates a positive interaction between consumers and products.

The final result of this interaction is a satisfied and positively surprised consumer. RM is a concept that implies a long-lasting relation based on mutual interests of companies and customers, in such a way that both sides (seller and buyer) are focused on common objectives. RM is, in its basic form, present in Serbian companies and this research has confirmed it.

Customers' satisfaction represents a key output of RM, therefore a significant attention is paid to this phenomenon in Serbian companies. Identification of expectation and monitoring, measuring and analysis are the processes by which customers' satisfaction is integrated in RM.

This research has showed that there are certain differences concerning the following questions: how RM is set and led, what methods are used in integration of customers' satisfaction in RM and, further on, how RM is integrated in the process of strategic planning in organizations.

Serbian companies should pay a special attention to implementing new approaches to marketing, both in conceptual and in organizational sense. Here, we think about a

Table 4b: Comparative review of the phases in which measuring satisfaction of customers is/should be carried out

Offered answers		Measuring satisfaction			
		Companies			Experts
		1	2	3	
(a)	Definition of policy and objectives	2 (6.5%)	10 (10.8%)	11 (11.6%)	14 (11.9%)
(b)	Research of needs and expectations	6 (19.4%)	9 (9.7%)	18 (18.9%)	20 (16.9%)
(c)	Definition of resources for products/services realization	-	8 (8.6%)	5 (5.3%)	7 (5.9%)
(d)	During reconsideration of contracts	5 (16.1%)	11 (11.8%)	10 (10.5%)	10 (8.5%)
(e)	Through validation of some phases (designing products and/or services)	9 (29%)	10 (10.8%)	6 (6.3%)	14 (11.9%)
(f)	During realization of activities (realization of products and/or services)	-	8 (8.6%)	14 (14.8%)	9 (7.6%)
(g)	After the realization of business or product delivery	6 (19.4%)	27 (29%)	18 (18.9%)	21 (17.8%)
(h)	Through post-sale and services activities	3 (9.7%)	10 (10.8%)	13 (13.7%)	23 (19.5%)

Kruskal Wallis Test

Grouping Variable: companies

Ranks

	companies	N	Mean Rank
frequency	1	8	5.44
	2	8	15.50
	3	8	16.56
	Total	24	

Test Statistics

	frequency
$\chi^2$	12.205
df	2
p	<b>0.002</b> <0.05

broader acceptance of a new marketing model, characterised by technological development and also about the model of integrated marketing communication, which represents a communicational component of marketing.

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Table 5: Comparative review of methods and activities for researching customers' attitudes

Offered methods and activities			(a) Research of Needs		(b) Measuring Satisfaction		
			Firms	Experts	Firms	Experts	Firms
(a)	Observing	<b>25 (9.7%)</b>	<b>12 (13.2%)</b>	<b>13</b>	<b>2</b>	<b>13</b>	<b>5</b>
(b)	Interviewing customers	75 (29.1%)	32 (35.2%)				
(b)1	personal interview	33 (24.8%)	18 (30%)	<b>15</b>	<b>11</b>	<b>17</b>	<b>11</b>
(b)2	postal interview	<b>33 (24.8%)</b>	<b>8 (13.3%)</b>	<b>13</b>	<b>6</b>	<b>16</b>	<b>3</b>
(b)3	e-mail interview	31 (23.3%)	12 (20%)	11	8	16	6
(b)4	anonymous interview on larger sample when interviewer is present	<b>10 (7.5%)</b>	<b>11 (18.3%)</b>	<b>4</b>	<b>9</b>	<b>7</b>	<b>6</b>
(b)5	telephone interview	<b>16 (12%)</b>	<b>4 (6.7%)</b>	<b>7</b>	<b>2</b>	<b>7</b>	<b>2</b>
(d)	Solving complaints					45 (17.4%)	<b>10 (11%)</b>
(e)	Monitoring of proposals for improvement (products/services) suggested by customers					<b>32 (12.4%)</b>	<b>11 (12.1%)</b>
(f)	Solving complaints on products					<b>47 (18.2%)</b>	<b>11 (12.1%)</b>
(g)	Monitoring of products "behavior" during usage (defects)					25 (9.7%)	8 (8.8%)

Table 6 Comparative review of the ways in which the results of analyses of customers' satisfaction in companies are integrated in RM

Offered answers	Companies	Experts
Through corrective/preventive measures	64 (31.8%)	20 (21.3%)
(Re)definition of policy, objectives and tasks	35 (17.4%)	19 (20.2%)
Planning in the future period	48 (23.9%)	24 (25.5%)
Through training of employees	33 (16.4%)	20 (21.3%)
"Good practice" – collective experience	16 (8%)	11 (11.7%)

Kruskal Wallis Test  
Grouping Variable: companies  
Ranks

	companies	N	Mean Rank
frequency	1	6	6.33
	2	6	10.67
	3	6	11.50
	Total	18	

Test Statistics

	frequency
$\chi^2$	3.253
df	2
p	0.197

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### **Zadovoljstvo kupcev in sprejemanje upravljanja odnosov s strankami v marketingu: preliminarna študija v srbskih podjetjih s certifikatom kakovosti**

Zadovoljstvo kupcev in drugih interesnih skupin je ključni dosežek oz. rezultat marketinga odnosov upravljanja z odnosi v marketingu. V članku je predstavljen del ugotovitev raziskave, ki je bila izvedena v prvem četrtletju leta 2008 in je vključevala 84 podjetij, ki so že pridobila certifikat kakovosti, in 37 strokovnjakov iz Republike Srbije. Cilji raziskave so (1) pojasniti zadovoljstvo kupcev z vidika upravljanja odnosov v marketingu in (2) prikazati, da je koncept upravljanja s kupci v marketingu mogoče uvesti v srbskih podjetjih, ki imajo certifikat kakovosti, in integrirati zadovoljstvo kupcev in upravljanje z odnosi v marketingu v sistem celovitega upravljanja kakovosti.

**Ključne besede:** proces, zadovoljstvo kupcev, QM, RM, Srbija