AN INVESTIGATION INTO CUSTOMER SATISFACTION OF COMPANY X, SOUTH AFRICA

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ABSTRACT

This study focused on an investigation into the level of customer satisfaction of a property and construction development corporation in South Africa. The firm has recently established offices in London as part of its expansion strategy into new markets. Customer perceptions on the firm were determined to further improve the firm’s competitive landscape and its management of customer relations. In approaching the study, a qualitative research approach was employed, in which ten research participants were selected in a subjective and purposive non-random sampling technique. Employees and current clients were identified as research elements in which gathered data revealed that clients generally have positive perceptions towards the firm’s services and business environment management. Clients also acknowledged the firm’s positive reputation and provided a good rating towards its exclusive drive in ensuring a positive return on investments (ROI). However, the study also found that the firm’s website requires to be improved to ensure that its physical outlook is reflected online. The online website of the firm was found to be more informative but non-responsive to clients’ expected functions in order to help influence decision-making on engaging the firm for business. The study recommended that staff members may require periodic training, and motivation to ensure the maintenance of good staff morale which directly correlates with how they, in turn, treat their clients. Also recommended was the need to ensure that data metrics of customer perceptions, particularly from feedback data, must be continually analysed to ensure that customer fulfilment is incessantly maintained and improved.

Keywords: Customer satisfaction, customer relations, staff morale.

INTRODUCTION

The performance of an organisation in the market environment determines its growth. The market environment is composed of the customer and other stakeholders whose interest determines the success of the organisation. The perception of the customer influences the buying behaviours and attitudes, and can influence a substitution of product or service from one supplier to an alternative one (Ahmed, 2011:3). The performance of products, or effectiveness of a service, the friendliness of the service providers, ability to deliver specific customer service requirements, accessibility of products and the supplier, and after sales services form the body of determinants to customer satisfaction across industries. According to Ellinger, Shin, Adams, Hofman and O’March (2012:252), time, cost, quality, client orientation, communication skills and response to complaints are key to measuring customer satisfaction and the making of structural adjustments within organisations to improve on customer perceptions and customer relationship management initiatives. This study focuses on customer perceptions in the construction and property development industry focusing on the organisation to determine customer satisfaction factors and processes of continuous
improvements that influence customer intentions and attitudes towards the firms’ overall business environment.

Background: Research context

The construction and property development industry is one of the largest in the world and involves high capital investments and specialised skills to produce superior, quality products in the form of buildings, roads, homes, dams and other structural projects (Karna, 2015:2). Project specifications and schedules are critical skills and process approaches employed to ensure a zero tolerance to project defects that may dissatisfy investors and force legal lawsuits or rework at a cost to the contractors (Ellinger et al., 2012:251). It should be noted that some statements have been gleaned from the company’s financial reports and in the interests of confidentiality the reference is not provided.

Problem statement

The company experienced a drop in its market performance in the two financial years of 2012-2013 and 2013-2014 of a cumulative 16%. For the corporation’s directorship, this culminated into a strategy challenge that requires a response. An annual performance audit in the firm highlighted the need for a dedicated, continuous and structured customer perception and satisfaction measurement within the organisation to assist management in fully comprehending its market niche’s attitudes to projects and services rendered.

Aim of the research

The aim of this study is to evaluate the levels of customer satisfaction of the company’s clients in order to effect positive customer perceptions through product and process improvements and a resultant improvement in attaining a competitive advantage for business growth.

Research objectives and questions

The research questions of this study are derived from the objectives and outlined as follows:

- What is the current level of customer satisfaction of the company’s construction products and construction consultancy services?
- What factors influence customer satisfaction and perceptions of the company’s products and services?
- What are the challenges experienced by the organisation in meeting the needs and expectations of its clients?
- How can management strategically meet the needs and expectations of its customers in order to attain high level customer satisfaction in its property development and construction projects?

Significance of the study

This study seeks to contribute to knowledge on customer satisfaction working frameworks for business academic research. Highlighted in the study are theoretical dimensions of customer perceptions that are postulated to influence attitudes and behaviours through conceptual frameworks identified and recommended in this study. Postulated are factors such as reputation, employee skills training, effective communication, client management
mechanisms that aim to improve retention, and loyalty, while ensuring that customer perceptions are mapped from their perspective as critical stakeholders.

LITERATURE REVIEW

A definition of customer perceptions is reviewed together with an investigation of the activities and processes involved in construction and property development to gain an understanding of the context of customer perceptions that exist within the sector.

The customer perceptions concept

The concept of customer perception is derived from a customer’s awareness and consciousness of a service or product, the company offering the service/product, the product/service’s performance and conformance to specifications, reviews, advertising, public relations, personal experiences and other matters that affect and impress on the buying behaviour and attitudes of the customer (Business Directory, 2015:1).

Customer satisfaction

Customer satisfaction is the customer’s positive or negative feelings about the value received. Thus, if using a product or service yields the desired consequences, then the consumer perceives high customer value. Ellinger et al. (2012:249) describe customer satisfaction as an organisation’s attainment of positive perceptions from customer attitudes and behaviours in the market environment to its products and services. For the construction sector, customer satisfaction can be seen or viewed as a goal or tool of measurement in the development of construction quality (Karna, 2015:2). Othman (2015:4) on the other hand points out that the attainment of customer satisfaction in the construction sector is a unique and challenging experience because of the involving process and intensity of activities in a single project’s development.

Factors influencing customer satisfaction

Busacca, Costabile and Ancarani (2009:155) posit that the benefits derived from attaining a pool of loyal customers is that there are lower maintenance costs and higher returns, leading to greater profitability.

Delivery time

Pienaar and Vogt (2012:28) state that consistency and reliability on delivery lead-times throughout the process is critical to cementing the reputation of an effective and efficient supplier to the customer. Othman (2015:3) stresses that reduced lead times are important in winning customers and must be realised in a customer-driven product or project development where the focus is on principally meeting specific customer requirements within the scheduled product lifecycle.

Product quality

Quality is referred to as the ability of a finished product or given service to meet the expectations and needs of the customer or end-user (Pienaar and Vogt, 2012:29). Customer value is the customer’s perception of the attributes they want in the product or service.
Products or services create value for customers not by delivering the products or services themselves, but by delivering consequences in their use.

Service quality

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either. There are a number of different "definitions" as to what is meant by service quality. Always there exists an important question: why should service quality be measured? Measurement allows for comparison before and after changes, for the location of quality related problems and for the establishment of clear standards for service delivery.

Model of service quality gaps

According to Luk and Layton, 2012:78, the three important gaps, which are more associated with the external customers are Gap1, Gap5 and Gap6; since they have a direct relationship with customers.

**Gap1: Customers’ expectations versus management perceptions:** result of a lack of marketing research orientation, inadequate upward communication and too many layers of management.

**Gap2: Management perceptions versus service specifications:** result of inadequate commitment to service quality, a perception of unfeasibility, inadequate task standardisation and an absence of goal setting.

**Gap3: Service specifications versus service delivery:** result of role ambiguity and conflict, poor employee-job fit and poor technology-job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

**Gap4: Service delivery versus external communication:** result of inadequate horizontal communications and propensity to over-promise.

**Gap5: The discrepancy between customer expectations and their perceptions of the service delivered:** result of the influences exerted from the customer side and the shortfalls (gaps) on the part of the service provider.

**Gap6: The discrepancy between customer expectations and employees’ perceptions:** result of the differences in the understanding of customer expectations by front-line service providers.

**Gap7: The discrepancy between employee’s perceptions and management perceptions:** result of the differences in the understanding of customer expectations between managers and service providers.

SERVQUAL methodology

Clearly, from a Best Value perspective the measurement of service quality in the service sector should take into account customer expectations of service as well as perceptions of service.

Service quality dimensions

The SERVQUAL instrument has been the predominant method used to measure consumers’ perceptions of service quality. It has five generic dimensions or factors.
Tangibles: This refers to the appearance of physical facilities, equipment, personnel and communication materials.

Reliability: This refers to the ability to perform the promised service dependably and accurately.

Responsiveness: This refers to the willingness to help customers and provide prompt service. This involves timeliness and promptness in service provision.

Assurance: Assurance includes competence, courtesy, credibility and security. It incorporates knowledge and courtesy of employees and their ability to inspire trust and confidence.

Empathy: This refers to access, communication, understanding the customer, caring and individualised attention that the firm provides to its customers. In the SERVQUAL instrument, twenty-two statements in a survey are used to measure the performance across these five dimensions, measuring both customer expectations and perceptions. For this study, a consideration of the SERVQUAL approach may be used to determine possible gaps in service quality for the company’s clients in relation to their expectations and perceptions and the actual service they receive after the service has been delivered.

Product pricing: Pricing of products and services is a key determinant to customer perceptions and their attitudes towards not only the product, but the brand behind the product’s value propositions (Forslund, 2011:133).

Product availability: The availability of a product in a convenient and easily accessible manner can influence customer satisfaction (Forslund, 2011:132).

Importance of customer perception for an organisation: Several research findings posit a number of advantages to a company that strengthens its strategy with a customer focus and customer driven component in the organisational strategy mix (Busacca et al., 2009:147).

An overview of construction and property development sector in South Africa

In South Africa, the construction industry is big business that runs into millions of rands. Modelled under project development processes and managed by project managers and engineers, the construction industry is responsible for the magnificent structures and homes that are spread across cities and provinces and built with quality propositions that rival European standards and those in Africa. Using project management philosophies, project definitions are executed through gathering specific structural and design requirements through rigorous interactions with investors (private and public clients) (Othman, 2015:2). Specialised personnel (architects, civil engineers, quantity surveyors and project leaders) are tasked with drawing the structural and design features in 3-dimensional models and stress testing for visual and endurance analysis of the final product before it is actually constructed (Karna, 2015:14).

Service level agreements in property development and construction projects

In an industry that provides services to parties (clients) that may not have a thorough understanding of the specialised services and technologies being provided, service level agreements provide a middle ground where terms of engagement can be crafted. As such SLAs are designed to explicitly specify the services that a client expects, how frequent downtime may occur, correctional remedies applied when provider fails to meet agreed priorities, milestones by schedule and review processes involved (Perry, 2015).
Customer relationship management as a supportive approach to attaining positive customer perceptions

Customer relationship management has been in existence for decades as a concept and strategy that seeks to ensure customer retention through creation of long term or permanent relationships with the customer (Buttle, 2009:11). It should be pointed out that CRM is an interdisciplinary issue that affects all workers and all departments of the company. Merely linking CRM with information technology is wrong (Dohnal, 2012:62). The successful implementation of customer relationship management is also dependent on quality strategy, process management, corporate culture and quality of the management. The trend in the development of theoretical definitions confirms this idea.

Parts of CRM

The complete description of how CRM functions in a company would be too complex, which is why authors only describe basic division into parts and their characterisation. Buttle (2009, 22) calls this “types” of CRM, but other authors are more predisposed to the view by Dohnal (2012, 59) that describes this as three parts of CRM application architecture, namely, analytical, operative and collaborative.

Analytical CRM: The purpose of analytical CRM is customer data analysis, its evaluation, modelling and prediction of customer behaviour (Dohnal, 2012:63). It can evaluate the efficiency of a marketing campaign, propose prices or even develop and propose new products.

Operative CRM: Operative CRM mainly supports the actual contact with customers conducted by front office workers and the general automation of business processes including sales of products, services and marketing. All communication with the customer is tracked and stored in the database and if necessary it is effectively provided to users (workers). (Dohnal, 2012, 60)

Collaborative CRM: Collaborative CRM enables all companies along the distribution channel, as well as all departments in a company, to work together and share information about customers (Dohnal, 2012:63). But sometimes we might see a rivalry between departments that undermines efforts of CRM to share relevant data throughout the whole company (such as information from a help line to help the marketing department choose a point on which it will focus during the next campaign).

Advantages and benefits of CRM

Certainly a benefit for each company is to achieve better economic results thanks to achieving higher value from every interaction with a customer. Competition is very sharp in current market. Companies must take care of a customer in every area of their specialisation by using various communication channels. Advantages and benefits are almost endless. Unfortunately some negatives exist. One of them is the fact that proper implementation and running of CRM is very difficult (technology, people – employees, and initial money investment), another one is the safety of information that companies keep about their customers, sharing information with third party and its overall protection. The entire operating principle of CRM (gathering information, recording calls, and analysing all clients’ activities) is an invasion of the privacy of customers.
The multi-dimensional model

Cheng, Proverbs, Oduoza, and Fleming (2010:24), discuss research on an advanced multi-dimensional model empirically through a chain of case studies and a survey of clients and consultants to evaluate client satisfaction while engaging an external consultant to help with the selection of a computer based information system. The expressive and descriptive model recognises six key dimensions of attainment. Dimensions consisted of three objective measures namely: acceptance of consultants’ recommendations, improvement of clients’ understanding and consultants’ performance, and subjective measures that apply to each of the three areas in the form of the client’s level of satisfaction.

RESEARCH DESIGN

A research design is a set of systematic steps to be used in guiding a research process by a researcher (Trochim, 2008:23). Wathen (2010:3) posits that the research process must have its logical process approach well defined so that it can be replicated in a different phenomenon and produce similar findings.

Rationale of the methodology

According to Hussey and Hussey (2009:252) a research methodology presents the general method, from theoretical foundations to the techniques that become employed in the effort of collecting empirical evidence for a research process. Two main hypotheses in research methods are commonly used: a quantitative and a qualitative research strategy. A qualitative approach in research methods entails discovering what is assumed to be active reality while focusing mainly on understanding essentials and facts unlike generalising the universal laws of behaviour. For this research, an in-depth, observative, and exploratory analysis of the findings was essentially necessitating a qualitative research approach.

Interpretivist research philosophy

Interpretivists assert that only through the subjective interpretation of, and, interpolation in reality, can realism be effusively understood (Huang, 2010:105). For this study, the phenomenological/interpretivist research philosophy was acknowledged for its impressions on permitting an in-depth analysis of the events, ensuring that new discoveries are adequately questioned and understood as they occur in the natural phenomena of interest to the research’s effort.

Qualitative research method

In a qualitative research method, the researcher seeks to gain a deeper understanding of the research area in the environment where the study is being conducted (Wathen, 2010:5). It mainly uses a set of semi structured questions and predominately open ended interview sessions in a flexible manner that allows for the discovery of new information as is emerges from the phenomena under the study (Hussey and Hussey, 2009:161). In-depth interviews, demographic data findings and participant observations were employed for purposes of triangulation within the research method to enhance the quality of data gathering by maximizing on the depth and breadth of responses and observations for transcription. This study used a qualitative research strategy because of its flexibility and generalizability.
Resource constrains such as time and money to reach out to all the customers make a qualitative research study more fitting and suitable for this study.

**Research strategy**

A qualitative research strategy was employed to gather primary data for analysis and interpretation. According to Mack, Woodsong, MacQueen, Guest and Namey (2005:8), a qualitative research strategy has a great contribution to applied research due to its culturally specific and contextually rich data that is produced.

**In-depth interviews:** these are ideal for gathering empirical data on individuals’ particular histories, perceptions, and experiences, in particular to sensitive information being explored.

**Sampling strategy**

A sampling strategy refers to a technique that is employed in determining the manner in which research participants will be selected or chosen from the boundary that defines the target population (Trochim, 2008:28). There are two kinds of sampling, namely probability sampling and non-probability sampling techniques.

**Probability sampling techniques:** A probability sampling techniques is largely used in large populations, where each element in the population has a determinable chance of being selected into the sample elements’ size (Trochim, 2008:12). This study used a subjective and purposive non-random sampling technique in which 10 participants were selected. From the target population the following respondents will be selected; 1 Architecture, 1 Project manager, 1 Quantity Surveyor, 1 Civil engineer, and 5 of the company’s most recent clients whose projects were completed. An expert sampling technique was employed in selecting employee participants to ensure that key employees with a direct or strong link to customer access or engagement on behalf of the organisation were involved.

**Target population:** A target population of 44 employees, 8 managers, and a current client list of 47 customers made for a cumulative 99 potential sampling elements.

**Data collection instrument**

Data collection instruments are a set of primary data collection material that are intended to adequately and satisfactorily collect research data from fieldwork (Teddle and Yu, 2009:19). This study used semi-structured, open-ended interview questions for deep inferences into the research’s phenomenon in-line with the objectives of the study. A demographics questionnaire was however the first component of the research instrument used, followed by a set of interview questions that participants were to respond to. An audio recording of interview responses was used, subject to participant consent, while transcriptions into text were done by researcher for those participants who were not comfortable with audio recordings. A total of eight questions were asked in which the demographics section had three characteristics for determination in the phenomenon.

**Demographics data**

Demographics data is critical in understanding the characteristics of reflective representatives of the population subjected to the study. These characteristics assist the research’s findings in
evaluating the subjectivity, validity and reliability of the responses to the study’s research questions by first conceptualizing the active participants of the study.

**Age range:** Age range was the first component of demographics data that required participants to fill. Age range was found to be critical to ascertain as age is one of the determining factors as it is traditionally a situation that can influence the level of respect or perceptions on a manager.

**Gender:** Gender is also a factor in the way some subordinates respond to given tasks, particularly by female leadership. This question therefore sought to evaluate the gender distribution of the participants for more in-depth into management responses from their workforces in relation to gender.

**Work experience:** Work experience of the research participants was critical to ascertain as it assist the research in determining whether those with relatively little experience faced more challenges or obstacles to management or not.

**Highest qualifications:** Highest educational qualifications were found critical to ascertain the acquired cognitive aptitudes of the respondents in the phenomena. This study sought to determine whether education levels within the company and its customers have observable relationships to perceptions, expectations and the quality values associated with property and construction services.

**Interviews**

The open-ended nature of the interviews assisted the research in gathering data in a flexible and interactive manner that gave the research participants confidence to participate. The key questions of the interview sessions were structured as follows:

**What is your assertion of the current status of customer perceptions towards the company?** The objective of this research question was to gain the participant’s current and own perceptive view of the firm from the position of its customers.

**What is your current perceptive evaluation of the company’s service and products as a firm?** This question sought to understand the participant’s own perception towards the company.

**What factors influence customer perceptive judgments at the company?** This question sought to understand the factors or determinants that build up the perceptions that are created or generated towards the firm.

**Evaluating the perceptions of the customer towards the firm?** The importance of customers’ perceptive judgments was critical to determine from the participants to examine how such perceptions affect the performance of the firm in the market environment as suggested by Edwards (2011:1).

**Customer perceptive judgments management**

The management of customer perceptions towards the company was sought from participants to pave way for empirical recommendations; which would be compared to the established literature for appropriate conclusions and recommendations of the study. During the interviews, observations were noted for a deeper understanding of the subject of perceptions and satisfaction management and recorded. Dimensions that act as antecedents to perceptions were discovered through probing from responses that would otherwise not have been recorded or omitted. This became the strength of the qualitative research strategy such that the order and sequence of interview questions became flexible enough to allow for additional inferences as they emerged.
Administration and collection of respondent data

The research participants were informed through the information office two weeks before the questionnaires were administered to ensure that time was allowed for preparation for the interviews and the filling of demographics information. At the administration date, all research participants were available at the company’s board room. Participants were not requested to identify themselves in the demographics section as well as the interviews to maintain confidentiality.

Data analysis

Data Analysis refers to the application of logic and reason to define and interpret collected data in an organised manner such as graphical illustrations and thematic coding of related findings or constructs (Zikmund, 2010:374). Thematic sorting of the data and its subsequent examination and evaluation was done in line with the research questions and objectives of the study.

Pilot study: A pilot study refers to a preliminary field test of the developed data collection instruments of research to regulate their validity and reliability for the actual process of collecting empirical data (Teddle and Yu, 2013:23). For this study, pilot testing was conducted on two subjects and these were not part of the full study’s data contributors in empirical data gathering. These participants were selected from the company’s client database for the fine-tuning of the data collection instruments.

Validity, credibility, generalisability and reliability

The triangulation within the qualitative method entailed the use of observations in addition to the questionnaires and demographics data determined in the research instrument. The congruency found between the observations and the interviews enhanced the credibility and dependability of the research process.

Validity: According to Golafshani, (2009:8) the issue of validity in qualitative research entails that the researcher must ensure ‘rigor’ in exploring the subjectivity, reflexivity and the social interaction of the interviewing process to enhance quality data gathering. There was a high congruency of understanding between the informants and the researcher. There was a constant comparative method of recognising the importance of deviant cases in order to gain a deeper understanding of the phenomenon.

Reliability: Audio recordings and transcribed texts during interview sessions were used. All respondents were afforded enough time to respond to questions asked. The evidence was systematically analysed with supporting interpretations in a balanced perspective as suggested by Lewis and Ritchie (2013:267).

Generalisability: In qualitative research, Generalisability determines that an applicable theory is usable in a different setting (Yin, 2010). The nature of individuals as research elements and the construction industry sector, that is, the context of the research, allowed for transferability and Generalisability of the data in a different setting of similar phenomenological assumptions as this study as suggested by Lewis and Ritchie (2013:269).

The research audit trail (transferability and conformity): The research managed to use a client database in establishing the research elements from the external environment (market environment). At the same time, the use of internal environment elements (staff and management of the company) ensured an in-depth evaluation of the objectives from staff and management who are involved with the day-to-day operations of the property development and construction firm. The triangulation within the method, with “congruency of findings
between customer and employee participants” served to enhance the credibility and dependability of data collected.

Limitations of the study

Limitations in research processes are difficulties and events that arise in a study that are out of the researcher’s control and limit the extent to which the study delivers applicable outputs and at times affect the end result of the study (Gay, 2009:101). A case study encompasses the behaviour of an individual, group, or organisation. The behaviour of one unit of enquiry may or may not mirror the behaviour of comparable entities or elements. The use of a single research methodology presented a limitation in triangulation of the research. Triangulation between methods would have improved on the validity and reliability of the data as one weakness of the method is addressed by the strength of the other. While it was desirable to use a qualitative study in terms of resources, time factor was a challenge as grouping of all employees, managers and customers selected in the sampling strategy affected the timelines of the research progression. However, in addressing the identified limitations, the study purposefully ensured that the continuum of research participants included employees, managers and specialised personnel within the company from different departments, while the clients identified in the research were either recent and those who had engaged the firm in the previous years. This allowed for divergent views in the research effort.

Elimination of bias

Bias in a research study is a distortion in the collected data so that it does not represent reality in the phenomena. As such, bias is a form of organised inaccuracy or error that affects scientific investigations and distorts the measurement process (Babbie, 2009:279). This study made every effort to eliminate bias by use of open-ended, semi structured questions that were not leading or guiding to any answers, and used an independent agent to distribute the questionnaires.

Ethical considerations

Universal standards of research and social scientists converge on the conception that ethical considerations are important in tackling concerns of research participants that can affect the quality and reliability of the research’s progression (Wathen, 2010:12).

Making sure no harm comes to research respondents: This study made certain that there would be no amount of harm that will be met by research participants during and after the conducting of data collection.

Anonymity and confidentiality: The study made certain that the research participants’ anonymity and confidentiality will not be exposed. Collected data from the participants’ inputs was safely stored and sealed away for safe keeping.

Determining that formal permission is acquired: Formal and approved communication from the research environment was acquired beforehand. This permitted the conducting of the research from the setting under which the phenomena exists.

Making sure that research participants have agreed to informed consent: Research participants were freely encouraged to contribute to the research. The participants were requested to contribute out of their free will.
RESULTS

In order to effectively respond to the main objective of the study, five most recent clients of the company were asked about their fulfilment and perceptions on accomplished and running projects that they contracted the company to execute property development projects on their behalf. A sample component of 60 percent of the clients express high satisfaction with the firm’s responsive services. The major contributing factors to these positive perceptions are revealed to include competitive prices, the ability of the firm to comprehend client needs that are difficult to fully explain, and the observable commitment of the firm’s human resources in meeting customer needs. Timely responses to customer concerns are mentioned by a 40% constituent of clients in the study.

Working experience of participants

Employees at the company have largely been in the firm for 3 to 5 years where the employee body in this range constitutes about 60% of the workforce. 20% of employees have 0 to 2 years of working experience, while 20% have been with the firm for 6 years and above. Newer employees are posited to benefit from the more experienced employees, particularly in organisations where team work and coordination are critical elements for operational success.

Customers’ years of experience with the company

From the collected demographic data, most of the customers have 5 years of experience with the company and below. About 20% have engaged the company for two years and less, while 20% have been engaged between 3 to 5 years, while 10% of customers have more than 5 years of experience with the company. The data reveals that most of the current customers have been with the firm from 0-5 years. Only a few of the representative clients (10%) seem to have a mutual relationship with the firm through added contracts or projects with the firm with the relationship spanning over five years.

Highest educational qualifications of participants

The demographic data, revealed that the sample elements comprise a large number of research participants with degrees (40%). A component represented by diplomas has 20% of participants, whilst those with post graduate qualifications constitute 10%. Representative elements with certificates constitute 10% of the research participants. Those with other qualifications constitute 10%, which is a client with a medical degree.

Ability of employees to determine customer requirements that are difficult to explain

A critical contribution from 40% of client participants are satisfied with the way the company’s designers and engineers are able to pre-determine what the client needs from the first few interactions during requirements elicitations.

High satisfaction with structural requirements, designs and specifications

The largely satisfied customers highlight that the requirements and structural designs forwarded by the company for client approval are clearly what they, as customers, would have expected from the company’s designers and interior experts. Participants J and E further affirm that projects are completed with exact structural specifications as required.
Additional costs as a precursor to negative perceptions

Additional cost implications were identified by customer participants as a precursor to negative perceptions as they reflect a level of incompetency in project planning as argued by Participants C and F. About 20 percent of the clients expressed reservations on out-rightly giving the firm full acclaim because of particular concerns. However, this same 20 percent constituent reflects loyalty to the firm by confirming their confidence in re-engaging the company on future projects.

Empirical factors influencing customer perceptions

To explain this objective from the phenomena, participants were asked to identify what determinants have a bearing on customer fulfilment and perceptions on the services and product outputs of the company.

Employee participants’ assertions on factors influencing customer perceptions

From the employee participants, nearly all of them highlight three critical dimensions that are posited to influence perceptions to services rendered. Customer treatment or reception, a good interpretation of the customer requirements through a modelled structure drawn to scale, and the ability to exemplify existing and established structures as evidence of project competence were key contributions from 60% of the employee respondents.

Client participants’ assertions on factors influencing customer perceptions

From the client participants, much of the emphasis was on the project completion time, meeting specific requirements in the quality of property developed, and the exclusive taste of interior designs, and furnishings of the properties.

Exclusivity of clientele: About 60% of customer respondents mention exclusivity of the clientele as a perceptive factor on the company as an organisation. Participants A, C and E posit that as high end customers, their choice of the company has always been largely determined by their type of clients and the quality of the jobs on high profile construction and design projects.

Timelines, milestones and project deadlines: Participant A states that “one key determinant to dissatisfaction is failure to meet deadlines as specified in the service level agreement between the company and its clients”. In support of the latter, Participant B further stresses that an initial project his company engaged with the company did not bring about his actual expectation from the exclusive and high-end construction and property development firm.

Pro-Active responses to client concerns: Participants E and D represented a 20% respondent constituent that highlights pro-activity in responding to client concerns. The respondents stress that the company’s pro-active responses are timely and their accessibility on areas of concern is fulfilling and is always an on-going exercise where the firm can engage pre-emptively when it sees risk factors before they occur.

Difference between perceived service and actual service: However, Participant D, as did Participant B, further highlights on the difference between perceived quality and the actual service quality rendered. This was posited as a critical perceptive determinant to customer perceptions on the company’s interior designs and property development in particular. These assertions are also echoed by employee participants of the company.
Motivation and rewards for employee performance: Employee elements illuminated the need to maintain and enhance motivational issues in the firm. Rewards for exceptional or improved individual performance are further stressed by Participant D. Participants A and C reiterate that when their efforts in the firm are recognised, this improves self-confidence and commitment to work.

Employees’ assertions on challenges experienced by the company in fulfilling client expectations

Employees state that specific client requirements, particularly on complex designs, can be difficult to comprehend, and that may result in faulty designs of structural models of either interior designs or the actual structural designs.

Client attitudes: A representative 40% of employees in the total sample size highlight client attitudes as a challenge that the organisation frequently encounters. Participants F and J stress that because of the high value service level agreements that are penned out, some clients tend to circumvent communication protocols by engaging higher offices when contact agents and assigned engineers and designers are ready at their service.

Management level of commitment to employee performance improvements: A representative 60% of employee participants in the sample highlight the lack of management commitment to staff skills improvements. Participants F, H and I stress that the firm is more inclined to train management functions, while lower level decision makers such as engineers and designers largely have no organisational support for professional knowledge advancements or upgrading. The participant argues that the organisational learning curve from past performances and improvement processes are not in sync with supportive skills development and advancements within the firm.

Management of the firm’s quality management system: In addition to the concern of individual workforce performance improvements, 20% of the respondents state that the firm’s quality management system is not supported by adequate quality principles for superior services and structural products. Participant H stresses that a quality management system would include issues such as continuous process improvements, effective supplier relationship management, a well-defined process approach and a focus on the customer.

Comprehension of specific client requirements: Although the general perception would be that the company has talented professionals who are capable of understanding a client’s specific requirements for a required service, 40% of the employees in the sample stress that such requirements require in-depth elicitations that go beyond what the client verbally states. Participant J suggests that the ability to read the body language of the client improves understanding of his/her specific expectations.

Client assertions on challenges experienced by the company in fulfilling customer perceptions

Flexibility of communication efficacy: A representative 40% of clients interviewed as research participants highlighted communication efficacy as a threat to constructive and continuous engagement with the firm. Participants C and E pointed to a correlation that exists between high value investment in a contract agreement with the company, and the need to flexibly access the project team members outside of working hours. Participant C, in particular, suggests that social communication platforms such as WhatsApp are favourable as they offer visuals as well as text at any given time. Employing these as acceptable informal communication tools that support organisational emails or other forms of formal communication brings forth effective interactions between client and agent.
Unexpected costs deemed as hidden costs: Although the Service Level Agreement (SLA) clearly stipulates contractual obligations between the two parties (client and contractor), there still exist certain unplanned costs that require attention for project progression (Participants A, B, D). About 60% of the clients affirm that hidden costs can be induced by coordination costs that emerge due to several encounters that are experienced during service engagement and its execution.

Employee behaviour and attitudes: The behaviour of some employees and their attitudes towards clients was raised by a minority 20% of the customer respondents in the study. Participant B argues that when a phone call takes too long to be answered, or when the firm’s receiving end refers a client to another office of the same firm for constructive engagement, the delays experienced are at times annoying and impress on his perceptions of the organisation negatively.

Company’s website information quality and service visibility: The quality of information on the company’s website is found wanting by a representative 40% of its clients. The attributes given centred on the information quality related to services offered. Respondents highlighted six key areas of attention that require improvements in order to maintain the company’s client base as well as improve on its market share value.

Structural designs and quality dimensions’ improvements: A representative 20 percent of clients raise the aspect of structural designs and quality dimensions as one area for continuous improvements. One participant stressed that it is critical to ensure that quality dimensions of projects undertaken must be continuously monitored measured and improved to ensure one-off jobs are “once-off” without recurring problems. A representative 40 percent of employee respondents agree with Participant I when they affirm that at times structural designs or remodelling can be a challenge, however, they state that this is particularly the case with clients who would not have specified their explicit requirements for factoring in into the structures.

Meeting service level agreements’ dictates: A representative 40 percent of clients point to improvements on service level agreements (SLAs) that are designed to ensure legal obligations, designs and structural specifics, and their scheduled milestones to final delivery are adhered to. Participants F and J reiterate that SLAs must also be more specific on hidden costs that at times arise due to unforeseen development costs. The participants argue that improvements on liability clauses must be made to ensure that confidence in engagement is above board. However, employee participants affirm that service level agreements at the company are world class, and specific to each client as a unique customer-entity. Participants A and C state that the company has a robust examination of its SLAs which are examined by its legal representative. This is to ensure that all legal tenets are captured and emphasised with punitive measures for recompensing a client whose engagement with the company would have been breached.

Effective management of supplier relationships: All employee participants who participated as respondents in this study highlight that suppliers of particular material for designs required must be continuously maintained, while those with poor product qualities, such as functional performance, conformance to specifications, or fitness for use are addressed.

Ensuring employees remain motivated and committed to work: A representative 60 percent of employee respondents raise the point of employee fulfilment in the organisation as a critical component to improved services. This constituent of congruency on employee fulfilment argues that improvements in staff relations with management, incentives and rewards for high performance, as well as job security bring about high levels of motivation. Participant E stresses that employees are posited to exercise detailed attention to specific details for structural projects or designs, but to do so, they must remain motivated, inspired
and have their recognitions acknowledged, thereby boosting morale and commitment to work.

**Continuous improvements on designs and structures:** the life cycle of structures build under the supervision, or rather, directly by the company’s engineers are expected to reflect sheer strength and stress to carry weight of upper walls and floors as argued by Participant E. Participant G agrees by stating the need to ensure that the company’s quality management system and product(s) performance are fit for use, conform to stated standards and are durable enough to require maintenance or renovations.

**Staff training for continuous improvements:** Staff training on customer relationship management and communication is raised as critical to encouraging positive customer perceptions. Employee Participants F, I and G state that for the company this involves the skill to predict customer requirements not only from documented requirements, but even from the body language of the clients as they posit their expectations to interior designs and structural dimensions of their desired buildings or interior outlook.

**ANALYSIS OF FINDINGS**

**An analysis of the company’s current state of customer perceptions**

The concept of customer perception has been surveyed earlier as inclusive of elements such as a customer’s awareness and consciousness of a service or product, the company offering the service/product, the product/service’s performance, conformance to specifications, firm’s market reviews, advertising, public relations, personal experiences and other matters that affect and impress on the buying attitudes of the customer (Business Directory, 2015:1; Manjunatha and Shivaliangiaiah, 2010:140). The findings reveal that customers are generally satisfied with the services of the company with an average 80% of perceptive congruency. A minority of respondents had reservations to positive perceptions due to experiences that may have tempted the development of dissatisfaction; but not to an extent that it really affected their perceptions of the firm towards total disengagement.

**Factors influencing customer satisfaction and perceptions at the company**

Findings were presented with employee responses separately presented from client responses to gauge the gap, differences and convergence in the two stakeholders’ apprehension of influencing factors to clients’ perceptive dynamics and dimensions on the company as a firm and its business environment.

**The actual difference between perceived service quality and actual service quality:** Participants posit that the difference between perceived service quality and the actual service quality rendered shapes the client’s perceptions on the company’s services and business entity as a whole.

**Interpretation of specific, functional and non-functional requirements of clients’ designs and structural development projects:** Both client and employee participants highlight the elicitation of specific design and structural model requirements as a critical factor to customer perception dimensions. According to Jardim (2014:3), the challenge with the construction sector in modern business is in meeting standards of expectations of the sector and its clients. The research participants found convergence on this aspect, and highlight that the company has a fairly satisfactory track record of designing complex structures and developing upmarket properties. A few clients expressed reservations that, fortunately, seemed to have circumvented a total disengagement with the firm. A quality approach would suggest that the ability to interpret specified expectations is a form or factor of service quality (Othman,
2015:2 and Jardim, 2014:2). Quality, in this context, is referred to as the ability of a finished product or given service to meet the expectations and needs of the customer or end-user (Pienaar & Vogt, 2012:29).

Client exclusiveness and the reputation factor

About 60% of customer respondents mention exclusivity of the clientele as a perceptive factor on the company as an organisation. Client participants affirmed that their confidence factors being increased in the company when they feel that they are served as a class of high-end customers, exclusive for high value, upmarket properties that require jaw-dropping investments and high level quality for effective returns on investments when required.

The firm’s pro-activity and responses to client needs

Both groups of respondents agree that being alert, pro-active, and responsive to customer concerns in timely fashion are factorial dimensions that influence customer perceptions on the company and its business environmental dynamics. Buttle (2009:22) suggests that customers are usually dissatisfied with a supplier who has poor after sales services, or does not prioritise concerns of his/her clients in time.

The firm’s quality management system and customer perceptions

The link between a firm’s quality management system and its customer points to the principle of customer focus. According to Mentzer (2007:65), customer focus concentrates on what the customer wants, how he/she wants it done and to what extent. An additional dimension of perceptive measurement of customer attitudes posits that an organisation’s quality propositions in its services and products have a correlation to the perceptive impressions and emotions of its old, current and future customers (Edwards, 2011:14). Respondents highlighted that the firm’s quality management system needs to be improved, particularly on resource allocations to address quality aspects at every stage of project progression. This was empirically exemplified with supplier relationship management, in which research participants raised concern with this quality component’s inability to ensure credible, updated and well positioned suppliers are engaged with efficacy.

Hidden costs/ unexpected costs in project development

The emergence of unexpected costs is outlined in the study’s empirical data. These were highlighted as those that were not budgeted for, let alone anticipated in the service level agreements or planning of the project. At times these costs are a result of client requirements that may be dynamic, a case where the costs are on the client’s liabilities. However, unexpected costs arising from the organisation’s own failure to pre-determine are a shot on the firm’s project costs and its direct liability to cover the costs as stressed by Forslund (2011:132).

Company’s website information quality and visibility

The website of the company was identified as a component that contributes to management of customer perceptions by the research participants. Empirical data further cites examples of navigational issues on the site, and the lack of informative information that has high probability of converting a potential customer’s behaviour into purchasing value.
Flexibility in communication efficacy

The flexibility of communication efficacy raised in empirical findings posits that the firm and its clients must have ease of access to each other in such a manner that social media channels can be effectively exploited for timely communication when required (Edwards, 2011:8). Customers point to WhatsApp as an example of collaborative tools that can be exploited for flexible coordination, besides formal organisational communications such as emails and direct calls during working hours. Social media applications such as WhatsApp have dominated communications in both business and social environments. These advanced and popular communication platforms have evolved into a culture of communication convenience, and their exploitation has increased the effectiveness and efficiency of business communication (Edwards, 2011:19).

The challenge with eliciting/gathering specific customer expectations

Employees and clients both converge on the assertion that challenges exist in gathering actual design and structural models as required by the client. Skills in pre-determining a client’s needs during interactions, formal and informal, and the client body language are empirically highlighted as vital in the firm. Exclusive clients, such as those synonymous with the company, have incessant quality expectations and an accurate interpretation of their architectural designs and structural dimensions require specialised personnel to be assigned for requirements gathering (Matusinska, 2009:2).

An examination of commendations to management on best approach to attaining high customer satisfactions for the company

Increased management commitment to process improvements focused on the customer Employee: Participants raised concern with management commitment to customer focus improvements, as they stress that the firm’s leadership is on a “non-negotiable” strategic mission to amass profit from projects as perceived by Participant B. The participant, agreeing with Participants D and E, all posit that improved management commitment to customer focus process improvements would urgently, legitimately and definitively impact positively on customer perception management.

Enhancing the customer relationship management approach in the firm: The firm and its staff have a responsibility to ensure customer care values remain outstanding and are improved where gaps such as communication efficiency on progress is concerned as stressed by Participant H.

Improving on the quality of requirements elicitations to customer projects: Improvements in abilities to read a client’s body language (Participant F), interpret the structural and interior decoration dimensions, designs and models during customer interactions and coordination is critical (Participant J). Both employees and clients highlight on the need for continual improvements on the approaches and dynamics of gathering quality requirements, specific to customers’ needs and supported with feasibility studies that point to actual models and designs for a specific project.

Communication efficacy: Communication efficiency and effectiveness with clients was suggested to require additional improvements by incorporating informal personalities in the firm (Participant F). An informal corporate character dimension is strongly suggested by clients in particular to be effective in maintaining continuous interactions, flexible to the exclusive customer, and easing access to the firm’s resources allocated to the project.
Ensuring that exclusivity of the company’s clientele is continuously enhanced: As stressed by employee respondents, exclusivity has become a strategic component of the firm and it must be continuously measured against corporate character personalities, which define its overall corporate character. At the same time, client participants reiterate that the firm must maintain the status quo of the exclusivity attributes of the firm, such as its willingness to focus on the quality of materials for import value and superiority (Participants E, F, and H).

Improving visibility of the firm’s website: Clients posit that the company’s website requires some additional information, in addition to the largely graphic or pictorial views of the firm’s pages or links. This group reiterates that the website is the interface of the firm, virtual and accessible to any potential stakeholder in the firm from any part of the world.

Mitigating and or zero-tolerance to unplanned costs/hidden costs in projects: Hidden costs were highlighted from both stakeholder groups (employees and clients). Respondents argued that structural designs in the approved models from the firm must be measurably accurate and predictable enough to avoid deviations from established costs. According to the SLA of the firm, liability to structural faults may induce additional project progression timescales and costs. The firm was found wanting in a project cost adjustment exercise that left the firm with a smaller profit margin as stressed by Participant J.

CONCLUSIONS AND RECOMMENDATIONS

Together with literature findings, these findings pave the way for recommendations of this study.

Customer perceptions: The five most recent clients of the company were asked about their fulfilment and perceptions on accomplished and running projects that they contracted the company to execute on their behalf.

High satisfaction with designs: There exists high satisfaction with the firm’s services (60%).

Concerns with emerging costs during project phases: 20% of the respondents had reservations because of particular concerns. These were stated as hidden costs or unplanned costs that at times emerge during project development. Additional cost implications were identified by customer participants as a precursor to negative perceptions as they reflect a level of incompetency in project planning as was argued by Participant B.

High satisfaction with corporate reputation: About 60% of the participants further highlighted on the exclusive reputation of the company as a satisfying dimension to their engagement with the firm.

Employees’ high ability to determine user needs pre-emptively: A unique or marketable asset was on the ability of the company to pre-emptively visualise and share with the client on its ability to interpret structural designs and interior models that are difficult for the customer to express.

Timelines, milestones and project deadlines: commitment of staff: One key determinant to dissatisfaction, from the perspective of the client respondents, is failure to meet deadlines as specified in the service level agreement between the company and its clients. Project milestones and completion dates as stipulated in SLAs are factors that resonate highly with employee participants in the study.

Pro-Active responses to client concerns: About 20% of respondents stated that the company’s pro-active responses are timely and their accessibility on areas of concern is fulfilling and is always an on-going exercise where the firm can engage pre-emptively when it sees risk factors before they occur. While the remaining 80% of respondents reserved their opinions.
Challenges the company experiences in fulfilling perceived customer expectations

**Employee Participants:** Employees largely state that specific client requirements, particularly on complex designs, can be difficult to comprehend, and that may result in faulty designs of structural models of either interior designs or the actual structural designs.

**Client attitudes:** A representative 40% of employees highlighted client attitudes as a challenge that the organisation frequently encounters. Employee participants stressed some clients tend to circumvent communication protocols by engaging higher offices when contact agents and assigned engineers and designers are ready at their service.

**Low level of management commitment to employee performance improvements:** A representative 60% of employee participants highlighted on the lack of management commitment to staff skills improvements. Participants stress that the firm is more inclined to train management functions, while lower level decision makers such as engineers and designers largely have no organisational support for professional knowledge advancements or upgrading.

**Low management of the firm’s quality management system:** About 20% of the employees state that the firm’s quality management system is not supported by adequate quality principles for superior services and structural products.

**Customer participants**

**Flexibility of communication efficacy:** A representative 40% of clients highlighted communication efficacy as a threat to constructive and continuous engagement with the firm.

**Unexpected project costs:** Although the Service Level Agreement (SLA) clearly stipulates contractual obligations between the two parties (client and contractor), there still exist certain unplanned costs that require attention for project progression.

**Employee behaviour and attitudes:** The behaviour of some employees and their attitudes towards clients was raised by a minority 20% of the customer respondents in the study.

**Website information quality:** The quality of information on the company’s website is found wanting by a representative 40% of its clients. The attributes given centered on the information quality related to services offered.

**Current level of customer perceptions on the company reveal exclusivity:** The study finds that customers of the company are an exclusive class largely contracting the firm on complex and stylish designs of properties. The expectations of these clients are high, from structural dimensions, designs and interior decorations of properties.

**Factors influencing customer perceptions on the company:** Factors such as ability to respond to client in time, coordination with client in meeting project timelines and deadlines, communication efficacy were illuminated. The ability to offer new and attractive ideas as innovation found much resonance from both empirical and established literature findings.

**Challenges experienced by the company in fulfilling customer perceptions**

Challenges experienced by the firm in fulfilling customer perceptions were correlated with influencing factors to customer satisfaction and attainment of positive perceptions. Clients of the firm point to hidden or unplanned costs that add to the agreed terms of service. Other concerns from the customer were employee attitudes that at times are deemed as uncharacteristic of the firm’s perceived reputation.

**RECOMMENDATIONS**

In order to advance the perceived value of the company, the study’s effort is to provide for recommendations that may need to consider for superior customer service dimensions. The following are determined recommendations to the firm:
Increase functionality of the firm’s website as a responsive virtual office: The functionality of the company’s website was found to be informative with high graphic illustrations.

Improving on project cost projections to avoid unplanned costs: Unplanned costs were posited to indicate incompetence in project planning. A focused view on project planning and cost projections in the firm mitigates negative perceptions that arise from hidden costs or unexpected costs. The service level agreement that the company and its customers sign off is an indicator to firm performance and comes with punitive measures for a breach, from either side.

Maintaining the corporate reputation of the firm: The identity and image of the company was found to be a marketing asset of intangible nature. The generation of a positive reputation is thus critical in the firm. In maintaining its corporate reputation, the company will require additional effort of using corporate character scale personality dimensions such as measurement of integrity, competency, simplicity, availability, modernisation, technology use, and ease of access as antecedents to the overall corporate personality of the firm.

Improving on communication efficacy: Apart from an improved and responsive website, the communication channels of the company with its clients may need to go beyond the “Company Coordinator” with the client. As is observed, some clients may wish direct access to offices where they generate more confidence in their engagement with the firm. Employees must improve in their attitudes and behaviours within the firm to ensure that customers develop trust and confidence. Clients would be happier if they can interact with the firm even after hours to ensure that new developments can be shared before the client either forgets or is exasperated by communication constraints.

Management commitment to employee skills capacitating: A commitment from management to ensure regular and periodical skills enhancement on its stuff not only brings forth improved technical performance. Staff trainings improve on team work, individual belief and self-efficacy and the overall organisational performance of the firm.

Management commitment to quality management systems: Quality management systems serve to ensure that every stage of project development is measured for performance and quality. An over assumption of quality propositions in the firm’s processes can have a negative backlash when employed without process approach evaluations for gap identification and filling.

Improvements on customer feedback mechanisms for informative feedback: Customer feedback requires that the firm establishes a customer relationship that permits for the effective usage of customer data.

AREA FOR FURTHER STUDY

Despite a good quality system and professional staff, this study finds that corporate reputation is an instrumental dimension to a firm’s improved market performance. This study recommends that the company further performs a corporate reputation assessment for all its stakeholders to define its strategic identity and image as a marketable asset in the market environment. Empirical findings pointed to the ability of employees to interpret clients’ needs and their responsiveness to coordination with customer related concerns on project development as important influencing factors to perceptions. The website of the firm, however, was found to be informative and not responsive for constructive engagement with the firm. Low management commitment to staff trainings and skills enhancement, and the management of the quality management system of the firm were found wanting. A customer relationship management approach, as well as a service quality model was posited as measurement tools to attain positive customer perceptions in the literature. However, the
determination of the service quality model on perceived service quality would have required a quantitative survey, which this study could not afford because of time constraints. It would also not have been holistic in determining level of customer satisfaction as it could not explain the dimensions of exclusivity in construction projects as seen in the company’s strategic objective of high-end customers. The study however determined influencing factors and challenges while recommendations focused on improvements in employee skills development, commitment to quality improvements and a continual focus on overall firm performance to facilitate a coordinated response to customer perceptions. The maintenance of corporate reputation of the firm was sounded, and this was posited to illuminate on identity and image of the firm that not only generates customer perceptions, but the perceptions of the other firm’s stakeholders such as shareholders and construction regulatory authorities. This study has shown that generating positive customer perceptions is a bankable initiative that converts the intentions and behaviours of a firm’s customers and future customers into project initiations and profit generation.

REFERENCES


