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## **The Level of Customer Satisfaction as one of the Goals of the Quality of the Organization in the Bakery Industry**

***Abstract:** The original definition of consumption (from Latin "consumer") that is closely related to the notion of consumer, related to the taking of food-consuming. This paper describes an original methodology of measuring customer satisfaction bakery products (bread and pastries) as well as the quality objectives of the organization. By comparing the size of the level of satisfaction obtained by this method of measuring the ACSI index, as one of najprimenjanijih way to measure customer satisfaction with quality of products / services determinane quality reserves in both cases.*

***Keywords:** customer satisfaction, quality objectives, bakery industry*

### **1. INTRODUCTION**

Customer satisfaction, according to ISO 9000, users opinion about the degree to which it meets its requirements. Customer complaints are indicators of low customer satisfaction, but the absence of complaints does not indicate a high level of customer satisfaction. According to some research (Kotler) high level of customer satisfaction is not assured even if all user requirements are met.

For business success in the market it is necessary to achieve total customer satisfaction (TCS - total consumer satisfaction), which means that the product / service fully meets the demands and desires of consumers. This concept is defined from the standpoint of the needs and interests of consumers outside the company. The concept of TQM - total quality management, which corresponds to it was made within and for the company[10].

Both concepts measure the market performance of companies located in the

highest possible level to meet the needs and desires of consumers in the developed society that defines quality of life. Therefore, user perception of the level of unconditional fulfillment of the needs and expectations of registered users, also defines user satisfaction.

QMS basically meaning the ability of the organization to carry out the objectives that provide customer satisfaction. Therefore, the required tracking customer satisfaction.

CRM (Consumer Relationship Marketing) focuses on building and developing long term relationships with customers.

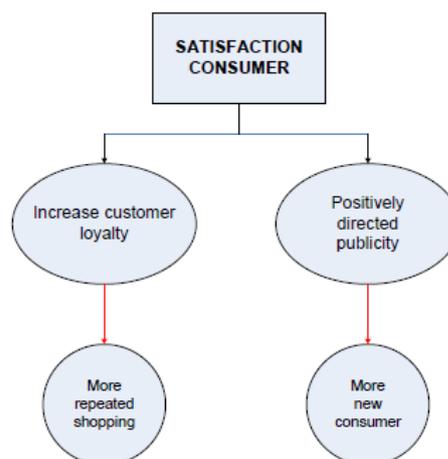
Several times more expensive for the company, attracting new customers than retaining existing ones. Customer loyalty and trust can be built only if, knowing well their customers, the company is able to meet their needs and desires better than the competition. This is achieved by building long term relationships with customers, building a partnership with them (customers partners "as the highest stage in

the process of arbitration). CRM decisions are not only the marketing but in all business functions of the company (sales, research and development, finance ...). So, CRM is a business cross-sectoral strategy that is focused towards customer. CRM strategy involves continuous improvement of quality of products and services in order to achieve the higher level of customer satisfaction. CRM is directly aimed at achieving total customer satisfaction-TCS. Universal CRM strategy that is ideal for all business systems, does not exist. It should contain all the optimum compromise in terms of diversity as consumers and businesses.

The common denominator of all the CRM strategy is to focus on the consumer. According to some research in the U.S. in the late nineties of the last century, the consumer is satisfied with the performance of products and services that experience tells of three friends, while unhappy with the problem of twelve people to know with whom to communicate. Dissatisfied customers are behaving differently, 4% of loud protests, 96% are silent, but angry, and usually stops kupovinom. Simplification process claims company can recover 50-70% of consumers, if the complaint resolved favorably and on time. Only one in twenty complaints, in highly developed countries, faces the charge reaction, which is certainly the potential for improvement. But in the U.S. - in about 18% of consumers participating in various forms of boycott of products and services, with effects done by purchasing experience may vary.

Dissatisfied, but not buying in the absence of suspsituta or better solutions. Most companies in the world lose 10-20% of consumers annually. If the company reduced this percentage could significantly increase their profit (in some cases even double it). It is estimated that the cost of winning a consumer retail food more than \$ 300. Companies that successfully retain their customers have better financial

results than companies that care less about their potrošačima. Ono which is obviously a big impact on customer retention of profits. According to some estimates, the analyst, a 5% reduction in the number of lost customers, companies can increase profits by 50%. Therefore emphasizes and develops the value of customer retention, and access to the value of customer life CLV (Customer Lifetime Value) as the value that a company can make doing business with a particular consumer. Therefore, all companies need to work on market research, but primarily on the study of consumer behavior in terms of needs and buying behavior, determinants of consumer behavior, sociological, psychological and motivational research consumer purchasing decisions of consumers as well as models of customer behavior. Only this approach an organization can achieve TCS, which is also the organization approaches the level of excellence.



**Figure 1- Use of customer satisfaction**

In attempts to measure the degree of satisfaction of consumers purchase a product or service meets the difficulties that arise from the fact that the degree of satisfaction dependent on the aspirations

and expectations of consumers, as a measure of satisfaction seems highly subjective.

The measurement of satisfaction is less subjective, if applicable to the products of a company, but at the macro level (national economy).

The main objective of which is placed on measuring customer satisfaction is monitoring the attitudes and perceptions of consumers about the quality of products and services company and the choice of adequate feedback system of consumer experiences.

Techniques for measuring customer satisfaction can be internal and external. Of the internal medium are considered to be most useful: check lists, Pareto diagram, histogram, correlation diagrams, cause-effect diagrams. Since most realistic assessment of external media can be obtained using the survey of consumer satisfaction characterized by continuity and standardized in the research. The result of survey are of a general evaluation of products / services, evaluation of specific attributes of products / services, problems that arise in using the products and the ways of their resolution. In quantifying the degree of satisfaction of consumers are used to factor and regression analysis and model neural networks (neural networks). One of the most common ways to measure the degree of satisfaction of consumers purchase products and services is the consumer satisfaction index (ACSI), which is used in the U.S.

This paper shows a comparative analysis of customer satisfaction, using two different techniques, as one of the goals of the quality of the organization in the bakery industry.

## 2. OBJECTIVES OF THE ORGANIZATION OF QUALITY

The main goals of quality are identified from the quality policy of the organization. Goals, the value of the reporting period and defines the management representative for quality. On the basis of the achieved goals, the director (top manager) review policies and set goals, ie. analyze the effects of the process. Each goal has its own metrics.

The global objective of quality:  $GC = p_1 \cdot C_1 + p_2 \cdot C_2 + p_3 \cdot C_3 + \dots + p_n \cdot C_n$   
 where:  $p_i$  - weights

$C_i$  - quality assessment

$i = 1, 2, \dots, n$ , while not recommended that  $n$  is greater than 15, it would be so lost focus problem.

Adopted the policy of quality, established the following general objectives (eg MPAD "Vapek" - Valjevo):

- Reduction of errors in all phases of the work,
- Elimination of complaints, objections and complaints of customers of our products,
- Increase customer satisfaction,
- Continuous improvement of the quality management system,
- Reduce operating costs,
- Increase the volume of business,
- Improving working conditions in the workplace,
- Saving resources and energy,
- Promotion of partnerships with suppliers and sub-contractors and
- Permanent training of personnel.

The management has the primary responsibility to set goals, constantly review and adjust them in accordance with the requirements of customers and users, and changes in business conditions. The specific objectives that are measurable, are made each year and presented business plans and their implementation is monitored in accordance with the provisions of the rules. Based on the

analysis to achieve goals, take corrective action programs.

The objectives must be clearly defined. Goals are the results that they want to achieve. Each goal is determined to realize the vision. It is important to define how the goal fits into the strategy and meet the vision (the critical success factors).

Quality objectives of the organization, which is a typical representative of the bakery organization Rasinsas district are given in table 1, while the level of size assessment of the quality objectives of the organization represented in figure 2. From the above we can conclude that user satisfaction - the goal of quality as well as other subobjectives quality organizations, have considerable potential for rationalization.

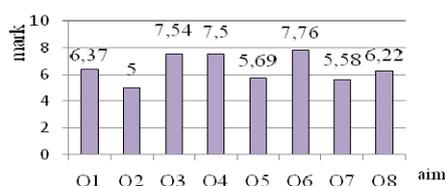


Figure 2 -The value of quality objectives of the organization

Table 1- Quality objectives of the organization

goal	meaning
O <sub>1</sub>	customer satisfaction
O <sub>2</sub>	profit per employee
O <sub>3</sub>	product quality and innovative production technology
O <sub>4</sub>	supply and storage of raw materials
O <sub>5</sub>	the accuracy and use of equipment
O <sub>6</sub>	timeliness and regularity of supply
O <sub>7</sub>	sales optimization
O <sub>8</sub>	standardization and competence of staff

### 3. USER SATISFACTION AS THE GOAL OF QUALITY

Customer satisfaction is one of the important objectives of the quality of any organization. The study was presented with 8 subgoals, whose quality is shown in the table 8.

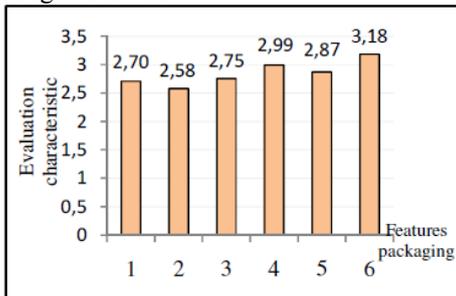
Range of product satisfaction (mean score): Bread and bakery products 3.175i rolls 3.185, which gives an overall assessment of product quality 3.18 (6.36). Rating the quality of the dynamics of supply (according to the criteria-just in time), the figure 8 is 3.72. Consumer Attitudes about cleanliness of store and sales are presented as a table 2, and their quality rating is 3.06 (6.12). Quality of service vendor, in this study included are: the purchase of kindness, support the choice when buying products. Score (mean score) quality by this criterion is 2.84 (5.68). Rating pleasures of consumer prices of bakery products (bread and pastry) was obtained by the same methodology as the previous cases is 3.51 (7.02). Rating the quality of packaging material was obtained as the arithmetic mean score atributivnih quality characteristics presented in figure 3 is 2.755 (5.51). Rating relation of price and quality of bakery products by consumers that the bread is 2.9 (5.8), and baked goods 3.2 (6.4), obtained as a mean value of these assessments, amounting to 6.1 (figure 6,7) Assessment of quality of products was obtained as the arithmetic mean score of bread 3.31 and 3.34 and pastry is 3.325 (6.65).

Consumers are valued characteristics of quality grades 1-5. The objectives of the organization rated the quality of grades 1-10. For the purpose of comparison, in order to simplify the procedure, introduced a second factor proportions.

Grade quality were obtained by interviewing potciljeva market - users of products and services. Lowest score rated

the quality of packaging (5.51), while the dynamics of supply consumers rated the highest score (7.44).

In the figure from 3 - 12, presented the results of research on which are quantified consumer attitudes about the quality of subgoals quality defined in this study. Score goals:  $O_1$  was obtained as the arithmetic mean score (mean score) of all subgoals to 6.37.



1	material
2	design
3	dimension to the product
4	hygiene
5	seal
6	color

Figure 3 - Level of quality packaging expressed through grade characteristics

position/grade	size level (%)
no opinion	5.50
1	8.79
2	17.95
3	30.77
4	22.71
5	14.29

Table 2- The perception of quality and hygiene of store sales by consumers

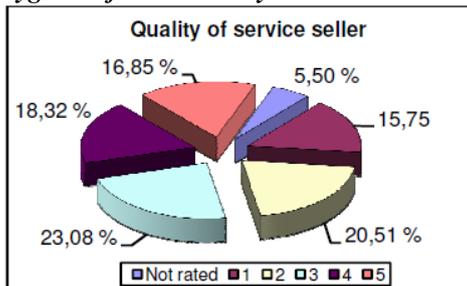


Figure 4 - Quality of service seller

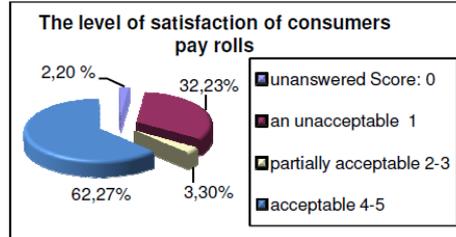


Figure 5 - The level of satisfaction of consumers pay rolls

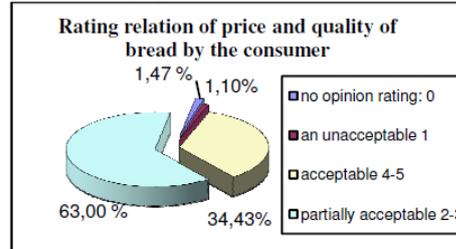


Figure 6 - Rating relation of price and quality of bread by the consumer

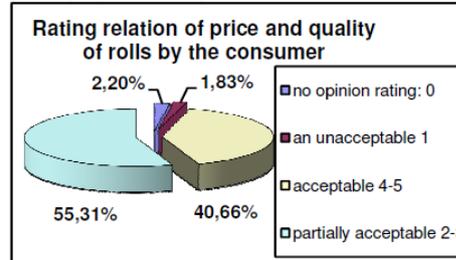


Figure 7 - Rating relation of price and quality of rolls by the consumer

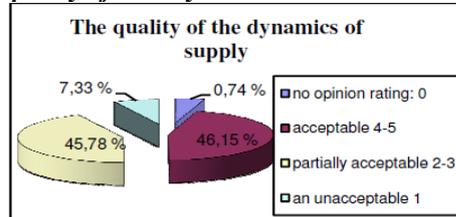


Figure 8 - The quality of the dynamics of supply

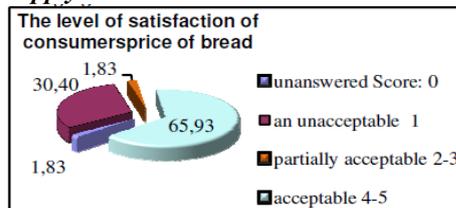


Figure 9 - Level of satisfaction of consumers price of bread

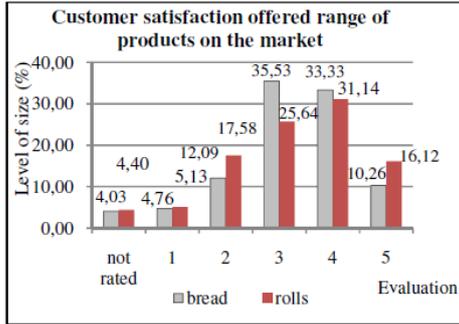


Figure 10 - Customer satisfaction offered range of products on the market

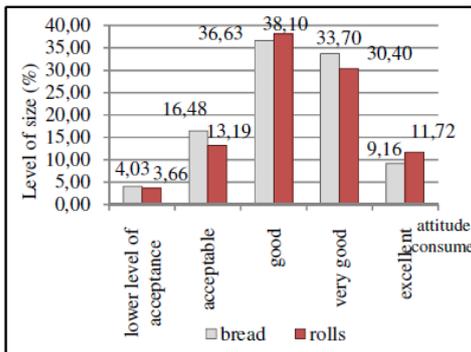


Figure 11- The level of product quality

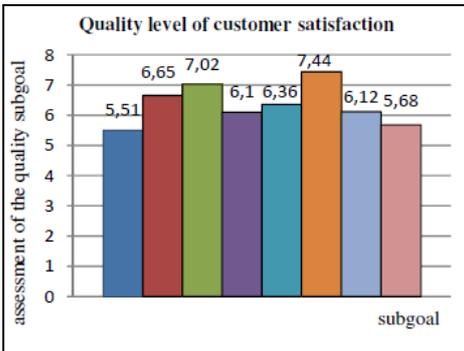


Figure 12- Quality level of customer satisfaction

Attributive characteristics that match, quantified assessments are presented for each percentage of the characteristics of separately. On thus achieved is visible attitudes of consumers in terms of quality and subgoals subgoals quality metrics.

Table 3-Objective O<sub>1</sub>: Value objectives and sub objectives

OBJECTIVE: Customer satisfaction	
Rating the quality of subgoals	
Quality packaging	5,51
Product quality	6,65
Product price	7,02
Relationship between price and quality	6,1
Product range	6,36
The dynamics of supply	7,44
Hygiene of sales and selling space in the building	6,12
Quality of service dealer - in selecting, courtesy	5,68
The total mean score	6,37

#### 4. METHODS OF MEASURING SATISFACTION - SATISFACTION USERS

Measuring and tracking customer satisfaction defines: sources, methodology of collecting, analyzing and using data and methodology of measurement (grade) level of customer satisfaction. The most important information obtained from users / customers.

For monitoring and measuring customer satisfaction is most commonly used index of satisfaction (satisfaction) by - ACSI (American Customer Satisfaction Index - the consumer satisfaction index in the U.S.) [10]. Overall Satisfaction's function is obtained as expectations (QA), the resulting quality (DK) and obtained values (DV): [1,2].

$$ACSI = OK + DK + DV.$$

Overall customer satisfaction:  $OK + DK + TL$

OK - expectations, DK - obtained quality

DV - obtained value

ACSI > 75 - excellent - high level of customer satisfaction

ACSI > 70 - a satisfactory level of customer satisfaction

Each of these responses include an assessment from 1 to 10 This means that the ACSI index has a maximum value of 80, if the weight of each variable the same (0.33). If the results are above 70 is considered to be achieved satisfactory

result, and over 75 excellent, indicating a high level of customer satisfaction. Average rating (PO) is obtained when divided by the ACSI 8.

**Table 4: Total customer satisfaction bakery products (bread and rolls) in Rasinas district**

Latent variable	Variable that is measured	Description of variables	Evaluation
expectations OK	Overall expectations about quality (before buying)	I	8.68
	Expectations regarding fitness or how well the product meets the user's personal requirements (before buying)	II	8.28
	Expectations regarding the reliability of delivery services	III	7.87
the resulting quality DK	Overall assessment of the experience of the quality of products (after purchase)	IV	6.65
	Empirical assessment of fitness or how well the product met the requirements of consumers (after-sales services)	V	6.37
	Empirical assessment of reliability or how often conflicting services are delivered (after shopping)	VI	7.83
obtained value DV	How do you assess the amount of cost	VII	7.02
	How do you assess value for	VIII	6.1
ACSI	Overall satisfaction		58.80

Average rating PO is 7.35, which is a higher value than the previous. However, the ACSI index in this case is 58.80 and achieved the result is not satisfactory. Description of variables and methodology of obtaining the evaluation, presented the results of research are [5]:

**I** - grade is obtained as the mean score of perception of quality by consumers – 8.56 and sellers of 8.80 (in the retail facilities)

**II** - grade is obtained as the mean score of perception of quality vendor in terms of: availability of fresh produce – 8.02, access to "any time" - 8.60, range of products – 8.42, hygiene as well as sales of the store – 8.16, consumables (8.04) and transport packaging (8.40) - medium grade 8.22.

**III** - grade appropriate rate at which the perception of quality is quantified in terms of regularity and timing of supply, ie. quality objective indicated as "delivery", whose rating is 7.87

**IV** - score corresponds to evaluate the quality of products by consumers and amounts to 6.65

**V** - rating was obtained as the mean rating of quality consumer perceptions regarding:

the availability of fresh produce – 7.50, range of products – 6.36, hygiene as well as sales of the store – 6.12, -5.51 consumer packaging and is 6.37.

**VI** - rating was obtained as the mean rating dynamics of supply sales – 7.44 to quantify and evaluate the positions on the return of the products from sale as a result of inadequate: storage products, distribution, quality products - to 8.22 and is 7.83.

**VII** - rating was obtained as the mean perception score high prices, relative to the amount of monthly income of the consumer and it is 7.02

**VIII** - rating was obtained as the mean score of perception relationship quality and price in relation to the amount of monthly income by consumers and amounts to 6.10.

Levels of reserves compared to the expectations of specific performance can be obtained by comparing the values of average scores (AS) and the value of size in relation to: unfulfilled expectations (performance does not reach or exceed expectations) and performance in relation

to the user's ideal service in a particular category.

Reserve level of quality which refers to the (AS) is 2.65, and 21.20 in terms of ACSI index, which is achieved by TCS - total customer satisfaction. However, the backup quality using the proposed methodology and the ACSI index is the same and amounts to 26.5%.

## 5. CONCLUSION

For each method of measuring customer satisfaction are the most

important information provided by customers themselves. For the survey, in this case, used the three kinds of questionnaires. The methodology used in this paper, the original procedure, which in this case, measurement results are reduced to ACSI - index give the same value customer satisfaction. Which means, although the mean score subobjectives different quality, the potential for improving quality is the same. Presented methodology with respect to its universality and results that are presented can be used for any other similar research.

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