Customer’s Advisory, Organizational Openness and Capability: the Locus of Value Creation

M. Ö zgür GÜNGÖR*, F. Zeynep BILGIN **

Abstract
Organizations of today are aware of the necessity to communicate with customers beyond learning about their satisfaction, loyalty or complaints. The closest way is focusing on customer involvement, a general term used for capturing the responses, advises and ideas of customers in order to better proceed with innovation ideas for product and service development in a competitive market environment. This flow, which is named as “customer’s advisory” by the authors, necessitates openness and capability. Openness requires technological focus along with responsiveness and empathy in organizational culture, creating a positive communication environment. The two variables of the capability construct are frequent and bilateral information sharing. This study was conducted to detect the level of use of these two constructs by various organizations operating in Turkey. The aim was to understand the interest in customer involvement to remain competitive, how “customer’s advisory” was used to collect customer views and responses in order to nurture creativity in innovation processes. Results reflect that organizations proved to be open; responsive to meet expectations, willing to understand the customers, and reflected empathy to encourage creative ideas. Also both variables of the capability construct proved to be strong where well-educated and trained employees help most for understanding the comments of customers. Turkish organizations following the customer’s advisory with openness and capability brings a new focus into Customer Relationship Management via feeding a creative process leadership focus to remain competitive.

Keywords: Customer’s Advisory, Customer Involvement, Technology Focus, Information Sharing, Openness and Capability, Relationship Management

JEL Classification Codes: M31

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1. Introduction

Global challenges enforce the organizations to remain competitive. Modern organizations move more from the market driven systems to customer driven systems (Day, 1999). Any organization launching a tangible product to the market offers at the same time a service attached to it to the buyers. It can be said hence that organizations of the 21st century are living with the services they provide, and that makes a customer-centric culture the core for competitiveness. Relationships with any customer can only be enhanced by collecting information from the different target groups as to understand their focus for interaction, generate feedback and assure lifetime value as a result of this ongoing communication. This in turn can also help organizations to understand market behavior, anticipate the needs, wants, and expectations in advance and use these as guidance for their upcoming short term strategies and long term goals. That is, the customers take an active role in the marketing process, and provide fresh information to the organization. They are at the same time active participants in idea generation and new product development. At this point it can be said that the organization has assured customer involvement. Especially when an organization serves a variety of customer groups, it becomes a priority to learn about and serve for different niche market needs. Customer involvement in new product and service development has also been discussed from a relationship marketing point of view to understand better how to get the best value out of factors affecting customer satisfaction (Lagrosen, 2005). Higher value product offerings to the market and higher level of customer value achievement will not only assure customer satisfaction and long term loyalty. It will also enhance brand, corporate image, and help for competitive advantage in domestic as well as in world markets.

Attaching this kind of a new role to the customer can be called “customer’s advisory”. Here the customer helps the organization to adapt itself to ongoing changes taking place in the competitive environment.

Although some organizations and authors focus on providing advisory to the customer community as a perspective such as forming boards within firms to articulate variety of services and information to buyers in order to make the use of their products and services more easy for them (Loudon and Carter, 2003; Gobbi and Sheldon, 2005), the concept is used here emphasis the importance of opposite direction in this relationship and beyond what is aimed in its simplified version in the CRM (Customer Relationship Management) concept and applications from firm’s point of view. In fact, the CRM approach to “Customer’s Advisory” is rather a more firm inside-out focus, to make sales more effective whereas the “Customer’s Advisory” in our study completely deals with the customer insight as an added value to the products before they are even launched to the market, starting from the research, moving to design, production, and marketing strategies. Customer orientation and making use of customer’s advisory cannot be separated from
technological devices of today and link highly to proper use of different technological advancements for communication, starting with web sites of firms informing at simplest way about the organization as well as its products, and allowing the customer to write their questions to Internet based free cost phone lines and blogs, email use made possible via cellular phones, all accelerating the bidirectional information flow on a continuous way. The discussion will be mainly about the mutual needs around the products and services offered to the market.

The important thing here is to build correct linkages between organizations, their customers and products. Figure 1 presents the basic challenges of the competitive environment: organizational development, customer development, and service development. Because any change taking place in the micro and macro environment of any business organization reflects a need to revise these business programs on a continuous basis.

The customer’s advisory is at the intersection point of these three levels. Being open to listen to responses, being responsive to suggestions, reception of needs and insights from the market, trigger better customer and service development, and in turn assure a more market-oriented organizational development. For this purpose, the facilitating tool is the technology.

![Figure 1. Three dimensions of modern organization](image-url)

This study aims to explain the components of making use of “customer’s advisory” as a factor of customer relationship development aspect of modern organizations. Openness and capability constructs of customer’s advisory as to assure customer involvement are the two key competencies for capturing and using responses from customers about the services offered by the organization. In this perspective, an instrument for understanding these competencies has been developed by the authors. A quantitative analysis has been done and results have been achieved. In the following sections, details about these results are presented.
2. Conceptual Background

It is important to note at this point that why customer’s advisory is getting critical for any organization to assure lifetime customer value and long-term relations, and how the organizations can approach their customers through organizational learning and technology orientation, via openness and capability.

2.1. Customer’s Advisory for Customer Lifetime Value

Organizations that are ready to learn about differences in target markets need to focus on customer lifetime value (CLV) measurement (Pfeifer et al., 2005; Malthouse and Blattberg, 2004). In this sense, knowledge about the customer migration, optimal resource allocation and customer relationship handling (Jain and Singh, 2002), parameters and factors like retention, growth margin and time horizon (Gupta and Lehmann, 2005), value, brand and relationship equity composing the customer equity (Lemon et al., 2001), and the brand manifold concept (Berthon et al., 2007) are all underlined by previous scholars. The value can be generated when quality, cost and convenience are coherent with each other, for brand equity awareness and attitude formation. More to that, corporate ethics is a must for the relationships to be triggered via loyalty and affinity programs, community-building activities, and follow up of changing customer needs. Besides, any product incorporates a service dimension today. Hence, service dominant logic of marketing (SDLM) emphasizes that value definitions of buyers would help to build long term relations and provides the opportunity to turn them into lifetime customers (Lusch and Vargo, 2004). To achieve this, customer’s advisory becomes crucial.

Customer’s advisory is a result of customer development approach (see Figure 1) and intersects with service and organizational dimensions. It is one of the most influential dominating factors of development in modern organizations. Customer’s interpretation of alternatives always reflects dynamism and is always affected by gravity of the social networks. When an organization activates the customer’s advisory, it fosters a great potential to develop new or elaborated, customized, and direct service for its markets; assuring higher efficiency gains both from the financial and from the managerial side of the business operations.

2.2. Organizations and Organizational Learning

Modern organizations today reflect an integrated structure with close commitment of three basic dimensions: organizational development, service development, and customer development. These three dimensions are reflected in Figure 1 in the Introduction part of this paper. Without assuring a proper functioning of the organizational development and assurance of organizational commitment, neither the service development nor the customer development can be in progress. This first aspect links the model to organizational behavior; and its importance stresses that organizations of the 21st century do not reflect longer solitude, monolithic
structures. They rather present a well knit structure with other institutions and people around, trapped by the need for continuous, ongoing learning. Scholars such as Senge (1990) highlighted the capabilities of learning and changing, others such as Hammer and Champy (1993) stressed the importance of adaptation and expansion. The possibilities for collapse or revolving were themes discussed by Gibson (1996). Many other scholars (Gummesson, 2005; Parasuraman and Grewal, 2000; Cooper, 2000; Walker and Ruekert, 1987) covered managerial strategies and organizational dynamics. This can generate a business interaction environment in the organization, where openness to listen can be encouraged among internal and external customers to increase organizational commitment as well. In parallel with this, the budget for technological investments can also be affected positively. These investments are mandatory for retrieving information on time and using it in correct way. Otherwise, it is difficult to say that “customer’s advisory” can be activated properly. Technology can range from a simple investment to highly sophisticated one. But nevertheless, they all support and be supported by “customer’s advisory”.

The question at this point is how to design a system where “customer’s advisory” is not just a feedback for product evaluations, but at the same time, a future focus for new product development. Beyond openness to listen to the customer and being committed to move customer into process of evaluation and building new products, organizations need to develop also a system and a team capable of evaluating the information in continuous flow. Especially for development of new products and services, customer responses are important to understand and anticipate needs correctly (Matthing et al., 2004). This necessitates giving way to creative process leadership with creative mindset, innovative thinking, and evaluation capability within an existing system. Deriving meaningful customer insights and developing entirely new business models build the core for innovative corporate-thinking in an organization. This perspective requires new concerns and ways of thinking in the organization, and transitioning from old models to new ones as Desouza et al. (2008) put it. Creation of an innovative mind-set starts at the strategic decision-making level. The resource advantage theory perspective of Hunt (1997) stresses the importance of organizational learning and innovativeness within an imperfectly mobile and heterogeneous information environment. Gummesson (2005) reveals the fact that in the 21st century the move is from “One-to-One” to “Many-to-Many” marketing in the network society. With the variety of technology tools, marketing communication is made easy and turned into a dialogue with customers for listening to responses and comments, capturing ideas and understanding requirements for new features. Hence, organizations can easily utilize “customer’s advisory” for better relationship building with their customer-base, learning from their experiences and retaining innovative ideas at a lower cost. When an organization is committed to build the necessary infrastructure to listen to its customers and reflects openness to new ideas, new consumer markets
can be easily reached, new products with longer life cycles can be created, and a loyal customer-base can be built.

2.3. Organizations and Use of Technology

Innovation is the key to enable new ways of thinking, producing, and presenting value to customers. The convergence of marketing and technology, though they were evolving separately in different cultures and mindset, is more apparent than ever. Many customer-driven organizations are finding new ways to align marketing and information technologies to develop better targeted marketing campaigns and detailed customer analytics. Organizations are faced to build their competitive strategies around data-driven insights. Reengineering customer responses, involving them into the product design, letting the customers communicate with the organization directly and listening to them in detail, using incoming information for strategy development are important in a competitive environment. Social networking websites commute many subsets of segments and provide the chance to integrate product and service offerings directly into these specific customer clubs. As customer community brings in the opportunity to inherit more distilled information from before, innovation becomes inertia of the organization driven by the customer-oriented business architecture to “out-think” rivals.

However, these are not so easy to implement without an open mindset of top management and without an appropriate information system infrastructure that is based on the marketing technology tools configured for the enhancement of organizational decision making. Knowledge management challenges the organizations to question the information content and values, reshape existing products, and transform their value proposition radically to meet new customer needs Tiwana (2001, p. 43). Integration of knowledge management practices into relationship management processes brings out the possibilities of success in closer customer interaction, customized product design, and configured service.

From time to time, marketing gets aligned with improvements of technology and makes effective use of newest tools brought to market in understanding dynamic consumer behavior. There are three interrelated levels when major developments in technology are considered: Database infrastructure and user-friendliness for data storage, the Internet infrastructure and the web interfaces for data collection, and the wireless networking infrastructure ranging from Bluetooth\(^1\) and WiMax\(^2\) to 3G\(^3\) and CDMA\(^4\), and mobile devices for data interactivity with increasing number

\(^1\) For details see under www.bluetooth.org and www.wikipedia.com; Bluetooth is a wireless protocol utilizing short-range communications technology for data transmission over short distances.

\(^2\) For details see under www.wimaxforum.org; WiMAX is a standards-based technology enabling the delivery of last mile wireless broadband access as an alternative to wired broadband like cable and digital subscriber lines.

\(^3\) For details see under www.itu.int and www.3gpp.com; 3G is the third generation of mobile phone standards and technology, based on the International Telecommunication Union (ITU) family of standards under the IMT-2000.
of smart phones and portable computers. Personalized and user friendly technological improvements open the gates to interact within organizations, their supply chains, and customers directly. The better the communication medium is equipped and its effectiveness increased, the more responsive the customers become taking part in service evaluations and suggestions. The Internet and any wireless network achieved to break the walls between organizations and their customers, giving way to new forms of dialogue. As Ridderstrale and Nordström (2000, p.102) mentioned, the Internet assures transparency and access to huge amount of information, so both internal and external customers of organizations feel responsive to challenge these service providers.

2.4. Antecedents of “Customer’s Advisory”: Openness and Capability by use of Technology

Two constructs of “openness” and “capability” are the keys to capture, to understand and to make use of “customer’s advisory”. Briefly explained, openness to listen to customer responses is a matter of responsiveness, empathy, and technology focus. Capability, on the other hand, relates to bidirectional information sharing on a continuous basis, that is, not only being interested to send tremendous amounts of messages about their offerings but also receiving many messages from their customers (Figure 2).

![Figure 2. Components to make use of “customer’s advisory”](image)

Regarding the “openness”, responsiveness, and empathy in an organizational climate are critical to anticipate problems, address requests, adapt the products/services to ideas and recommendations of customers, as well as to understand the changes taking place in market environment. Responsiveness, the

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For details see under www.cdg.org; Code Division Multiple Access (CDMA) is a spread spectrum technology, allowing many users to occupy the same time and frequency allocations in a given space, providing better capacity for voice and data communications, allowing more subscribers to connect. 3G technologies are built on this platform.
willingness to help customers and provide prompt service (Parasuraman et al., 1991), is formed of four basic subscales: promising attitude in behaving customer comments, willingness to respond eagerly, seriousness in the responses back to customer, and quickness in getting back to customer. Empathy, individualized attention the organization provides to customer (Parasuraman et al., 1991), is a combination of three subscales: explanation of options to the customer against its will, lesser use of technical jargon in communication, and understanding concerns of customers in dialogue.

Technology focus is an additional requirement for organizations to get these behavioral transactions with customers logged and to make proper uses of them for strategic benefits of organization. Technology focus includes the implementation of websites (Garrity et al, 2005; Marsden, 2008), electronic forums (Nambisan and Nambisan, 2008), blogs (Dwyer, 2007; Rickman and Cosenza, 2007), e-chatting (Clauser, 2001) features, and e-mailing technologies (Bachmann et al, 1999; Kurtzberg et al. 2005) within the organization to enable communication with customers.

The “capability” of product/service knowledge utilization and evaluation within an organization are found to be related to several factors in diverse studies (see Menon and Varadarajan, 1992; Maltz and Kohli, 1996; Kang et.al., 2007) such as having computerized information systems, increased personal contacts, innovation orientation, market intelligence dissemination effectiveness, interpersonal trust, communication between marketing and engineering units. Also Fisher et al. (1997) in their study found that the capability of service evaluation in organizations relate highly to bidirectional information-sharing among engineering and marketing departments in the organization, the frequency in information use to evaluate services; and these two constructs were also tested by Massey and Kyriazis (2007) with an integrative model. Effectiveness in information sharing can though be generated when critical marketing technology tools are used by the organizations for evaluation of “customer’s advisory”. Here to mention are several systems suggested such as, Marketing Decision Making Support (MDMS) Systems (Van Bruggen et al., 2001), Customer Relationship Management (CRM) Technologies (Stuart, 2005), ERPS, the Enterprise Resource Planning System (Van Bruggen et al., 2001), and HRMS, the Human Resource Management Systems (Roos et al., 2004; Afiouni, 2007; Pietsch, 2007).

Therefore, the use of technology not only is linked to openness but also to increasing the capability of service evaluation for organizations in diverse market settings to remain competitive.

3. Methodology

The aim of this study was to detect the level of use of two constructs, openness and capability for “customer’s advisory” by various organizations operating in
Turkey. The objectives were (1) to find out the variables used to listen to customers and to determine the extend of openness; (2) to analyze the variables used for service evaluation and to determine the extend of the capability in the organizations for making use of “customer’s advisory”. The authors were interested in finding out (a) if and which factors constituting responsiveness, empathy, and technology focus of organization are contributing to openness to interact with their customers, (b) if bidirectional information sharing in business units, information sharing frequency, and technology capability of organization are contributing to the capability of service evaluation.

Assessment of research objectives were made through a descriptive cross-sectional empirical research constituted as field survey. The primary data was obtained through a self administered questionnaire, composed of 32 statements on a 6-point balanced and forced Likert-scale. The survey was open to unique online access for 45 days based on invitation through individual e-mails sent to a sample of middle-managers working at 7,500 organizations in Turkey. Finally, 301 valid responses were collected. The data obtained through the questionnaires were analyzed using SPSS 15.0 for Microsoft Windows.

Reliability analysis for the two constructs (openness to listen to and analyze responses of customers and service evaluation capability of the organizations) and the core concept (“customer’s advisory”) were found significant (Cronbach’s Alpha values of $\alpha_{core\ concept} = 0.717$, $\alpha_{openness} = 0.704$, $\alpha_{capability} = 0.742$, where all above 0.700). An explanatory principal component analysis on each construct, Bartlett’s Test of Sphericity and Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy were assessed and found significant (KMO$_{openness} = 0.789$, KMO$_{capability} = 0.777$, where both are above 0.500). The openness construct consisted of three sub-dimensions of responsiveness, empathy, and technology focus of organization. The capability to service evaluation construct was consisted of two components of information sharing and technology capability of the organization. The results of reliability analysis for core concept showed that the constructs, openness of organization to interact with customers and capability of organizations to service evaluation were representative for the core concept, “customer’s advisory”. Durbin-Watson test of autocorrelation proved that there is no autocorrelation among the variables (see Table 1).

4. Findings

Before the data was analyzed for descriptive statistics different tests were conducted to reflect the validity of the model. F-Test in the ANOVA approved that the relationship of constructs with core concept is a valid model. Verifying the model, significance of t-test results about the coefficients claimed that both openness and capability constructs were significant in contribution to the explanatory power of the model with an adjusted $R^2$ of 0.258. We used to understand the correlation between items building core concept; if they are
correlated or not. Table 1 explains that they are not correlated and can explain the core concept by $R^2$ value. Table 2 contains β values for the explanation of contribution of both variables for the core concept. Details are presented in Table 1 and Table 2 below:

Table 1. Relational Statistics: Pearson correlation results for the core concept (making use of “customer’s advisory”) and two constructs (openness and capability), Durbin-Watson Test, ANOVA and F-Test

<table>
<thead>
<tr>
<th></th>
<th>1 (Core Concept)</th>
<th>2 (Openness)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Making Use of “customer’s advisory” (Core Concept)</td>
<td>Pearson Correlation</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>Sig. (1-tailed)</td>
<td>0.494</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>240</td>
</tr>
<tr>
<td>2. Openness</td>
<td>Pearson Correlation</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>Sig. (1-tailed)</td>
<td>0.412</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>240</td>
</tr>
<tr>
<td>3. Capability</td>
<td>Pearson Correlation</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>Sig. (1-tailed)</td>
<td>0.605</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>240</td>
</tr>
<tr>
<td>$R^2$</td>
<td></td>
<td>0.264</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td></td>
<td>0.258</td>
</tr>
<tr>
<td>Durbin-Watson $d$ statistic value</td>
<td>F</td>
<td>42.549</td>
</tr>
<tr>
<td>ANOVA</td>
<td></td>
<td>0.000</td>
</tr>
</tbody>
</table>

Verifying the model, significance of t-test results about the coefficients claimed that both openness and capability constructs were significant (0.000 and 0.011 respectively; where both were below 0.05) in contribution to the explanatory power of the model with an adjusted $R^2$ of 0.258. Beta values of both constructs (openness = 0.368 and capability = 0.178) indicated that the effect of openness to listen to customers was higher than capability to service evaluation of the organization for the making use of customer’s advisory. (Table 2)

Table 2. Regression results for making use of customer’s advisory and Standardized β Coefficient

<table>
<thead>
<tr>
<th></th>
<th>Unstd. Coefficients</th>
<th>Std.Coeff.</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>3.738</td>
<td>0.386</td>
<td>5.525</td>
<td>0.000</td>
</tr>
<tr>
<td>Openness</td>
<td>0.098</td>
<td>0.018</td>
<td>5.514</td>
<td>0.000</td>
</tr>
<tr>
<td>Capability</td>
<td>0.059</td>
<td>0.178</td>
<td>2.548</td>
<td>0.011</td>
</tr>
</tbody>
</table>

Then, the data was analyzed for descriptive statistics and results pointed out that: the respondents were mainly from services sector (58 %), having a flat hierarchical
structure in their organizations (81 %), and their organizations were not listed among in Top 500 Companies (73 %). Their organizations mainly employed less than 300 people (65 %) and the revenues generated in 2007 were less than 50 million TL for the 70 %. For the majority (72 %) of these middle line managers contacted, the environment they operated was highly competitive. For about 58 % of respondents the main stream operations of their organizations were stated to be B2C (business-to-customer) oriented. Findings about the components of two constructs, “openness” and “capability”, and their subscale items are presented below in Tables 3 and 4.

### Table 3. Components of Openness Construct

<table>
<thead>
<tr>
<th>Variables</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsiveness (Promise)</td>
<td>300</td>
<td>4.80</td>
<td>1.251</td>
</tr>
<tr>
<td>Responsiveness (Willing)</td>
<td>296</td>
<td>4.60</td>
<td>1.492</td>
</tr>
<tr>
<td>Empathy (Options)</td>
<td>294</td>
<td>4.54</td>
<td>1.187</td>
</tr>
<tr>
<td>Responsiveness (Serious)</td>
<td>297</td>
<td>4.44</td>
<td>1.327</td>
</tr>
<tr>
<td>Empathy (Concerns)</td>
<td>297</td>
<td>4.29</td>
<td>1.391</td>
</tr>
<tr>
<td>Technology Focus (Email)</td>
<td>295</td>
<td>4.13</td>
<td>1.742</td>
</tr>
<tr>
<td>Technology Focus (Web)</td>
<td>299</td>
<td>4.03</td>
<td>1.410</td>
</tr>
<tr>
<td>Responsiveness (Quick)</td>
<td>299</td>
<td>3.90</td>
<td>1.493</td>
</tr>
<tr>
<td>Technology Focus (Forum)</td>
<td>299</td>
<td>3.55</td>
<td>1.722</td>
</tr>
<tr>
<td>Empathy (Jargon)</td>
<td>295</td>
<td>3.54</td>
<td>1.384</td>
</tr>
<tr>
<td>Technology Focus (Chat)</td>
<td>298</td>
<td>2.90</td>
<td>1.791</td>
</tr>
<tr>
<td>Technology Focus (Blogging)</td>
<td>293</td>
<td>2.76</td>
<td>1.599</td>
</tr>
</tbody>
</table>

N= number of responses; 6 point scale 1 = strongly disagree, 6 = strongly agree

### Table 4. Components of Capability Construct

<table>
<thead>
<tr>
<th>Variables</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency of Information Share</td>
<td>298</td>
<td>4.90</td>
<td>1.182</td>
</tr>
<tr>
<td>Bilateral Information Share</td>
<td>295</td>
<td>4.11</td>
<td>1.457</td>
</tr>
<tr>
<td>Technology Capability (HRMS)</td>
<td>296</td>
<td>3.73</td>
<td>1.774</td>
</tr>
<tr>
<td>Technology Capability (CRM)</td>
<td>291</td>
<td>3.30</td>
<td>1.801</td>
</tr>
<tr>
<td>Technology Capability (Intranet)</td>
<td>296</td>
<td>3.20</td>
<td>1.667</td>
</tr>
<tr>
<td>Technology Capability (ERP)</td>
<td>283</td>
<td>2.86</td>
<td>1.865</td>
</tr>
</tbody>
</table>

N= number of responses; 6 point scale 1 = strongly disagree, 6 = strongly agree

According to findings belonging to “openness” construct (Table 3), the most strongly supported variables are about responsiveness and empathy of service providers. The two factors most strongly agreed upon are about responsiveness: the promising attitude in relationship with customers (mean = 4.80), that is, being open to fulfill the needs and expectations expressed; followed by willingness to understand what the customer wants to say (mean = 4.60) about the services offered by the organization. Among empathy components, providing more options to the customer (mean = 4.54) is the factor more agreed upon compared to the other two items of empathy. Amongst technology focus e-mailing and websites are
the forerunners (means 4.13 and 4.03 respectively). Interesting to note is that the respondents did not feel a strong tie to blogs where customers freely talk about the services and service providers (mean = 2.76).

Findings for the “capability” construct (Table 4) reflect that the most strongly supported two variables are frequency and bilateral nature of information sharing among the business units of the organization (means 4.90 and 4.11 respectively). Although technology capability is rated to be at medium level of use by the respondents, its most contributing subscale to capability construct is found to be the Human Resource Management Systems (HRMS) used in the organization. Enterprise Resource Planning (ERP) on the other hand is rarely made use of.

5. Concluding Remarks

Understanding the effectiveness in the use of various marketing technology tools for interpretation of “customer’s advisory” in service evaluation was an objective of this study to meet. For this purpose, two basic constructs, openness of the organization and the capability of organization, were focus of attention.

Regarding the “openness” construct, responsiveness with promising attitude towards the customers for fulfilling needs and meeting expectations as well as the willingness to understand the customers are rated to be the focus of attention of the service providers. Empathy is rather related to providing more options to customers. The best marketing technology tools for the use of “customer’s advisory” are websites of the organizations and e-mailing where generally more options of services are discussed with the customers.

The most strongly supported two variables of the “capability” construct proved to be frequent and bilateral information sharing. This implies that service evaluation is dependent upon the efficiency of information sharing among production and marketing business units. Every organization is in need of finding out what customers are willing to buy from its offerings. Different business units in the organization define requirements to satisfy customer separately. Marketing-oriented view and production-oriented view contain priorities of their own, looking at various market dynamics, and production constraints in their own way. Their collaborative anticipation of the market and designing new services accordingly assures the best results. Among the “capability” construct it is found that HRMS is the priority in organizations. Hiring well educated, well trained and good skilled people, better management of these resources and collaboration among business units drive the organization forward in making use of “customer’s advisory”.

Organizations employ these different tools to get their relationships well going with their customers, to collect their responses and complaints, to capture their feedbacks, recommendations, and advisory. By this way, organizations lead the way to increase efficiency of limited marketing resources by alignment of human
resources and technology that decrease the time spent on planning, production and measurement of marketing communication activities.

5.1. Discussion

Value creation is a customized process for any organization and should be directed under a scope drawn by long term strategies of the organization itself. As co-creation of value (Lusch and Vargo, 2004) is one of the dominant factors of determination in modern marketing strategies for services, an organization is responsible of sustainability in creating value propositions together with their customers, and following a proper systematic accustomed for itself. The results of this research explain that co-creation of value together with customers, customer retention, and innovative corporate thinking in customer relations are related with openness of the organization.

Additionally, in the evaluation of service to a higher satisfactory level for customers, implementation of a strategy to make use of “customer’s advisory” directed from brand communities is valuable. The effect of diffusion of newly developed version of any service in the brand community would be easier and faster in response to the support of identified contributors in that community. In parallel to our findings, the co-creation of value in consumer networks for organizational adaptiveness and as useful impulses from customer in innovative corporate thinking is also discussed as innovations through customers. Michel et al. (2008) mentioned that traditional and attribute-based view of innovation should be replaced with more radical service dominant logic of marketing (SDLM) perspective in order to use customers’ value co-creation roles in innovation. Here, responsivenes and empathy of organization to capture and make use of “customer’s advisory” is blended with technology focus. This brings a new perspective to be incorporated to customer involvement studies and consumer behavior literature.

This research exposed that the Internet and comprehensive organizational web sites, new forms of integrated marketing communication tools and advancements are bringing out opportunities for organizations beyond just having conversations with customers. Listening to their comments about services offered, collection of their feedbacks about fulfillment of service, and getting clues to improve services are the ways to reach a superior customer value. The results driven out from the synthesis of “customer’s advisory” highlights that customer oriented organizations step ahead from the crowd. Compromising the results from this research, academia and business gain appreciation of the opportunity to be collectively integrated with target market’s need assessments, apply a holistic perspective with the network focus such as many-to-many approach in marketing, and also enable a higher level anticipation of new and various dynamics in consumer behavior studies.

Besides, the sample of the study, middle-managers, is worth to state here again in terms of their importance for any organization. A primary role to middle line
managers is assigned by Mintzberg (1979) when he discusses the organizations’ design in a structure of five basic configurations: in the “Divisionalized Form”. Middle line managers of today play an important role in organizations with greater responsibilities for wider range of duties with more control over their resources, being in close interaction with other departments (Dopson and Stewart, 1993). With more freedom to innovate, to take risk, to implement changes (Dopson and Steward, 1993; Hornsby et. al, 2002), and their involvement in formation of strategy is associated with improved organizational performance (Wooldridge and Floyd, 1990; Floyd and Wooldridge, 1992). When an organization communicates with its customers by web sites and interaction through email contacts, the middle-managers are the liaison for these creative ideas to be used for implementing new strategies for sustainability and competitiveness.

5.2. Limitations and Suggestions

This study is conducted in Turkey using the responses of middle line decision makers in various organizations. Therefore, the results are limited with the Turkish business environment. For this study, the customer concept is rather limited to the end users of products and services. However, all internal and external customers within the stakeholders’ system can have an important “customer’s advisory” role for the organizations. Finally, design and implementation of survey in this research has been realized through the Internet website and based on sending e-mail invitations to a sample of the target population. The study can be extended to a face-to-face interview with the top managers to get more insights. Beyond the structured questionnaire applied so far, the use of open ended questions can help to collect more detailed information about the reasons why and why not to focus on “customer’s advisory” in an organization in the competitive business environments of today for future operations.

References


Hornsby, Jeffrey S., Donald F. Kuratko and Shaker A. Zahra (2002) “Middle managers' perception of the internal environment for corporate entrepreneurship: assessing a measurement scale” References and further reading may be available for this article. To view references and further reading you must purchase this article. Journal of Business Venturing, 17, 3, pp. 253-273.


