

# Customer Feedback System & Businesses

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**Abstract** - Many businesses have long struggled to retain current customers while also attracting new ones. In this regard, online client feedback collection and tracking have enabled businesses to evaluate and upgrade their services and product capabilities as needed to maintain and improve competitiveness. This system not only assists businesses in better understanding their customers, but it also encourages them to provide feedback on a product or service. Feedback systems can identify dissatisfied customers and clients. We hope to learn more about how this system works and what its implications are for the business as a result of this research. We'll go over everything from how the system worked before the technology to how it now helps businesses.

## 1. Introduction

Customer satisfaction is one of the most important issues concerning business organizations of all types, which is justified by the customer orientation Philosophy and the main principles of continuous improvement of modern enterprises. Customer is an individual or business that purchases the goods or services produced by a business. The client is the end goal of businesses, since it is the customer who pays for supply and creates demand. Businesses often follow the adage that "the customer is always right" because happy customers will continue to buy goods and services [1]. In today's competitive business environment, customer satisfaction is an increasingly important component of an effective organization. Customer satisfaction is a key component of a successful and prosperous organization. It has been linked to higher profit margins and greater employee satisfaction, customer loyalty, customer retention, and repeat purchases. When measured in financial terms, it is easy to see why customer satisfaction should become the foundation to all other measures of business performance. Satisfied customers will return to buy more, recommend you to others, cost less to sell to, and cost less to service. In short, organizations that actively manage customer satisfaction are actively managing their ongoing profitability. Building customer relationships is one of the customer retention strategies used to improve customer service and reduce customer churn. [3] Many organizations simply categorize customer satisfaction measurement as a form of "marketing intelligence" instead of using it as a management tool to build the customer into their quality improvement processes and increase profit. As a result, companies often know the cost of

providing good service, but they rarely know the cost of providing bad service. Many market research companies agree that even "satisfied customers" will defect. Therefore, this study is concerned with customer satisfaction to meet customer needs to make customers loyal and retain them for better profit in today's modern market. Customer feedback is critical for determining a customer's requirements and preferences, especially when a company launches new products. Focus groups, in-person research, and customer phone surveys are examples of customer feedback strategies used to identify what product features, flavors, or styles people prefer. [5] Customer feedback assists organizations in determining what is important to their customers; without it, a company would be unable to meet the consumer's product needs. As a result, its items are likely to fail in the market. Customer feedback can be used to assess how staff at a company handle customers. A typical sort of marketing research is customer service satisfaction surveys. Companies can use surveys to see if customers are getting answers to their inquiries and if problems are being fixed. Section 2 gives a comprehensive summary of previous research on a topic. In section 3, a brief intro for the specific procedures or techniques used to identify, select, process, and analyze information about this topic is given. Conclusion of this paper is mentioned in section 4. Section 5 is a list of references used to gather information regarding this topic.

## 2. Literature Review

When customers had problems or were dissatisfied with a product or service, they had to go through the time-consuming process of calling customer service, where they had to explain their complaint each time they called because the person answering the phone was not the same every time.

When new technology was first introduced, there were only forms to collect feedback and keep records, and users had to contact customer support and provide all relevant information. Furthermore, because of these surveys, no proper insights were developed, and firms were forced to make assumptions based on the average data they had gathered.

[4]Because of technological advancements, all these things can now be created and viewed on a single platform.

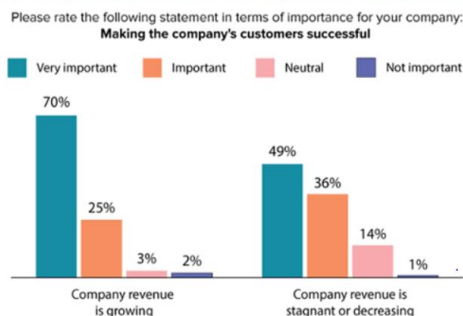
And, with the right system, you can put your customers at the center of your business decisions, making it easier to keep current customers and gain new ones.

We will also be able to outperform competitors who are less concerned with customer satisfaction. This system assists users in meeting their needs while also growing itself in all aspects.

## 3. Research Methodology

To obtain the information, there are various websites and online blogs which were referred to. The Fig.1 represents how the growing companies prioritize customer feedback:

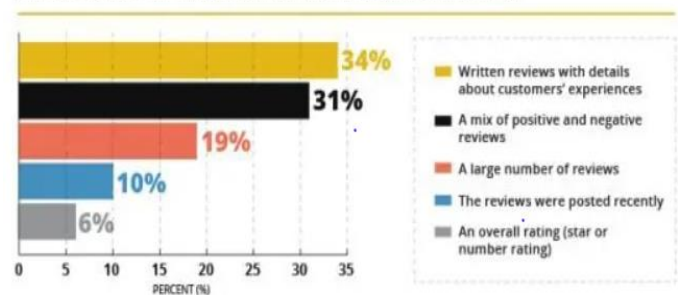
### Growing companies are more likely to prioritize customer success



**Fig.1 Companies likely to prioritize customer success**

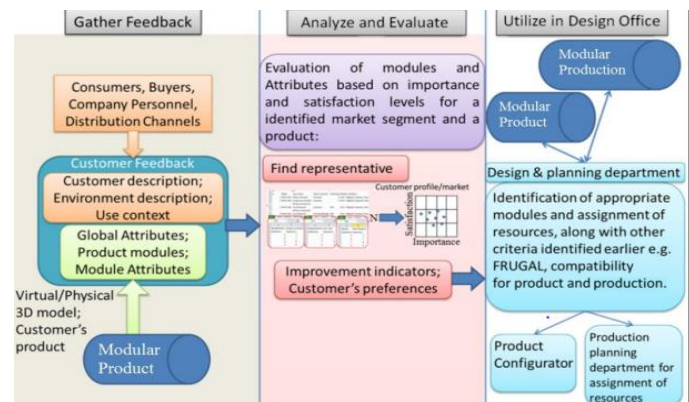
According to results from a recent survey by Fan & Fuel, 92% of consumers will hesitate to make a purchase if they don't see a customer review [2]. And not just any old review will do. Those filled in stars under a product might look nice but 34% want to see a detailed written review before making a buying decision. [7]If potential customers don't trust the reviews on your website, chances are they won't make a purchase. Adding customer reviews to marketing strategy can help build a positive reputation for a company. Reviews acts as a place for interaction.

### WHAT IS THE ONE MOST IMPORTANT ELEMENT THAT MAKES YOU BELIEVE THAT THE SITE'S CUSTOMER REVIEWS ARE RELEVANT/USEFUL?



**Fig.2 Types of customer reviews efficient over online platforms.**

A methodology starting from feedback gathering to the use of evaluation results in the design office is presented in Fig.3. The proposed methodology consists of three steps namely (i) Gather, (ii) Analyze and Evaluate, and (iii) Utilize feedback which are described in following sub-sections.



**Fig.3 Process of feedback gathering**

i) Gather- Customer feedback is initially acquired, and data on all elements such as satisfaction, likelihood to recommend, and personal information is gathered and kept for future reference.

ii) Analyze and Evaluate This information is then utilized to determine if the consumer is satisfied or unsatisfied with the product or service. For the comments, more advanced techniques such as Text Analytics can be automated.

iii) Utilize feedback - The information gathered can be used to improve the product or service if necessary, or it can be used to work with customers to meet their needs and improve things in every way.

#### 4. Result & Conclusion

[6] Customer satisfaction has a positive impact on an organization's profitability; happy customers are the foundation of any successful business because they lead to repeat purchases, brand loyalty, and positive word of mouth. Customers who are pleased with their purchases are more likely to tell five or six other people about their purchases. Dissatisfied customers, on the other hand, are more likely to tell ten other people about their bad experience. According to research, even a difference between a completely satisfied customer and a somewhat satisfied customer can result in a factor 2.6 increase in revenue contribution

Customer satisfaction is one of the most important issues that every service provider monitors. The managing level of a business can ensure a way of knowing what the customer thinks about their service and what needs to be changed to gain positive customer satisfaction through customer satisfaction and loyalty surveys.

It is critical for a business to know what their customers think about their service, how satisfied they are with what the company offers, or how loyal their customers are to their company, whether through a questionnaire, a mail-in survey, or an internet survey, or a poll. Customer satisfaction is viewed as a strategic tool for business development.

Collecting customer feedback and responding to this type of information is one of the effective ways to assess the quality of your product or service, your performance in the industry, and how you handle different types of customers. It is used as an instrument to grow and improve the overall aspect of the business for the greater good of the customers.

#### 5. References

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[6] <https://outrankco.sg/blog/how-customer-feedback-impacts-a-business/>

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