

Organization's quality systems and customer relationship management

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Task 1

How have internal and external factors including COVID-19 affected or influenced your selected organization's quality systems and controls for customers? (You can conduct either primary OR secondary research - MUST be evidence-based rather than descriptive- Findings and analysis MUST be supported with relevant data and statistics to support answers)

Task 2 How can your selected organization deal with the new situation and achieve its business objectives by developing and maintaining good customer relationships?

Contents

Task 1	1
Executive Summary.....	3
Introduction	3
Company context.....	4
Model selection	6
Task 2	7
Recommendation.....	9
Conclusion.....	9
Reference	10

Executive Summary

The aim of this report is to discuss how covid has affected Amazon's operation systems and its ability to effectively and professionally service customers. The report will have findings of secondary data collection which will be backed up with multiple pieces of relevant and supporting evidence, such as statistics and data research. It will also incorporate specific solutions and recommendations for maintaining good customer relationships with Amazon by using academic marketing models, methods, and theories.

Introduction

Nowadays it is quite effortless to start up a business, especially because many people have an array of natural talents and desire to use their talents to create a lucrative form of income and some are even immensely passionate about being entrepreneurs and have what's there. But what makes a business exceptional is the quality of the business' operating practices and services, such as the products, reputation, and experiences of customer satisfaction. The quality process is hugely important because the customer's experiences, happiness, and loyalty aids the business in reducing the amount of loss. Furthermore, having a strong and positive relationship with your customers is crucial because it builds your brand and increases profit for the business as their feedback and interaction helps to improve the services and products that are provided as they take the time to buy and test out the product. For every business, the customers come first and their thoughts and opinions are very much valued and this is why providing the best customer service is important because once the customers feel like they are receiving the best possible customer service that will inevitably cause an increase in both revenue and profits. By the business' reputation communicating an essence of being polished, valuing customer feedback and professional, it then attracts more customers who will become long-term consumers, partnerships, and even potential investors, especially from reviews that are written online, on social media, or through website feedback tools.

During the period when covid first started, many companies was at risk of closure, bankruptcy and afraid that the percentage of revenue may decrease drastically. Covid has had a huge effect on the global economy and businesses, such as Amazon which was affected negatively due to bad reviews that were left on the website because of packages being delivered late or not being delivered to the right building, which has brought a lot of frustration to the customers and when they have then tried to complain, the system that was put in place in order to track complaints and feedback wasn't working properly, so numerous customers placed a request to get a refund. Due to there being multiple orders and some overly packed parcels going missing and customers receiving the wrong order, it caused a great deal of overwhelmingness. It was also difficult for the company to train the new employees during such a busy period of time at the company and because it was so busy a lot of mistakes and miscalculations were being made and that's why it caused so much confusion and setbacks for the company. However, Amazon has also had a positive effect on its company and business as they took the situations as an opportunity to make most of the difficult issues at hand,

that was happening worldwide and work on providing a solution; especially as nonessential shops were closed and unable to deliver to customers, which meant that by being an online company that could provide a wide variety of products and deliver at a suitable time, using the prime benefits of 'same-day' and 'next-day' delivery options they made a lot of profit, as they were one of the only delivery companies selling what people wanted during a time when other companies were operated from a limited and isolated way. As Amazon were one of the only delivery companies open, it gave Amazon more work to do as there was a higher demand in regards to supplies and because of this they were compelled to hire more people, which was great as that meant that those who were

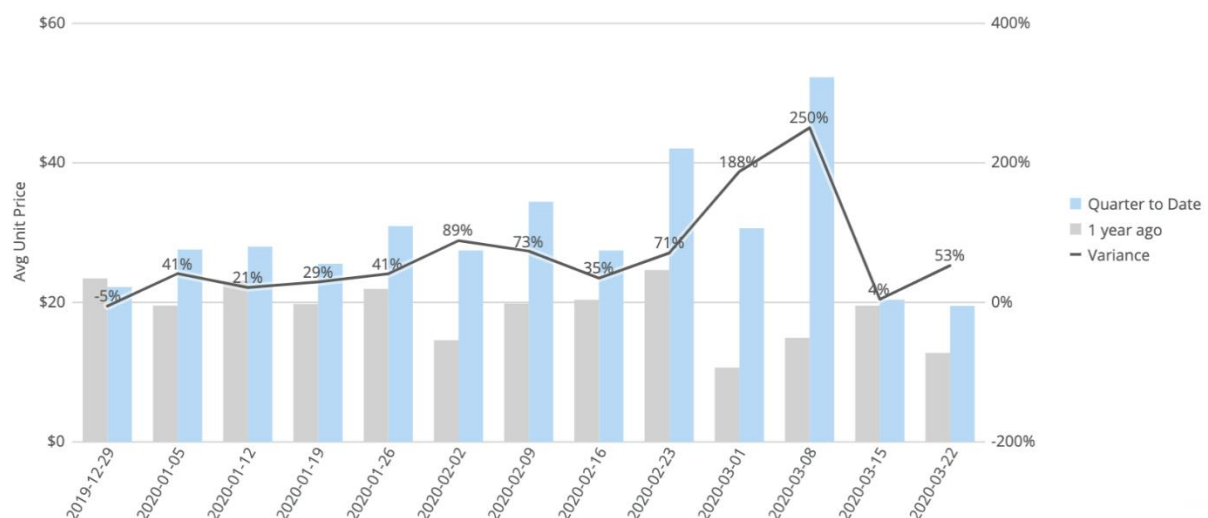
looking for jobs also benefited from this as there were no openings and they were able to get a job and earn a living. At the time Amazon got more attraction from loyal customers, as well as new customers, as their reviews were outstanding due to it being accessible to everyone, time-efficient in regards to when the items will be delivered, and the ability to track their parcels in real-time, which boosted the previous reputation that they already had.

This report will also discuss the internal and external aspects of Amazon and how its quality system has been affected in relation to the customers and the company. It will also be covering the customer relationship management models and marketing theories by explaining the purpose of the models. Then it will also contain the analysis of the customer relationship management by identifying Amazon's problems and finding the best model to use to find a solution for the problem at hand so that both the customers and the business goals are much more achievable. Finally, it will describe the best recommendations that can be physically implemented so that Amazon's customer relationship management is successful.

Company context

Amazon is an online retailer that sells anything and everything you can think of, from a variety of manufacturers, electronic books, beverages, food, DIY tools, web servers such as electronic commerce and much more. They have even expanded their brand to a supermarket called Amazon fresh, where people can physically purchase food but what makes it unique is that there are no cashiers and customers don't have to check the items out the traditional way but rather use the amazon app to scan the QR code on their phone, pay and leave, which makes grocery shopping simple and time efficient. In addition to this expansion, Amazon have also collaborated with two of the biggest supermarkets, 'Co-op' and 'Morrisons'. This was a strategically wise move especially in the midst of the lockdown and in relation to the members of the plus that needed to self-isolate; such as the elderly and most vulnerable.

Looking into Amazon's internal factors, it shows how Amazon is known for its amazing business and superb feedback. However, it also has its weaknesses which are that things can get very intense especially when there are competitors because that means that there is a possibility of limitations in regards to growth in the market due to the increase of suppliers. This diagram shows how Amazon how they grew so fast when heading close to the time when the pandemic was about to happen:



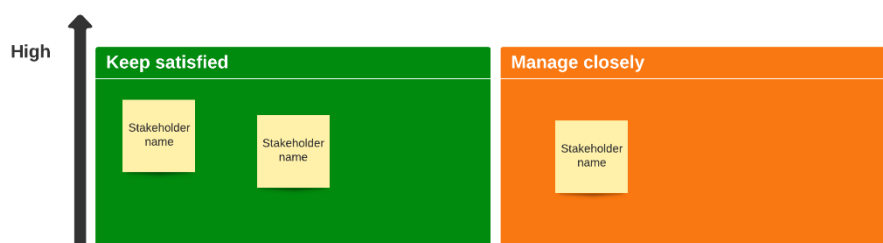
On the other hand, the company's strengths are that Amazon is a very strong brand and has a large selection of various products that is suitable for anyone and everyone due to its mass supply of various items. Amazon is one of the few companies that have different options for a business that has been very successful in recognition and growth. There has also been growing at a rapid pace when it comes to its online content providing entertainment, Amazon Music, and Amazon prime movies which during covid they massively utilized and had an influx of movies from all types of genres released, which allowed them to gain more subscribers and loyal customers as there a wide range of options. Amazon likewise uses very known product lines that are very popular in most countries such as Alexa, fire, Audible, Kindle, etc.

Models review

There are many types of customer relationship models and this report is going to mention some that relate to businesses. The collaborative customer relationship model is when management passes down important information to the team about the company and from the customer's view that the an improve their interactions with customers. During the pandemic many companies had to pass down information to their staff on our they will be operating the business with the new covid changes. They all so had to find a way to communicate how they were going to deliver the new change to the employees so that they pass on the same objective and goals so that their customers remain satisfied as before the pandemic. The QCI model which means Quality competitive index is when techniques and method that is given from the models that will analyze companies or businesses so that they can make a plan or how can learn, develop or keep loyal to regular customers. The operation model is a model where all the information that is received from the managers and converted into maps, and charts which give the company a visual understanding of the company process and involvement which is broken down.

IDIC is a method that helps businesses have an expectation of their customers and their values to the business. This model is best to follow these four steps to identify who their customers are and have a deeper understanding of their expectations, differentiate by identifying its value, interact to understand customers' expectations with suppliers, and customize by communicating to ensure that the customer's expectations are being met.

Marketing mix is a marketing method that had four ps and what is important about this model is that all the four elements have to work together. The for ps are price, place, product, and promotion, they are all essential because they are profitable marketing decisions but is also have to work with others so that the company's goals can be met. Communication mix marketing to promote services and products by communicating with the customers in a way that will catch their attention and there are many ways to do this by selling, advertising the product on posters, billboards, tv adverts, and sponsorship with other well-known brands which will give you more customer that will also be first-timer. Packaging that is eye-catching and unique and sales promotions that will keep them on their toes because they are benefiting from the company as well as spending money on the product. Stakeholder mapping is a visual system in which products, project, or an idea is mapped out. They have to consider how the business can be affected by internal (employers, employees) and external (government, suppliers, community, etc) stakeholders and how they can affect it by using a stakeholder mapping table to have a visual understanding of its influence.



Porter 5 is a model that analyzes and describes five competitive forces new competitors, power of supplier, power of customer, the threat of substitutes, and bargaining power of buyers that make every industry and help determine a company's weaknesses and strengths and it helps the business understand its industry and also know their competitors.

Model selection

IDIC is a great customer relationship management model because Amazon will be able to know who its customers are as there able to collect their details from their purchases. This is very helpful because it helps the business to identify what is selling, and what customers enjoy and are not so keen on buying. It's also important that the Amazon customer's values and views are aligned with pricing and product so they gain value by purchasing the product and they can demonstrate this to their customers by prioritizing their most valued customers and building a strong relationship with them by always keeping them up to date and offer vouchers or special discounts. Then they can have a stronger bond with their customer so that their need allows satisfied and heard.

Stakeholder mapping would be amazing because it will give Amazon a clear understanding of where the business stands by having a virtual idea that will take their business to another level as there will be growth and procession after they know what to improve on. It also guides the business by showing an accurate action from the engagement and it gives understanding to each stakeholder internal and external.

During covid Amazon decided to hire people into their company as it got really busy and overwhelming for the workers that were already working. At the time Amazon was the only online retailer that was open for the public to use so many people were using the website which meant many of these orders were purchased at the time which can cause chaos in the delivery department. As amazon was so busy they didn't have time to train their new employees properly as they spent more of that time delivering the order and spending less time trying to train them quickly so because of this, it brought a lot of confusion when it came to delivering products to customers as customers got the wrong order and because they left bad feedback. The challenge that can come from this issue was that Amazon had to refund their customers which were very difficult in the beginning as parcels couldn't be found on the system as some of them went missing and properly lost some customer due to not trusting the company anymore and this can cause a bad reputation for Amazon. The only benefit that can come out of this situation is that at least they had people to work with despite the confusion which eventually got corrected as time went past.

Task 2

How can your selected organization deal with the new situation and achieve its business objectives by developing and maintaining good customer relationships?

There had been a heightened sense of concern due to the rising cases of missing parcels that had been reported by customers. As customer experiences, feedback and complaints are highly valued this is an issue that needs to be resolved in a professional and timely manner. One of the ways I believe that Amazon can deal with the new alarming situation is to change the form of the operation, in a way where rather than the delivery driver making sure that the status of a package being changed to 'delivered today' or an image of the parcel being updated to 'Your orders' in order to inform the customer, a special one-time code should be given to the customer and for there to also be an identical code attached to that parcel and this will need to be provided to the driver also as extra security before they can directly hand the parcel to the recipient. In the case where the customer will not be able to receive it from their chosen delivery address at that appointed date and time then the parcel can only be accessed via a supported outlet with that same one-time code; such as, selected post offices and selected supermarkets rather than the parcel just being left outside the customer's door or near the letter box as that leaves the parcel in a vulnerable state, which may be an attraction for thieves.

Amazon have made it clear in their mission for 2022 that their aim is "To be Earth's most customer-centric company, where customers can find and discover anything they might want to buy online, and endeavours to offer its customers the lowest possible prices." Developing and maintaining good customer relationships is the foundation of it all because if there is no trust and reliance built between the customer and the company then that would drastically impact the revenue and net income; as well as, the objectives of the business being achieved due to a lack of demand for the products. Customer feedback, complaints and reviews need to be handled with the upmost care as that is one of the things that develops, strengthens and maintains the relationship between the customer and the company as it shows empathy, care and how much the company values and respects each customer due to the ability to provide solutions and in some cases compensate the customer with a gift or an alternative product.

In addition to my previous point, interaction with the customers is also essential as it allows each party to connect with one another, which makes the customer feel more included and also appreciated rather than just a consumer that spends their money. Utilising the social media accounts in order to incorporate the idea of interaction is a great way to develop a good customer relationship as we live in a more technical society where a huge majority of people constantly use

their hand-held devices. It has been reported that in 2021, the number of smartphone users had increased to 53.5 million in the UK alone and that figure speaks for itself in regards to how many people use their smartphone and with the growth of various social media platforms, it will be a step in the right direction to increase the level of interactions with Amazon and their customers, as well as with potential new customers.

For a long standing, loyal customer, I can only imagine that there would most definitely need to be investments in maintains those customer relationships. A way in which true appreciation can be shown to these customers will be through the idea of rewards. For example, if there was a customer who had been constantly buying from Amazon for a minimum of three years then there would be a reward of a free 6-month subscription to Amazon Prime where they can access all the benefits of a prime member; such as, same-day or next-day delivery at a reasonable price. Things such as rewards can make a customer feel like they are recognized and encourage them to continue to shop with Amazon and even through this positive experience, spread this information to friends and family, bringing more exposure to the benefits of shopping with Amazon.

Furthermore, by also exceeding the customer's expectations then the company places itself in a great position. A key piece of advice is to always under-promise and over-deliver as opposed to over-promising and under-delivering which can breed an environment and pattern of disappointment. By doing this on occasion, it can communicate the customer that the company deems impressing the customer and customer satisfaction as principal. In essence customers just want to feel seen, heard, valued and appreciated and when there are situations that arise and the company chooses to go above the normal standard, going the extra mile, then a customer is most likely to stay with that company as a loyal customer. This massively contributes to the development and maintenance of a good customer relationship.

As this has covered various points about how Amazon can develop and maintain good customer relationship, it is evident that prioritising building relationships with the customers is key in achieving the business objectives of the company. One of these objectives are to retain and gain more customers and by treating the current customers with respect and acknowledgment, showing a desire to assist and help in any way that they can that will most definitely increase the exposure as marketing can be done via word of mouth and promotions. Moreover, by creating an avenue of communication and interaction between the customers and the company, it allows the company to have an extensive insight into the customer's expectations and requirements which will allow the company to be more intentional in the changes and ideas that are brought forward to not only solve any current issues but prevent potential issues

Also, another objective being the development of the brand, of the company so that it leaves a mental footprint to all who come into contact with the company and is memorable to all those who have either been a customer or have at least heard about the company through various marketing strategies. By being interactive and exceeding a customer's expectation, this all contributes to the building of the brand of the company and the reputation that it has with the general public and especially the customers. This brand is built directly by the treatment of the current customers in standard circumstances and especially when there is an issue at hand and how it is handled by the company.

Finally, it has been made clear that the customers definitely take priority, as well as building a positive and strong relationship with them and maintaining it over-time; especially, when it comes to being able to achieve the business objectives set out and even being able to surpass them. By focusing on the customer's needs and expectations it allows Amazon to have a clear sense of direction and have assurance as to where to take action next, what needs improvements and what

operational policies need to be reviewed in order to meet these needs, expectations and even exceed these to the customer's surprise. Whilst the focus is on pleasing the customers and fulfilling their needs, this energy and positive reception are reciprocated back into the company as the goals are now being met and accomplishments; such as achieving the business objectives which are key in seeing growth and longevity.

Recommendation

I recommend that companies consider using customer relationship management models because it will give them an insight of how they can better their relationship with their customers and find the best way to better their business to cater to their customer expectations. I also believe having a visual plan or idea is definitely the best way forward because the company is able to see if there has been growth within the company and what area needs improving or change.

Conclusion

To conclude many companies go through or have good through a lot of crisis which has ended to them shutting down their business because they didn't plan or just didn't know what to do. But in this report it showed that there are customer management models and techniques that can be used to revive a business that is about to go down the drain. All of the technique was for the business as a whole and everyone is included, this is good because when it comes to analyzing the problem everyone has their own view and options on things so they can identify the issue from many different angles. Both internal and external factors have everything to do with how the business is successful or not because what happens outside a company affects what happens inside the company, especially its image and reputation. Maintaining good customer relationships has everything to do with how you deal with your customers and you can do this by receiving feedback from them and replying back to do them with what the company is going to do about the situation and letting them know that they were heard and that their feedback was appreciated. Feedbacks are important for companies because it motivates them to want to do better and eventually catch the attention of more customers as feedback gives the company more room for improvement. A business's best feeling is when they have customers coming back because it shows them that they are heading in the right direction and social media has been another tool that has taken businesses to another level. Amazon grew as much as a company because of all the attention they were getting and the more they were spoken about, they were also seen everywhere from adverts to billboards so it gave them even more customers. Finally businesses are able to meet their goals and objectives if they use customer relationship management model because it will give them the right future in their career and with the new customers that will so be a part of their journey.

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