AN EXPLORATORY STUDY OF RELATIONSHIP MARKETING AND CUSTOMER SATISFACTION IN THE REPUBLIC OF SERBIA

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Abstract
Relationship marketing represents a marketing concept whose key output is satisfying customers and other interest groups. This paper presents the results of a study which had been carried out by the first quarter of 2008. It included 84 companies and 37 experts from the Republic of Serbia. The goals of the research, related to this article, are: to incorporate relationship marketing and customer satisfaction as integral parts of a theoretically (in general) defined model for providing satisfaction of customers' requirements; to show, in that way, that the relationship marketing concept can be accepted and implemented in the Serbian economy.

JEL Classification: M31, M11.

Key words: relationship marketing, customer satisfaction, process, Serbia.

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1. Introduction

In modern economies, characterized by globalization, achieving business excellence and creating world class products and services, as a basic precondition of a company's growth and development, are not functions of one organizational unit within the company, but are the result of synchronized activities of all a company's functions, according to precisely defined objectives of the company, (Cockalo and Djordjevic, 2006).

The objective of an organisation should be achieving and understanding the optimum level of customer satisfaction, (Sajfert *et al.*, 2008). This field represents a base of, at least, three concepts: quality management, total quality management and business excellence and relationship marketing.

Quality components, such as resolving complaints, cooperation of company's representatives with customers, availability of products and services, cost and price policy and activities related to making contracts, have a great influence on customer satisfaction, (Saraph *et al.*, 1989; Conca *et al.*, 2004; Courage and Baxter, 2005). On the other hand, customer satisfaction influences the company's characteristics, such as spreading positive information about the company and its services and products, (Tsuen-Ho and Ling-Zhong, 2006; Evans and Burns, 2007; Cockalo and Djordjevic, 2008).

Business excellence presents a business strategy which demands from management complete commitment and acceptance of the concept, (Dale, 1997; Terziovski and Samson, 1999; Irani *et al.*, 2004). The EFQM model of business excellence is based on eight principles. The relevant criteria are: leadership, policy and strategy, people – management of employees, partnership and resources, processes, customer results – customer satisfaction, people results – employees' satisfaction, society results – the influence on society and key performance results, (EFQM *ed.*, 2002). All of them are the basis for self-evaluation whose purpose is to evaluate the "maturity phase" of the organization and to focus on the problems of further business improvement, (Dale and Ritchie, 2000; Motwani, 2001; Rusjan, 2005; Teo and Dale, 2007).

Modern society demands that companies take full moral and legal responsibility for their activities, especially in protecting both customers' interests and the environment. Modern business philosophy implies that an organization is responsible for its actions and activities towards all agents in its surroundings. The new marketing paradigm represents marketing directed towards improving relations with customers that is based on data base, interactive marketing and web marketing. This modern marketing concept demands that companies make the effort to find out the needs of a selected market in order to satisfy customers' needs more efficiently and successfully than rival companies and to do all that in a way which maintains and improves the welfare of customers and the whole society. Relationship marketing represents a considerable step ahead in approaching marketing, going from thinking about it

only in categories of conflict and competition towards categories of cooperation and interdependence.

The term "relationship marketing" (RM) was first introduced by Berry (1983) in a services marketing context. Managing relationships is, however, nothing new in business. Many entrepreneurs do business by building and managing relationships without using the term relationship marketing. Relationship marketing, defined as marketing activities that attract, develop, maintain, and enhance customer relationships (Berry, 1983; Berry, and Parasuraman, 1991; Grönroos, 1994), has changed the focus of a marketing orientation from attracting short-term, discrete transactional customers to retaining long-lasting, intimate customer relationships. Many firms have established relationship marketing (or loyalty) programs to foster customer loyalty towards their products and services, (Schiffman and Kanuk, 2004). The basis of relationship marketing has been described best as the formation of "bonds" (links) between the company and the customer, (Roberts *et al.*, 2003). As the existing literature suggests, a business can build customer relationships by initiating one or several types of "bonds", including financial, social, and structural, (Berry and Parasuraman, 1991; Berry, 1995; Williams *et al.*, 1998; Peltier and Westfall, 2000; Lin *et al.*, 2003). However, much can still be learned about the relationship between "bonds" initiated by a company and customer perceptions and behavior, (Gwinner *et al.*, 1998).

The main directions of this research, from the standpoint of business, are: relationship marketing with customers, which deals with the influence of customer satisfaction on competitiveness and realized profit; methods for measuring customer satisfaction and techniques which enable implementation of such data in the strategy and, in that way, improve relations between companies and customers.

2. Theoretical background of the research

Effective relationship marketing is a process by which a company builds a long-lasting relationship with possible and existing customers in such a way that both sides (sellers and buyers) are focused on commonly defined objectives, (Evans and Laskin, 1994; Grönroos, 1994). Brookes and Little (1997) give a broader explanation, saying that this concept is based on data base management, interactive market communication and web marketing.

Achieving the objectives of effective RM can be realized through: (1) understanding customers' needs, (2) treating customers as partners (3) providing satisfaction of all customers' needs by employees (this may demand initiative and efforts on the part of employees that exceeds the norms of the company) and (4) providing the best quality according to customer's individual needs, (Evans and Laskin, 1994).

Efficiently positioned relationship marketing will lead towards the following positive outputs: (1) high percentage of satisfied customers, (2) higher loyalty of

customers, (3) customers' perception of products/services of higher quality and (4) increasing profit of a seller company.

Relationship marketing is a continual process which requires: (1) continual communication with customers (providing correct definition of requirements) and (2) integrating the relationship marketing process into strategic planning (enabling better resource management and anticipation of future customers' needs), (Evans and Laskin, 1994; Grönroos, 1994).

2.1. Inputs[1]

Understanding customer expectations includes: the ability of a company to identify customers' expectations and produce products/services which fulfill and even exceed them. The concept seems simple, but many companies have great problems in precisely identifying customers' expectations. This seems to be the result of a gap which comes from the position from which the problem is observed: customers' expectations (customers' point of view) and company's beliefs about customer's expectations (company's point of view).

The phases during which customers' needs and expectations should be examined have to be adjusted to a company's characteristics, its area of business, characteristics of products and production program, market features, as well as to customers (buyers or consumers), etc.

Building service partnerships – first of all, partnership relations should be built with services companies, which are part of a selling-service network, because they are in close contact with customers and have opportunities to integrate the expected services in a traditional supply of products. This kind of partnership enables companies to differentiate and improve their supply, but also to consider various approaches, adjusted to each customer.

The popularity of partnership relations is increasing for several reasons: the complex character of modern products – customers need more information and training; the more acceptable the nature of the product is to customers, the bigger is the participation of service companies in the market; good business relationship of industrial-goods consumers and sellers is taking the form of non-signed contracts.

The dimensions that should be taken into account in building partnership relations are:

- Focus on common interests;
- Cooperation in achieving commonly set objectives
- Development of plans for problematic situation that should be jointly solved;

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1. According to Evans and Laskin (1994).

- Development of joint plans concerning prices, expansion or market consolidation;
- Partnership relations built on honest, open and normal communications rather than on signed contracts, (Bell and Zemke, 1992).

Empowering employees – training, encouraging and rewarding employees, together with free initiative and imagination. From the relationship marketing standpoint it means that employees, directed in such a way, often spontaneously, show self-initiative, better fulfill expectations and solve problems. In this way, independently of the procedure, they reduce frustration and dissatisfaction of customers. The advantages of this approach are:

- Employees can turn specific contacts into long-lasting ones, which is the final objective of relationship marketing;
- Customers tend to see company's dedication to satisfying their expectations through efforts made on the part of employees;
- Motivated employees will "flourish" in such surroundings;
- Giving higher authority and initiative to employees means less bureaucracy.

In order to apply this approach it is necessary to fulfill four conditions: the approach in relation with a company's (firm's) mission; knowledge and skills of employees necessary for solving problems and making decisions; authority and responsibility of employees in making decisions that will improve services to customers; climate which allows making mistakes and learning from them, (Edosomwan, 1992).

Total quality management (TQM) – includes complete coordination of efforts in achieving competitive advantage by continual improvement of all aspects of a company.

2.2. Positive outputs[2]

Customer satisfaction – a key objective of relationship marketing, in other words, a satisfied customer is the one who, beside a product, services or a system, gets a considerable additional value from a supplier. The advantages are: repeated purchase, recommendation and lower costs, rather satisfying the current than attracting new customers.

Customer loyalty. Some advantages of established customer loyalty are: (1) repeated purchase; (2) purchase within a production program; (3) affirmative recommendations and (4) a certain immunity to competition.

Quality of products/services. A company is encouraged to improve quality continually, to reduce costs and to encourage customers to accept improvements.

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2. According to Evans and Laskin (1994).

Increased profitability – an element of almost every company's mission. Top management needs to see how their activities, presented through a company's efforts at all levels, influence this specific "counter". Inputs in relationship marketing may cost a lot, but outputs should balance or even exceed the costs, especially in long-term periods, by applying three previous outputs.

2.3. Checking phase[3]

Customer feedback – it is the best way to stay in contact with customers' perception of the company – getting general and individual opinions (degree of satisfaction): (1) collect, analyze and distribute information on needs, expectations and perception of customers and (2) make communication between a company and its customers a regular activity, (Miller, 1992).

Traditionally, customer complaints were the most frequent mechanisms of feedback. However, modern business conditions demand a more intelligent approach from companies which involves: a program of examining and informing customers, making a customers' data base, monitoring of customers (for example, telephone calls), examining rival companies and their customers. Feedback shows a company's desire to learn and respond to all customers' requirements — which means to make possible appropriate inputs in relationship marketing.

The phases during which companies measure customer satisfaction are adjusted to characteristics and activities of the company, characteristics of products/production program, market features and customers, etc. Logically, the most frequent are final phases of production process/or sale, as well as services and post-selling activities. The potential of some earlier phases should not be neglected: defining policy and objectives, evaluation of some phases (first of all, designing products/services), carrying out of activities (realization of products and/or services) etc.

Integration. In order to work correctly, relationship marketing requires that companies integrate focusing on customers during the process of strategic planning. Four steps are recommended: (1) identification of attributes which influence the acceptance of customers' values; (2) researching the company's performances; (3) analyses of rival companies (4) closing gaps between customers' expectations and what a company offers, (Rosenbloom and Larsen, 1992).

Significant elements of integration for an organization are: corrective/ preventive measures, (re)definition of a policy, objectives and tasks, planning for the future, training of employees; potentially: a system of reward and punishment, or "good practice" – collective experience, etc.

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3. According to Evans and Laskin (1994).

3. Methodology of the research[4]

Objectives of the research. The primary objective of this research is to establish: facts, attitudes and opinions concerning introduction and providing of a quality management system in the Republic of Serbia economy – modeling the measuring process and monitoring customers' requirements, as well as specific experts' requirements in the sphere of quality.

Secondary objective – customer satisfaction should be explained from the standpoint of the relationship marketing concept:

- how much modern Serbian companies care about customers' satisfaction and requirements,
- if they recognize the elements of relationship marketing in their own business activities and how they evaluate them concerning their business significance,
- how they manage and organize the recognizing processes of customers' requirements together with measuring customers' satisfaction; what methods they use,
- how they incorporate the effects of researching, monitoring, measuring and analyses in their own business.

The process and the model of effective RM described by Evans and Laskin (1994) were accepted as a basis for this research. The subject of this research was not whether the concept of effective RM and its extent were appropriate for such research in the Serbian economy. The reasons for accepting the model of effective RM as a relevant one were: simplicity, universality, convenience, usability, its measurability and comparability of results. There is a certain principal analogy with the quality management concept; cyclic characteristic and orientation towards constant improvements that point at PDCA cycle (Deming, 1986; James, 1996) which is the very essence of QM. Besides, the model, as an input, contains a component of TQM, therefore it incorporates its principles as well, precisely the principles of business excellence. The idea of this research was not to establish which concept is more important for organizations in Serbia or to assert their representativity. The concept represents the "tools" which should have been combined in order to achieve the common objective – satisfaction of customers' requirements and the process of modeling concerning assuring the objective.

The sample, collecting and processing of research data. Target groups in the research are:

- companies (production and/or services) which are, in harmony with the primary objective, certified according to the standards of quality management (ISO 9000 series of standards) and which work and are based in the Republic of Serbia,

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4. This part below according to Cockalo (2008).

namely quality managers and/or marketing managers from these companies, as a primary group,

- experts, in the sphere of quality and/or marketing, as a control group.

Surveying of available companies and experts was primarily realized by e-mail survey. The reasons for choosing this kind of survey are fast response and costs, which are lower than postal survey or some other kind of interview; considering the main characteristics and problems (the greatest response, which ranges from 20 to 30%, and sometimes does not go over 5%, so the sample is not representative), (Hanic, 1997). The electronic (e-mail) questionnaire was sent anonymously to the common e-mail account of the surveyed companies and personally to the surveyed experts. The survey included about 600 companies and 100 experts.

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

The significance scale with five levels was used in the research (survey) (Likert 5-point scale). The marks were: **1**-particularly weak, **2**-weak, **3**-satisfactory, **4**-significant, **5**-particularly significant.

The invitation to take part in the research was accepted by 84 companies and 37 experts. The sample is representative because it includes more than 5% of companies in the Republic of Serbia which have the certificate ISO (JUS ISO) 9001:2000. Reference data on certificate numbers were taken from the ISO Survey (2006), the last available one during the research realization. Here, 1551 certified companies are mentioned.

According to Courage and Baxter (2005) the response in research of this type is 20-60%, while in other works (Saraph *et al.*, 1989; Segars, A., Grover and Kettinger, 1994; Terziovski and Samson, 1999; Motwani, 2001; Conca *et al.*, 2004; Irani *et al.*, 2004; Cockalo and Djordjevic, 2008) it is not greater than 30%. In this research work the companies' response is 14%, and the experts' 37%, which can indicate lack of interest and/or dismotivation of the employees in companies for cooperation. The second part of the problem which influenced a smaller response (especially) of companies in this research includes "technology factors", taking into account IT (il) literacy of the employees (Preradovic, 2008), as well as the implementation of *antispam* programs on servers in companies. However, these claims are not confirmed.

The survey was mainly realized in November and December 2007 and in January 2008.

The structure of the surveyed companies was:

- According to ownership structure the companies were mainly private **(61 (72.6%))**, then public **(10 (11.9%))**, socially owned **(8 (9.5%))** and other **(5 (6%))**;

- According to the field of work: agriculture, hunting, forestry and water management **3 (3.4%)**, ore and stone mining **1 (1.1%)**, manufacturing industry **46 (52.3%)**, electrical, gas and water generation and supply **5 (5.7%)**, building construction **9 (10.2%)** wholesale and retail trade ; motor vehicles, motorcycles and house-ware/personal repair **8 (9.1%),** traffic, warehousing and connection **3 (3.4%),** administration and defence ; compulsory social insurance **2 (2.3%),** education **3 (3.4%)**, health and social care **3 (3.4%)**, other communal, social and individual services **5 (5.7%).** (According to Statistics Institution of the Republic of Serbia[5]);
- According to size: micro **6 (7.2%),** small **8 (9.5%),** medium **38 (45.2%),** big **32 (38.1%)**. (According to Statistics Institution of the Republic of Serbia);
- Position of the interviewed: top managers **10 (11.9%)**, leading manager **49 (58.3%)**, consultant **3 (3.6%)**, the rest **22 (26.2%)**;

The structure of the interviewed experts:

- The majority of those interviewed were male (**31 (83.8%)**), there were only 6 females **(16.2%);**
- The greatest number of those interviewed were over 50 years of age **13 (41.9%)**, **11 (35.5%)** were between 30 and 40, and the smallest number were those between 40 and 50 years of age **7 (22.6%).** Six experts did not answer this question;
- Level of education: the majority were PhD (**15 (40.6%)**), then experts with Master's degree and Bachelors who totaled **10 (27%)**), but **2 (5.4%)** of the experts had college diplomas;
- Occupation (answered by **22 (59.5%)** of those interviewed): the majority were university professors/college professors - **11**, five experts were employed as consultants, there were **2** assistants and **2** technologists, 1 director,1 engineer and 1 programmer;
- Work place of those interviewed in their organizations (answered **36 (97.3%)**): directors **5 (13.2%),** leading managers **10 (26.3%),** consultants **1 (2.6%),** owners **2 (5.3%),** others **20 (52.6%).**

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

1. Kruskal Wallis – one-way analyses of the variants among the ranks for data types of lower level (nominal), as well as with data without beginner's presumption on the existence of a certain distribution (most frequently normal);

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5. http://webrzs.stat.gov.rs/axd/index.php

2. One-way ANOVA – one-way analyses of the variant, but in this case for more superior data of interval level, such as significance grades.

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

It was taken that evaluation limit of reliability results, t.i, probability which enabled claiming that the data were error consequences or random variations was **p = 0.05**. This means that for **p ≤ 0.05** there exists a statistically significant difference in results.

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

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

4. Results of the research

Research results point to the fact that the majority of companies **63 (80.8%)** (out of **78 (92.9%)** that responded) apply relationship marketing. This fact was confirmed by the experts; **32 (91.4%)** (out of **35 (94.6%)** who answered) said that it was possible (in some way) to apply the relationship marketing concept to domestic companies.

Both companies and experts consider **input elements** of relationship marketing concept significant, or fairly significant, as **table 1** indicates.

Table 1. Comparative review – average grades of significance of input elements in relationship marketing concept

Input elements of relationship marketing concept	Average grades of those interviewed in companies	Average grades of the experts
Understanding customer expectations	4.31	3.88
Building service partnerships	3.92	3.42
Empowering employees	3.66	3.71
Total quality management	3.76	3.26

ANOVA significance test
Group: companies

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

Figure 1 shows to what degree the analyzed companies are conscious of their customers' expectations and also the experts' estimation concerning the ability of the com-

panies to work in our conditions. Structurally, the opinions do not differ, although the average grades of agreement between customers' expectations and delivered value vary: **4.19** (companies) – **3.05** (experts). This question was answered by **82 (97.6%)** companies and by **36 experts (97.3%).**

Figure 1. Parallel review of companies' and experts' attitudes related to precise knowledge of customers' expectations
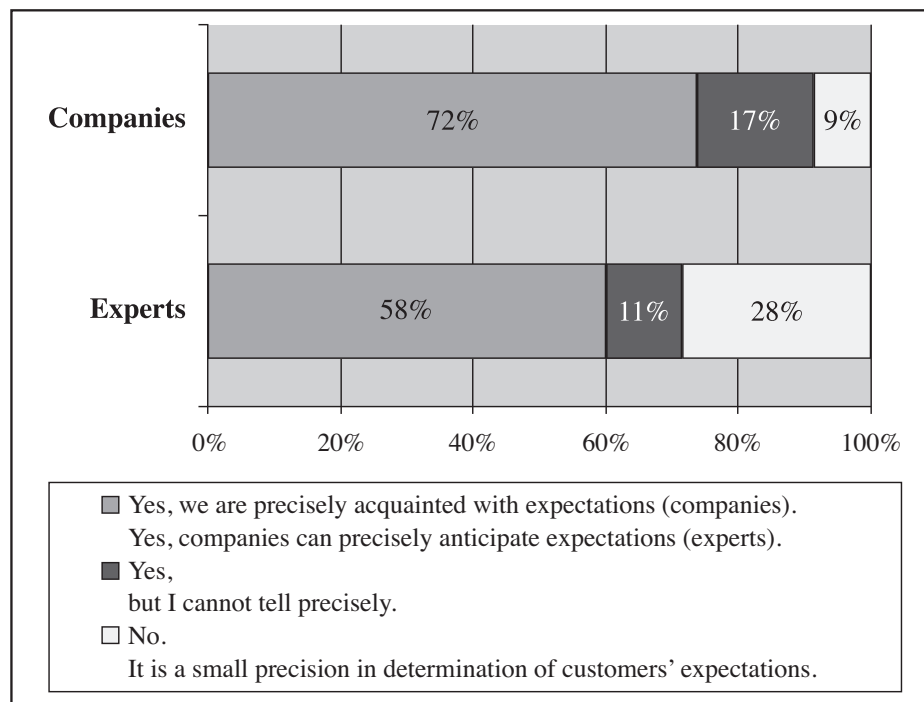
Kruskal Wallis Test
Grouping Variable: companies
Ranks

	companies	N	Mean Rank
	1	5	5.80
frequency	2	5	10.00
	3	5	8.20
	Total	15	

Test Statistics

	frequency
Chi-Square	2.319
Df	2
Asymp. Sig	0.314

Figure 2. Review of attitudes – companies and experts, related to the value delivered
to customers
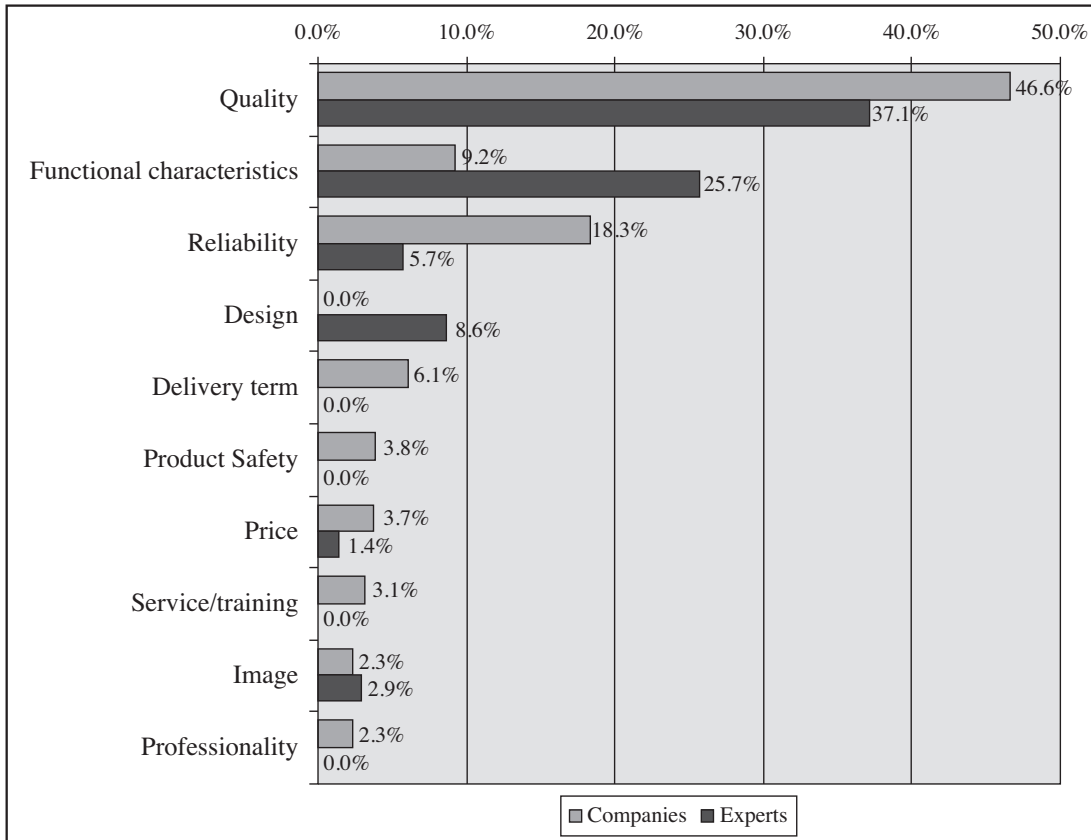
Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	2.032
df	2
Asymp. Sig	0.362

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

About the conditions for active participation of the employees in the organization's activities (in relation to relationship marketing), **79 (94.1%)** companies and **35 (94.6%)** experts expressed their opinions **(Figure 3).**

Figure 3. Conditions for active participation of employees in relationship marketing concept
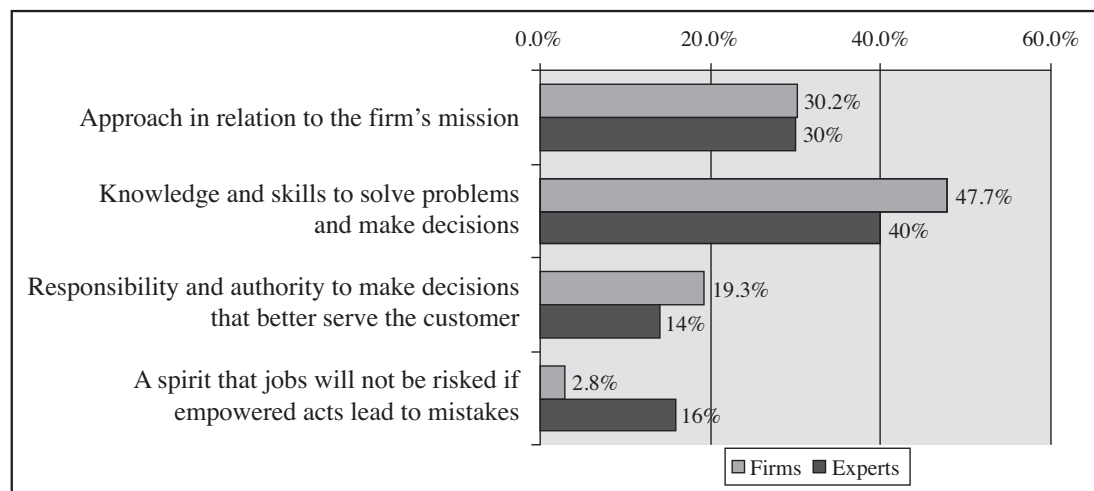
Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	1.052
df	2
Asymp. Sig	0.591

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

The part of the questionnaire relating to the processes of identifying expectations, monitoring and measuring customer satisfaction had to provide insight into several elementary questions:

- how the companies, generally, carry out processes,
- to establish management and organizational division of responsibility over processes,
- to establish the best methods, techniques or activities for data obtaining and analyses,
- the ways in which the results of researching needs, especially customers' satisfaction influence business and relationship marketing realization.

The experts had to confirm, in some way, the companies' attitudes from the standpoint of their knowledge, experience and affinity by answering the questionnaire.

Table 2. Comparative review of average significance grades of output elements in relationship marketing concept

Output elements of relationship marketing concept	Average grades of the interviewed in companies	Average grades of the experts
Quality of products/services	4.64	4.06
Customer satisfaction (effects: complaints, repeated purchase, recommendation)	4.44	4.26
Customer loyalty	4.04	4.09
Increased profitability	4.19	3.91

ANOVA significance test
Group: companies

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.206	2	0.103	1.431	0.289
Within Groups	0.649	9	0.072		
Total	0.855	11			

When they were asked to say if they had a special defined process for **identification of customers' expectations,** the majority of those interviewed in companies,

66 (79.5%) out of **83 (98.8%),** gave positive answers. Some of them **14 (16.9%)** connected this process to some process in their organization; only in **3 (3.6%)** companies was this process not defined at all. Similar structure of the answers was given by experts: **31 (83.8%)** of them said it was necessary to define this process and only **6 (16.2%)** of them thought that this process could be joined to some other process.

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

Considering the question which demands definition of management and responsibility over processes, **identification of expectations, monitoring, measuring and analyses,** a certain generalization can be observed in the answers given by experts when they are compared to those obtained in companies. However, we can find some similarities which are presented in the **Table 3a** for process **identification of expectations** and **Table 3b** for process **monitoring, measuring and analyses.** Statistically significant difference in the answers of different types of companies is observed in respect of the question about management/responsibility over processes — **identification of expectations (p = 0.005)** and the answers are given separately. In total, **68 (80.9%)** companies and **35 (94.6%)** experts answered the question about the process of **identification of expectations** and in respect of the question related to the process of **monitoring, measuring and analyses 71 (84.5%)** companies gave an answer.

It is interesting to observe the moving of responsibility (both companies and experts agree in this) from marketing top manager, for the process **identification of expectations,** towards sale top manager, for the process of **monitoring, measuring and analyses.** Especially expressed significance of organizational units (sectors) can be observed: trade/sale, marketing, development sector and quality sector.

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

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

Given answers – companies	Process identification of expectations			
	Companies			Experts
	1	2	3	
(a) Top manager and/or owner	1 (5,6%)	15 (14%)	6 (9,2%)	13 (17,6%)
(b) Executive management	–	10 (9,3%)	3 (4,6%)	
(c) Development unit manager	1 (5,6%)	12 (11,2%)	4 (6,2%)	7 (9,5%)
(d) Marketing unit manager	3 (16,7%)	4 (3,7%)	15 (23,2%)	25 (33,8%)
(e) Trade/sale unit manager	5 (27,8%)	18 (16,8%)	14 (21,5%)	13 (17,6%)
(f) Quality unit manager (or QMS manager)	3 (16,7%)	9 (8,4%)	9 (13,8%)	10 (13,5%)
(g) Unit managers (generally)	3 (16,7%)	9 (8,4%)	6 (9,2%)	–
(h) Staff in direct contact with services customers or those directly involved in services realization	–	10 (9,3%)	6 (9,2%)	4 (5,4%)

Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	10.740
Df	2
Asymp. Sig.	**0.005**

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

Process monitoring, measuring and analyses		Given answers – experts	
Companies	**Experts**		
12 (6,9%) **10 (5,7%)**	**10 (12,7%)**	Top management and/or executive management	(a)
4 (2,3%)	**7 (8,9%)**	Development unit manager	(b)
25 (14,3%)	**24 (30,4%)**	Marketing unit manager	(c)
41 (23,5%)	**13 (16,5%)**	Trade/sale unit manager	(d)
36 (20,6%)	**21 (26,6%)**	Quality unit manager (or QMS manager)	(e)
14 (8%)	**–**	–	–
17 (9,7%)	**2 (2,4%)**	Employees in sale network	(f)

Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	5.436
Df	2
Asymp. Sig.	0.066

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

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

Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	14.645
Df	2
Asymp. Sig.	**0.001**

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

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

Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	12.205
Df	2
Asymp. Sig.	**0.002**

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

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

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

Customer satisfaction is integrated in the business of the whole organization. This is, according to the research, the reality in Serbian companies. **81 (96.4%)** companies and **36 (97.3%)** experts confirmed this fact in their answers (**Table 6**). The encouraging fact is that the "system of reward and punishment" is almost completely excluded in companies **(5 (2.5%)),** while the experts do not consider it at all.

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

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

Table 6. Comparative review of the ways in which the results of **analyses of cus-
tomers' satisfaction** in companies are integrated in relationship marketing

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

Kruskal Wallis Test
Grouping Variable: companies
Ranks

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

Test Statistics

	frequency
Chi-Square	3.253
Df	2
Asymp. Sig.	0.197

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

5. Conclusions and discussions

Organization management directed towards building relations with customers should result in achieving loyalty of customers. Making supply that overcomes consumers' expectations creates a positive interaction between consumers and products. The final result of this interaction is a satisfied and positively surprised consumer. Relationship marketing is a concept that implies a long-lasting relationship based on mutual interests of companies and customers, in such a way that both sides (seller and buyer) are focused on common objectives. Relationship marketing is, in its basic form, present in domestic companies, as this research has showed.

Customer satisfaction represents a key output of relationship marketing, therefore significant attention is paid to this phenomenon in Serbian companies. Identification

of expectation and monitoring, measuring and analyses are the processes by which customer satisfaction is integrated in relationship marketing.

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

Serbian companies should pay special attention to implementing new approaches to marketing, both in a conceptual and in an organizational sense. Here, we think about a broader acceptance of a new marketing model, characterised by technological development and also about the model of integrated marketing communication, which represents a communicational component of marketing.

The work on this research showed certain imperfections, such as limitation in a geographic sense – only the Republic of Serbia was included in the survey. The call for participation in the survey was accepted by 84 out of 600 companies (14% responded; it was, at that time, about 5% of all certified companies in the Republic of Serbia) and 37 out of 100 experts from the field of interest. The sample is, concerning the companies, on the edge of being representative, but it is acceptable, (Hanic, 1997). In the analyses of the results some elements that may be interesting are missing. They are: the differences in participants' answers regarding ownership structure, technological intensity of field of endeavor; statistical differences in regard to the educational level of the company respondent participants, etc.

Further research and analyses can be carried out, focusing on the following:

- involving a greater number of companies in the research. This will contribute to representativity of the research, therefore the research results will be more acceptable. Possible solutions (beside enhancing the list of companies) include direct contacts and survey of companies' representatives (see Avlonitis and Karayanni, 2000),
- spreading the research to other countries in the region (West Balkan region or former Yugoslav republics or South-Eastern Europe),
- making the analysis larger by adding new elements, for example: the differences of participants' answers regarding ownership structure, or technological intensity of field of endeavor; statistical differences in regard to the educational level of the participants in responding companies, etc.
- factor analysis and creation of a mathematical model in order to check the elements of the research.

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