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Task: How do internal and external factors including COVID-19 affect or influence organisation's quality systems and controls for customers and how the organisation can deal with the new situation and achieve its business objectives by developing and maintaining good customer relationships?

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1.0 Introduction

Customer service relationship is an essential and integral part of any organization. How a company manages and meets its customers' expectations and experience has the potential of increasing the patronage of the organization which in turns makes the customer to continue to be in business. This is because the customer is usually considered the biggest asset that an organization has. Thus, there is the need to have in place a good customer relationship management (CRM) organ in the organization which essentially engages in the process of all the aspects of interaction a company has with its customers, including prospecting, sales and services.

With the foregoing background, this report will introduce an organization which I am familiar with to discuss the internal and external factors including COVID-19 that affects or influences my organisation's quality systems and controls for customers and how my organisation can deal with the new situation and achieve its business objectives by developing and maintaining good customer relationships. The report will use SWOT as the underlying marketing tool to analyse how my chosen organization maximizes its customer values.

1.1 Brief Introduction of My Organization

In view of the background established above, the organization which I seek to introduce to discuss and analyse the core parts of this report is one that I have worked for. The organization is a transport company licenced to operate in the United Kingdom (UK). It carries out bus transportation and courier services within and outside the United Kingdom. It has a large fleet of buses that operates major routes to selected destinations. Precisely taking passenger to the airport. It also has a staff strength of approximately 150 people both within the UK and outside the UK. It comprises of people from different nationality, race and religion.

The organization places so much emphasis on its customers, because it is its customers that make the organization to thrive. Hence, it constantly manages its customer relationships and ensure it meets customer expectations which sometimes may be affected whether by internal factors or external factors i.e., health factor like (Covid-19 Pandemic) or competition with organizations that carry out the same business with it.

Being that my organization operates a service-based business, it has over the years been able to study its changing customer's expectations in order to deliver the best customer experience. At the top of wide based customer expectation, is value for their money -- which

is basically comfort and safety in their journey on one hand, and an affordability of the transport fare on the other hand.

Another important point to introduce here about my organization is that it has a wide and diverse customer base. In terms of its numbers, although it might be difficult to give a precise number but based on the number of trips that it does on a monthly basis, it transports about 5000 customers to their various destinations within and outside the United Kingdom to their various destinations.

2.0 Marketing (service) models, methods, and theories to assess the factors that influence an organisation's ability in maximising customer value.

Value is a satisfaction that customers desire in the products and services they use. As a customer, the satisfaction that money is well spent and the product serves the purpose for which it was bought and or the services are exceptional, such sentiments can drive the growth of the organizational sales and even establish loyalty to the service brand, encourage referrals amongst many other positives. This is why organizations; in whatever business they engage must strive to achieve customer value. It rests as a responsibility on organizations if they are to thrive in a fiercely competitive and changing business environment must be able to create value and effectively communicate as best as they can. This can be related to the fact that customers are always spoilt with choices in most products or services in today's environment. Their expectations are now high, and their loyalty cannot be guaranteed. Little wonder why the phrase 'it is a buyer's market' carries weight.

This section will be devoted to examining the key marketing theories that influence organizations utilize to maximize customer values.

2.1 Customer Values- What does it mean?

There are many literatures and even organizations that describe customer value. In most cases, customer value is dependent on the type of product or service in question as value is achieved in different ways. However, on a basic level, customer value may be defined as the satisfaction that the customer experience or even expects to get from a product or service. In fact, an article puts it in another way to include that the "cost refers to anything a customer must forfeit in order to receive the desired benefit, such as money, data, time, knowledge".

As earlier noted, there is an abundance of choice that customers are open to when deciding to purchase a product or patronize an organization. So, for instance, whether a customer

decides to buy groceries from a particular store; or buy clothes from a brand; there are certain factors that come into play when settling for a product. In relation to this position, it can be said that customer value is purely subjective which organizations strive to influence to their favour through various theories. However, it should be noted that such subjective perception may not be likely controlled.

In essence, we cannot over-emphasise the relevance of customer value to an organization. The drivers of value can be summarily listed to include: (a) product function (b) Quality (c) Service (d) Marketing (e) Branding (f) Price (g) personal factors (h) situational factors

These are drivers that impact a customer's perception of value. For any individual customer they will rank differently in importance. Some people love brands. Some people only buy cheap. Some favour short form content. Some people treasure personal relationships. This therefore describes the range of customers' expectations such as: Ideal Expectations, Normative expectations, Experience-Based expectations and the minimum tolerable expectations which is the least in the range of customer's expectations.

2.2 Marketing Strategies, theories and Models for customer value

By way of commencement, it is appropriate to define marketing. Marketing has been defined by several literatures to mean different things. Ruskin-Brown noted that marketing is about conducting or establishing a dialogue with a customer or group of customers over a time in order for them to understand the product or service that has differential advantage over the offers of competitors in that field (2005, p 13). But the overall and underlying aim is to connect a company/organization's products or services to its customers.

Marketing has been offered several definitions however, most notable in the various definition is that centred around creating and offering value to customers. This definition is offered by American Marketing Association to mean an *"the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."* (2007). It is important to state that organization achieve this by using marketing strategies.

Marketing strategies and theories employed by organizations to influence and maximize customer value is said to have changed. In the past, organizations paid more attention at increasing their market share through marketing strategies that focused on creating a large

number of transactions, with little attention paid at discovering how to meet customer needs or creating innovative ways to solve customer problems and enhance their experience.

The foregoing model has now changed given the realities of our business environment. Marketing strategies are now being developed by organizations to focus on ways to attract and retain their customers on a long-term basis. There is merit in this approach. This is given the fact that, in this developed, but yet fragile business world, organizations are now more than ever open to several factors that can threaten its existence or competition such as environmental challenges or even the fact there is abundance of options for customers to choose from even when settling for a product or service. One way to prevent it, is to be customer-centric by developing long term customer relationship strategies to deliver satisfaction, quality and value (Ferrell and Hartline, 2014). The main or overall goal is to connect the

At this point it will be relevant to discuss the marketing theories that will underpin this report.

2.3 SWOT ANALYSIS

The Acronym SWOT stands for Strength, Weakness, Opportunities and Threat. This marketing theory is simply used to evaluate and analyse the strength, weakness and opportunities and threats that could be occur in a marketing or a business project. This marketing tool requires one to identify the internal and external factors that will have an impact on the organization's quality systems and controls for customers in times of crisis like COVID-19.

Usually, organizations can make use of the first two part which is Strength and Weakness to determine and identify the possible internal factors. On the other hand, the last two section which are Opportunities and Threat can be used to identify the external factors that could affect the organization.

In this marketing theory, the Strength looks at the what the organization is good at, what skills it possesses, what resources it has to achieve its objectives amongst others. This can be regarded as the positive influence and it spots the internal factors.

The Opportunities looks at the following changes in the external environment that the organization can exploit to improve its quality system and control for customer satisfaction such as any new technology that the organization can make use of to achieve its objective or

any new market opening. It is said that this considers the external factors, but those that have positive influence on the organization's objective.

The Weakness in this theory are the internal factors that can have negative influence on the organization's objective. This could be weak financial position; outdated intellectual property; untrained workforce. The last portion of the SWOT are the Threats. This considers the external factors that can have negative influence on the organization's objective. This could be in form of legislations or regulations that could have adverse impact on the organization. (Ferrell and Hartline p.24 2014) For instance, the government current restrictions on non-essential businesses from operating because of the current Covid -19 pandemic.

3.0 Internal and external factors affecting or influencing organisation's quality systems and controls for customers

Every organization is unique in its own way depending on the product or services it renders to the market. As unique as they are, they also possess different culture, but most times they can be confronted with the challenges of trying to maintain the quality of its products or services. This can be due to a variety of reasons which can either be categorized into internal or external factors.

There are several internal and external factors including Covid-19 that can affect or influence an organization's quality system and control for its customers. However, it is imperative to consider what an organization's quality systems and control is before delving into highlighting these factors.

A quality system or quality management system can be described as a defined *"set of business processes which are implemented to help an organization deliver products or services which consistently achieve customer satisfaction"*. [Fenton, 2019]. In another literature, a quality system may also be defined as a *"mechanism for managing and continuously improving core processes to achieve maximum customer satisfaction at the lowest overall cost to the organization"*. (Radziwill, 2008)

Using the SWOT analysis that have been identified above, the recognizable Internal factors that can affect the quality system and control for its customers like organizational culture, staff or its financial situation. For instance, in my organization, the start of the Covid-19 pandemic impacted the sales of bus tickets. This had an impact on the finances of the organization which in turn affected the salaries and wages of member of staff for some time until the organization began devise new means to adapt to the situation and its finances began to grow back.

However, it must be noted from my experience in my place of work that internal factors are somewhat predictable and easily managed when compared to external factors.

So, what are the external factors that can affect an organization's quality system and control for its customers. This includes competition; economic factor; legal /regulatory factor; technological factor and sociocultural factor. These factors put pressure on the way organizations conduct their business which can influence their quality management and control in respect to its services for its customers. One example of an external factor is the Covid-19 pandemic. This factor altered the way and manner organizations relate with their customers. The pandemic caused government to usher in new regulations that affect the way organizations carry out their businesses in different sectors. For instance, in the transport sector which my organization appears to fall under, transport companies are expected to ensure constant sanitation of their buses or transport facilities; provide hand sanitizer and social distancing measures; reduce physical interaction with customer services representatives.

The foregoing regulatory guidelines on the Covid-19 pandemic has had impact on my chosen organization. However, my organization has ensured that it continues to maintain and improve their quality system and control to offer value to its customers in order to achieve customer satisfaction.

So, the next critical question is how can or how has my chosen organisation handled the covid-19 the situation and in order to enable it to achieve its business objectives so that it can continue to develop and maintain good customer relationships?

As earlier observed, my organization is a transport company whose core mandate is to provide safe and affordable transport services for its customers to their chosen destination. However, the pandemic has critically affected the way it implements its business objectives and also upset the traditional way used to maintain good customer relationship. The situation disrupted the way and manner which we communicate with its customers. However, the business has been able to adapt to the pandemic. My organization has rolled out several measures in line with the government directives on the pandemic to ensure that while my organization observes the directives on one hand it ensures that the pandemic does not affect the quality of services it offers its customers on the other hand.

Some of the ways adopted by my organization to continue to ensure quality systems and controls for customers are by improving our communication channels and exploring the use

of more advanced technology to meet its customer's needs. Also, the organization constantly reminds its customers on how it is taking safe measures to prevent the spread of the virus by sanitizing and deep cleaning its fleet of buses after every trip, providing safety and social distancing in its seating arrangements.

From the foregoing measure that my organizations have used, as a customer care representative, I noticed that we have been able to meet our existing customer expectation with the use of these measure and also, we have been able to attract new customers as a result of the satisfaction and positive feedback given by our existing customers. Also, the organizations encouraged us to more friendly to customers and remind them how we are making efforts to render quality service and value to them with every opportunity that we have to interact with customer. This is consistent with the position of Schneider who encourage employees try their best always to deliver quality service to customers. (2004, p.130)

4.0 Evaluation of the benefits and challenges of developing and maintaining good customer relationships

Customers are at the heart of every organization. They are literally the ones that keeps the organization going. In fact, Buttle, F. notes that the core reason that organization enter into relationship with customer is purely economic (2009). So, in essence they are biggest assets of the organization. They are always in constant search for change; they are more demanding; more profiled; more informed and usually they know their own need and desires.

As discussed in the preceding part of this work, organizations have transited from transactional based relationship with their customers where the central aim of the organization was to make sales and recover profits to establishing a relationship with customers with the aim of attracting and keeping them (Eisingerich and Bell, 2007) Organizations have over the years recognized the significance of developing and maintaining long-lasting relationships with their customers. This is an integral formula in having a sustainable business. As emphasized by Gummesson, E. relationships is the core of human behaviour and are central for business people. (2002, p.9)

In developing and maintaining good customer relationships, organizations have structure of what is known as Customer Relationship Management (CRM). This is the process of managing all aspects of interaction a company has with its customers inclusion prospecting sales and services. CRM is an integrated approach to identifying, acquiring and retaining

customers by enabling organizations to manage and coordinate customer interactions across multiple channels.

In maintaining good customer relationship, organizations leverage on all forms of techniques to achieve this such as technology. CRM activity focuses on the customer. It uses information gathered about the customer to predict their behaviour. The central objective is to control the interactions with the organizations and ensure they remain loyal.

CRM aims at establishing new relationships and developing them to best serve the interest of the company and shareholders through profitability, and the interest of the customer through value added. CRM creates long-lasting relationships by combining modern technology with modern way of thinking

4.1 Benefits.

(a) **It enhances Customer Loyalty:** One of the established benefits of maintaining and developing good customer relationship is that it enhances the customer loyalty to the brand, goods or services of the target organization. Customer loyalty can mean the ongoing positive relationship that exist between a customer and an organization. Loyalty to the services if an organization is what drives repeated purchases. It is what prompts a customer to continue to patronize an organization or a brand against any brand.

The primary reason why customers are loyal to a brand is because of the positive experience they have had from the product i.e., the value. People are loyal to a brand because they associate the product or services with positive experiences, such as great customer service; feeling connected to brand values and ideals, or consistently high product quality. These are good reasons to prioritise customer relationships and look at ways of nurturing them through customer experience, marketing and customer loyalty programmes.

In my organization, we have a list of customers of who regularly patronize our service and have over the years being recognized as loyal customers. The organization usually reward them by offering them discounts and other promos for their continued patronage.

(b) **Increased revenue:** Another benefit of developing and maintaining good customer relationship is that it can increase the organization's revenue. This appears to an offshoot of the customer loyalty. When an organization has in place a good customer relationship, there is the possibility for loyalty which is the expression of continued patronage. This can then

mean that the organization's sales will increase and there is the likelihood of generating more revenue from sustained patronage.

This benefit is self-evident in my organization. My organization noticed that over a 5-year period, (Pre-Covid) that there was an increase in sales which in turn had increased the level of its revenue as a result of the increased patronage. When we conducted a customer survey about the level of our services, majority of them related it to the way and manner we maintained our relationship with them.

(c) **Better Knowledge of Customers:** One important benefit of maintaining and developing good customer relationship is that it gives the organization good knowledge of the customer. Such knowledge and information can enable the organization to better anticipate the needs of their customers' in order to meet their expectations.

(d) **Positive Word of Mouth/ Recommendation:** This is another benefit of developing and maintaining good customer relationship. When a customer is satisfied with a brand and the relationship with the organization is good, they are likely to recommend the services or product to another person

4.2 Challenges

Just like any other thing that has benefits, there are bound to be challenges. Nurturing any relationship is not an easy task. It requires time and effort or else it may fall apart. On a general note, the underlying philosophy behind any strong relationship is that it is built around making the other person (the customer) feel important. So, a number of challenges are:

- i. It constantly requires the organization's commitment and knowledge to use the customer relationship management system
- ii. The failure to effectively reorganize the organization's people and processes to take advantage of benefits a CRM system offers.

So, the question is, how does an organization overcome these challenges? Some of the suggested recommendations on customer relationship management are summarized as follows:

There is the need for the possession of a quality data about its customers. Aside possessing these data base, the organization has to take an extra step to analyse the customer database. This will assist the organization in adapting to changing behaviours of customers. This result

may also help the organization to interact better with customer and come up with the necessary changes that they desire in product or service.

Thus, paying close attention to the customer by analysing their needs and checking how they can improve their service in order to sustain the relationship with existing customers and also attract other customers is very important. In achieving this ,software applications can be useful to (i) Identify their most profitable customers (ii) Calculate the lifetime value of each customer's business (iii) Build relationships and encourage genuine brand loyalty (iv) Improve customer retention and referral rates (v)Reduce marketing and promotion costs amongst others.

5.0 Conclusion

This report has looked at the important role that customers play in an organization. It was noted that they are the live wire of an organization that keeps it moving and organization must continually strive to ensure they are satisfied in order for it survive. The report used an organization in which I worked to exemplify the importance of customer satisfaction and the used marketing theories like the SWOT analysis to determine the internal and external factor that can affect the quality service and control especially in meeting customer requirements and maintaining good customer relationships in times of crisis like COVID-19.

The report noted what my organization is doing to maintain good customer relationship in this pandemic. Such as constantly reminding its customers on how it is taking safe measures to prevent the spread of the virus through constant sanitation of the buses after ever trip and providing safety and social distancing in its seating arrangements.

The report further considered the benefits and challenges of developing and maintaining good customer relationships. It emphasised the need for organization to use customer relationship management (CRM) to maintain good customer relationships

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