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# Strategic Corporate Performance Management: A Customer-Oriented Approach

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Additional information is available at the end of the chapter

<http://dx.doi.org/10.5772/intechopen.69708>

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## Abstract

The contemporary world is characterized by enormous development of globalization on the basis of fast spread of information enabled by modern information technologies. The development of the last decades is very difficult to predict. Under these conditions, the society's paradigm is changing as for the corporate economy management. The significance of non-financial indicators grows, they, in connection with the financial ones, can identify conditions much better and influence corporate performance indicators. An important role is played by the interdisciplinary holistic approach to corporate management, responding to rapid changes in production related to the individualization of the products according to customer requirements and shortening its life cycle. Under these conditions, the most important factor for market success becomes a customer, whose satisfaction and loyalty to the company must be measured to be able to create conditions for stable growth corporate performance. The great attention is also given to the theoretical basis on which corporate performance management is created. The most important part of customer-oriented management is data acquisition from the measurement of customer experience. The questionnaire survey was the basis for gaining of the primary data source for the customer's satisfaction and loyalty measurements on the net promoter score (NPS) principle.

**Keywords:** customer satisfaction, net promoter score, performance, strategic management

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## 1. Introduction

*P. F. Drucker:*

*'The customer is the foundation of a business and keeps it in existence. He alone gives employment'* [1].

The beginning of the twenty-first century is characterized by unprecedented growth in globalization due to the rapid distribution of information, made possible by modern information

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technologies. Numerous spheres of human activity shift in relation to the development of new technologies, the dawn of new economics and the growth of competition due to rapid fluctuations in the cycles of boom and crisis. In recent decades, development has gradually changed from a curved or spiral path into the reverse, the unexpected and almost unpredictable. According to Drucker: *'There is only one certainty: the future will be different from what we have today'* [1].

Turbulence, chaos and discontinuity, as manifestations of the current global world, bring new views on the measurement and management of corporate performance. Current conditions place more importance on non-financial indicators, which, in connection with financial indicators, can better identify the conditions influencing changes in the parameters of corporate performance. The new direction of corporate management, oriented towards performance, is associated with the transition from static models to dynamic models, which react flexibly to changes in the business environment. A holistic interdisciplinary approach to corporate management plays a significant role in this process.

The introduction of new technologies enabling rapid production growth and a decrease in the price of products and services easily increases the excess of offer over demand. This increases pressure on competition, resulting in a battle over markets and new customers. Besides cost and quality, time becomes an important factor in this competition. The global economic environment, as we have known it over the last decade, has led to the individualization of industrial products in order to correspond to customer wishes and, at the same time, to a shortening of the life cycle. Such products also include automobiles.

Changes in the requirements for industrial products are related to the transition from classic large-scale production, producing standardized products to new production conditions of value for the customer, able to adapt to customer demands and individual needs. In the surroundings of global competition, it is very important for a company to measure customer satisfaction in order for the conditions for stable production growth to be created. Under these changes, corporate management style and management skills must also change.

## 2. Theoretical background

### 2.1. Corporate performance in the twenty-first century

In the current global world, performance can be perceived as the success rate of a company on the market, the ability to succeed in competition and to find opportunities for further growth in the changing, unstable economic environment of the global world. The success rate is that which can be seen under the term performance under current conditions. Drucker states, *'If you can't measure it, you can't manage it'* [1].

But if we measure, we must first know what to measure and how to measure it. Net present value (NPV) is a suitable scale for measuring company's performance from the investment

point of view because it also takes risk and time factors into consideration. In the last 10 years, the focus has mainly been on the economic value-added (EVA) indicator; there is a connection between NPV and EVA, as proved by Richtárová [2].

EVA can be understood as a system of company management enabling not only performance measurement, but also the evaluation of investment projects, companies and acquisitions, as well as management salaries. EVA is one of a new generation of financial indicators, of the so-called lead character, that will 'turn on the red light' in time. Classic financial indicators are unable to respond in time to the changing, chaotic and turbulent environment of the globalized world. Despite the indisputable advantages, there is a problem with the adjustment of input data for the calculation of an indicator, even if the capital is defined as the source for financing the activities producing operative turnover [3].

## 2.2. Performance architecture and strategic management

Performance measurements at a higher, more evolved level of performance-oriented company management represent complex approaches, enabling the connection of non-financial, explicitly acting indicators with performance growth financial indicators. Well-known management systems include the balanced scorecard (BSC). Its basic goal is the balanced satisfaction of company shareholders [4]. Because of the heterogeneity of its requirements, it is important to agree on a mutual corporate goal which, even from a futuristic point of view, means performance. The BSC system enables the connection of financial indicators with non-financial indicators and distinguishes the lead (moving, future predicting) indicators and the lag indicators, expressing the consequences of acts and processes. Relying only on financial indicators can significantly limit future corporate potential [3]. A subject analysis of performance can be supported by a causal map enabling not only recognition of causes and consequences, but also complications of these relationships within the company [5].

The new direction of the twenty-first-century company management, oriented towards performance, is associated with the transition from static models to dynamic models, which react flexibly to changes in the business environment. Controlling becomes an important part of these systems for its integration potential. From this point of view, Horváth's 'architecture of performance' can be introduced [5], as shown in **Figure 1**, connecting controlling, balanced scorecard and company processes (with the use of activity-based costing) into a joint system of strategic corporate performance management.

Havlíček [6], an expert in the field of company management, also takes note of the potential of controlling and its integration abilities. So, complements the traditional sequential model of strategic management, which includes strategic analysis, strategy formulation and strategy implementation of the fourth stage, which is strategic controlling (**Figure 1**). He introduces controlling from the point of view of process management, which, if needed, connects other disciplines of corporate management and thus becomes a multidisciplinary system.

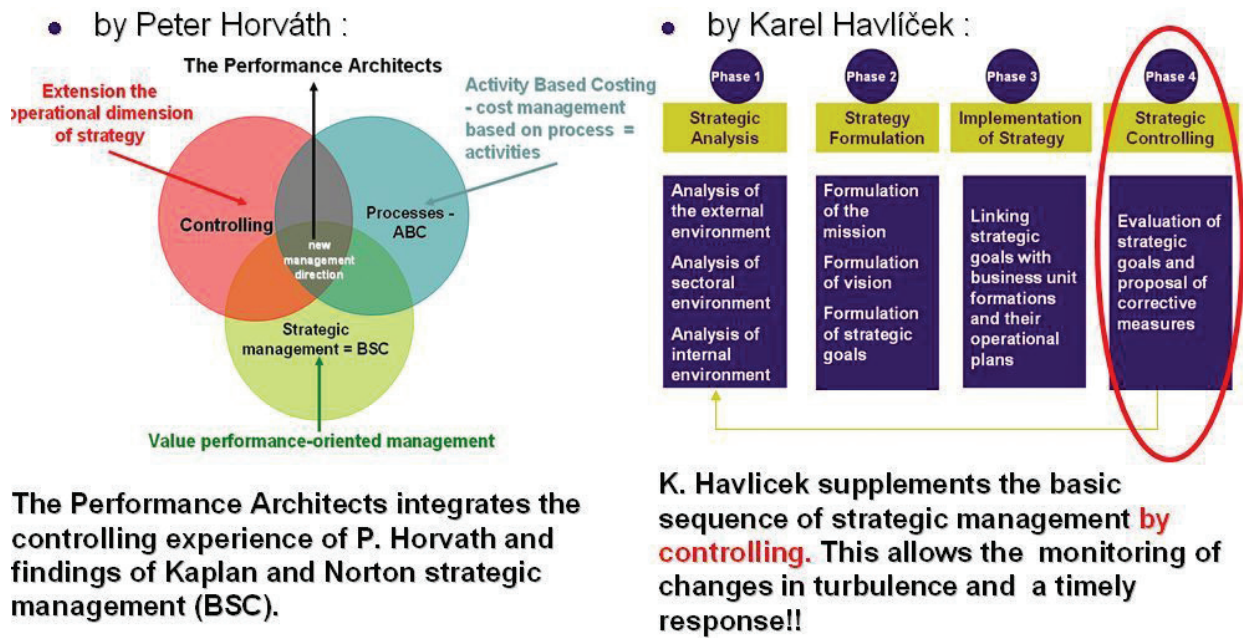


Figure 1. Management as the Horváth’s multi-criteria tool in comparison with process approach by Havlíček. Source: Authors’ own adaptation, according to Horváth and Partners [5] and Havlíček [6].

This concept of corporate management, able to respond quickly to changes in macro and micro company environments, does not renounce data taken from accounts, because this is considered a source of lessons learnt in the past.

The concept of ‘performance architecture’ emphasizes the orientation towards value for the customer from a strategic point of view by interconnecting BSC with other concepts or management tools such as activity-based management and EFQM (European Foundation for Quality Management) excellence model. The connection with benchmarking, enabling comparison with competitors in related fields, is especially important.

From the preview, Czech authors Keřkovský and Vykypěl [7] suggest that strategic management should be seen as a never-ending process, a sequence of repeated and successive steps, beginning with defining the company’s mission and its objectives and strategic analysis and ending with the formulation of possible solutions (strategies), selection and implementation of optimal strategies and the control and correction during their implementation.

Under these circumstances, the strategic direction is of greater importance than the documents themselves, which creates (strategies and strategic plans), as they may be at the time of its creation date. Management processes allow a greater role in continuous evaluation and flexible decision-making on the selected development trend (Figure 2) as follows:

- Operational controlling is able to integrate all management systems, based on regularly recurring cycles.
- The monitoring, forecasting and analysis of deviations allow the detection of changes in the development of turning points, which involve capturing strategic gaps and timely response.



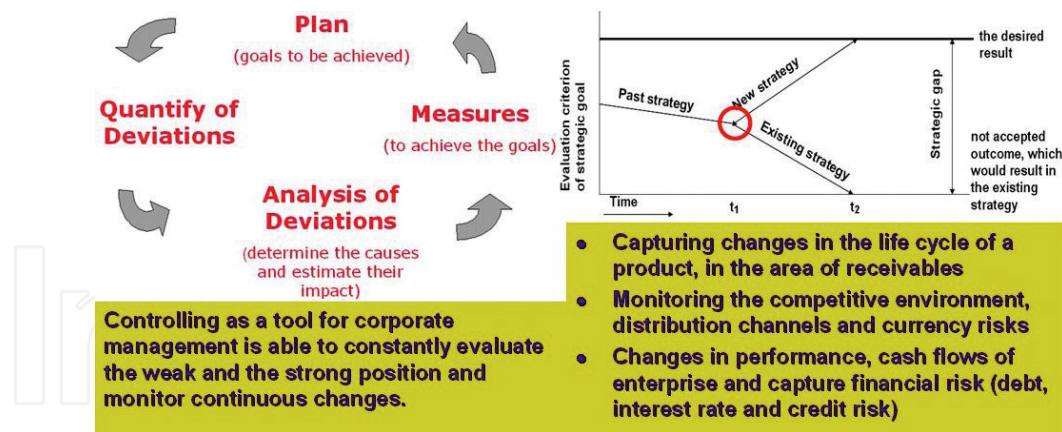


Figure 2. Cycle of operational controlling and monitoring of changes. Source: Authors' own adaptation [8].

The Kaplan and Norton's integrated systems of indicators, allowing connection of financial and non-financial indicators, are also balanced scorecard (BSC). For application of the BSC into corporate practice, it is very important that managers identify activities affecting corporate performance and set the required indicators (Figure 3). By combining strategic management and controlling, a company gets an opportunity to respond adequately and timely to the variability of macroeconomic and sectorial corporate environment. The standing of controlling in current conditions is evidenced by the numerous investigations, which prove the fact that companies with well-functioning controlling more easily overcome the crisis.

The new trend is the indicator of 'economic value-added' (EVA) that directly reflects the risk in calculating the structure and corresponds better to the requirements of strategic and performance-oriented corporate management.

Integrated methods of management combining elements of controlling, procedural and strategic management, as more precise measurement of company performance and gives a much more complete formulation of objectives for all levels of corporate management.

### 2.3. Customer orientation

Who is the customer and who is the consumer? Consumer is much more general term, as they consume the product regardless of whether they bought it or not. The customer is the person who ordered the product and paid for it.

In this context, the term 'consumer behaviour' can be clarified. In general, according to Vysekalová [10], consumer behaviour is focused on satisfying certain needs. These, however, cannot be perceived in isolation, because the consumer makes decisions based on many factors—cultural, economic, psychological, social, etc. These also influence the final result of consumer behaviour.

The model of the Black Box in Figure 4 shows the complexity of the prediction of the behaviour of a person in the role of consumer and customer, even though there is a whole range

• Development of Financial Indicators

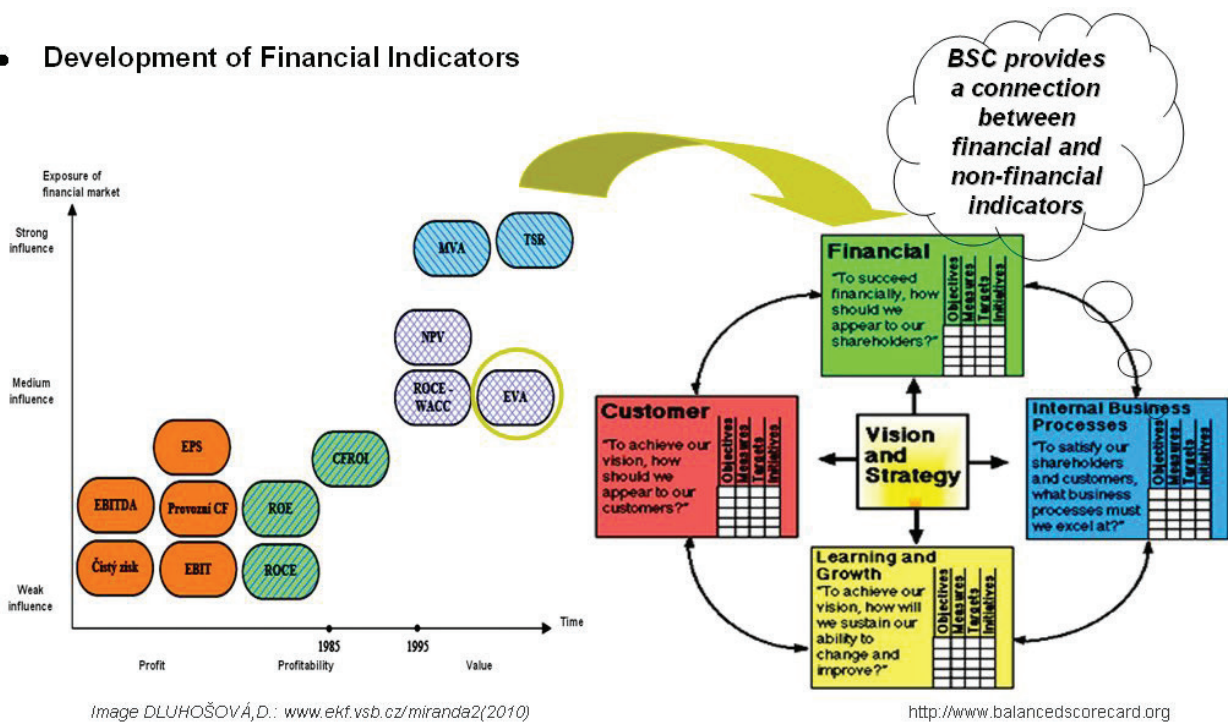


Figure 3. Connection of financial and non-financial indicators as a new trend of strategic management. Source: Authors' own adaptation [8], using image [9] and [www.balancedscorecard.org](http://www.balancedscorecard.org).

of new knowledge brought about by modern science. The Black Box is perceived to be the human mind, as it is very difficult to infer what happens inside. Exogenous variables can be researched, quantified and some of them even influenced, or finished. So, it is possible to look into the Black Box and deduce the influences affecting consumer purchase behaviour.

According to Kotler and Armstrong [11], during a purchase, the consumer experiences a decision-making process with numerous phases such as problem recognition, information search,

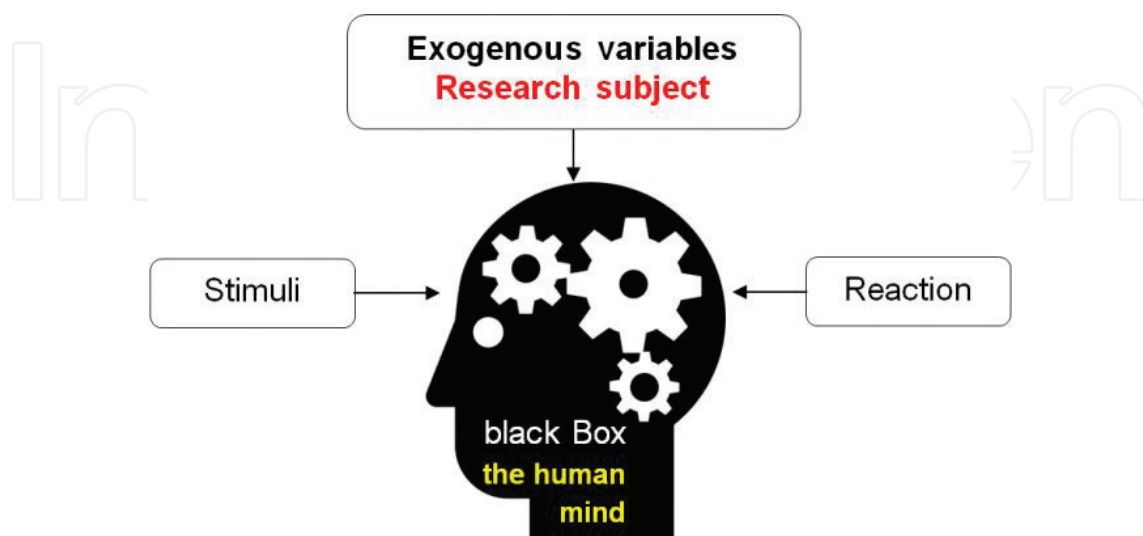


Figure 4. Black Box model (stimulus and response). Source: Authors' own adaptation, according to Ref. [10].

evaluation of alternatives and the final decision to actually buy. During the final stage of this decision-making process, that is, after the purchase, the consumer acts depending upon their satisfaction with the purchase. What attracts the consumer (customer) to the product and what influences their satisfaction?

The relationship between the customer and the product can be expressed by the 'philosophy of product layers' of the Dutch scientist Leeflang. The core of the product is represented by its utility value, the extended product is its perceived satisfaction value and the total product represents the extension of product services related to its use [12]. This approach was used to solve research into the creation of a proposed corporate performance management model. Suchánek and Králová [13] researched three groups of attributes influencing performance in total: customer purchase behaviour, satisfaction with the product and the quality of the product. If company profit is linked to price and product quality with production costs, this means that the product and its quality are the link between company performance and customer satisfaction, and the connection to financial performance can be expressed as a model.

The requirements for the growth of customer value create the need to manage customer satisfaction. Kislingerová et al. state that '*Customer satisfaction can be defined as a customer's subjective evaluation of the degree of fulfilment of his expectations about the consumption of a product or service*' [14]. The subjectivity of the perception associated with satisfaction, however, differs from the reality and is enhanced by the level of expectation. Kislingerová et al. also found out that the management of customer satisfaction lies in the identification of key influencing attributes. Influencing these attributes through a number of activities, including quality improvement projects, leads to changes in customer expectations and perception and forms their satisfaction. The improvement of customer satisfaction must be perceived as an investment. '*Customer satisfaction is a mediator in the relationship of cause and effect, when marketing strategies and activities, i.e. money, remain at the beginning and influence the attributes forming satisfaction, loyalty and customer behaviour, i.e. financial flows of society*' [14].

#### **2.4. Relationship of customer satisfaction and loyalty to strategic corporate performance**

A long-term partnership with the customer requires the constant recognition of customer needs, motivations and habits and using this knowledge in an innovative process of company offers. Lošťáková et al. [15] characterize the management of customer relationships as an interactive process aimed at achieving the optimal balance between company investment and the satisfaction of customer needs. The optimum balance is specified as maximum turnover at the point of creating a relationship between the company and the customer.

Orientation towards the customer is a holistic approach to marketing, integrated into modern multi-criteria systems of company performance management. Interpreting the term 'customer value', which is perceived very broadly, Tomek and Vávrová [12] came to the conclusion that the terms 'value of the customer' and 'value for the customer' are indivisible. '*Value of the customer in terms of Customer Equity can be analogically perceived as an addition to the value of the company, similarly to Brand Equity. It can be evaluated as an achieved contribution to the payment, and qualitatively as loyalty*'. At the same time, they emphasize that the aspect of permanence

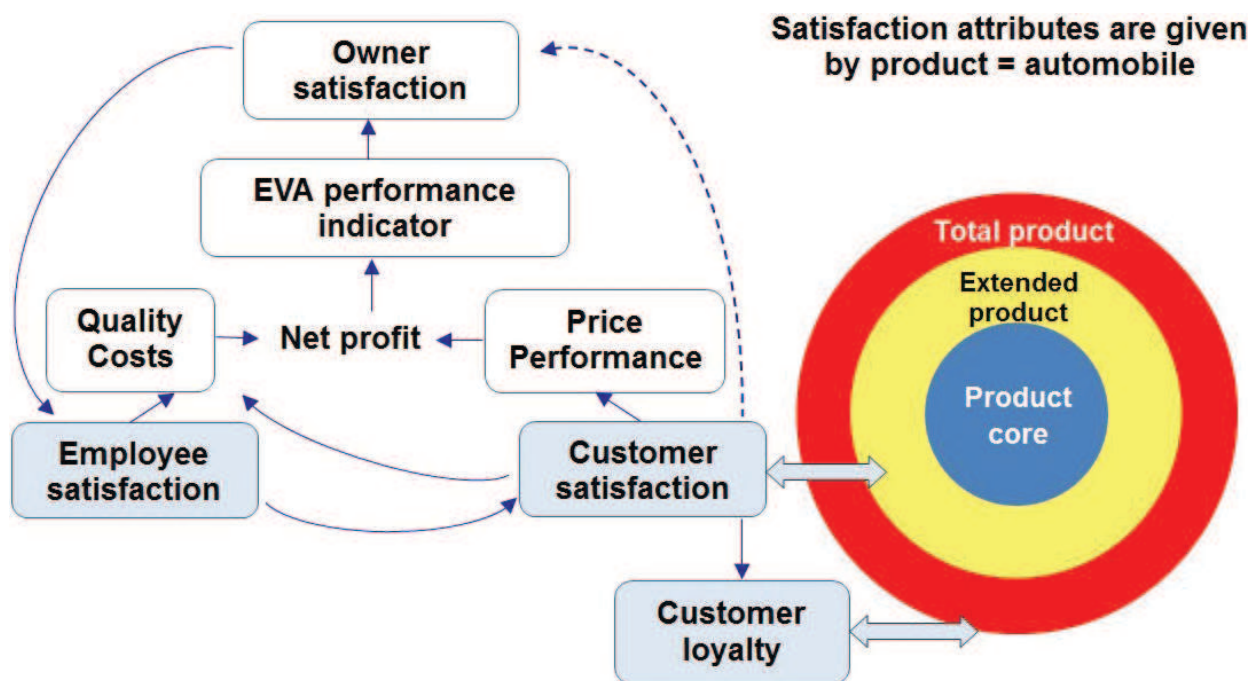


plays great role in both value of the customer and value for the customer. 'Continuous relationships with the customer strive for mutual growth of value'.

To distinguish the most valuable customers, the manufacturer must perform customer segmentation through stratification according to contribution and relationship profitability. Therefore, classification by customer relationship frequency (purchase volume) and contribution (profitability) is monitored. For the company, the matter of customer value has qualitative and quantitative aspects, mainly in relation to the maintenance of long-term strategic performance. Also, the level of satisfaction itself can be used for customer segmentation. Customers differ not only in the level of satisfaction, but also in attributes that create satisfaction. If companies perceive the customer satisfaction as their main goal, they must work with segmentation effectively.

The creator of the net promoter score (NPS), Reichheld [16], moves the issue further when, based on his own research, he states that companies achieving high levels of NPS recorded long-term performance growth. The conclusion is that satisfied, loyal customers are those who bring the greatest benefits for the company from the long-term point of view. The fundamental concept that increases company performance is to satisfy the customer. Comparison with the competition on the principles of benchmarking is an important prerequisite for successful company performance management. It is important to know the position of the company in the relation to performance.

The customer-product-performance relationship is essential for the creation of a proposed corporate performance management model. If the price of the product represents revenue, and quality denotes cost, then these variables can also represent the connection between company performance and customer satisfaction. So, the connection to indicators of financial performance can be expressed as a model, as shown in Figure 5.



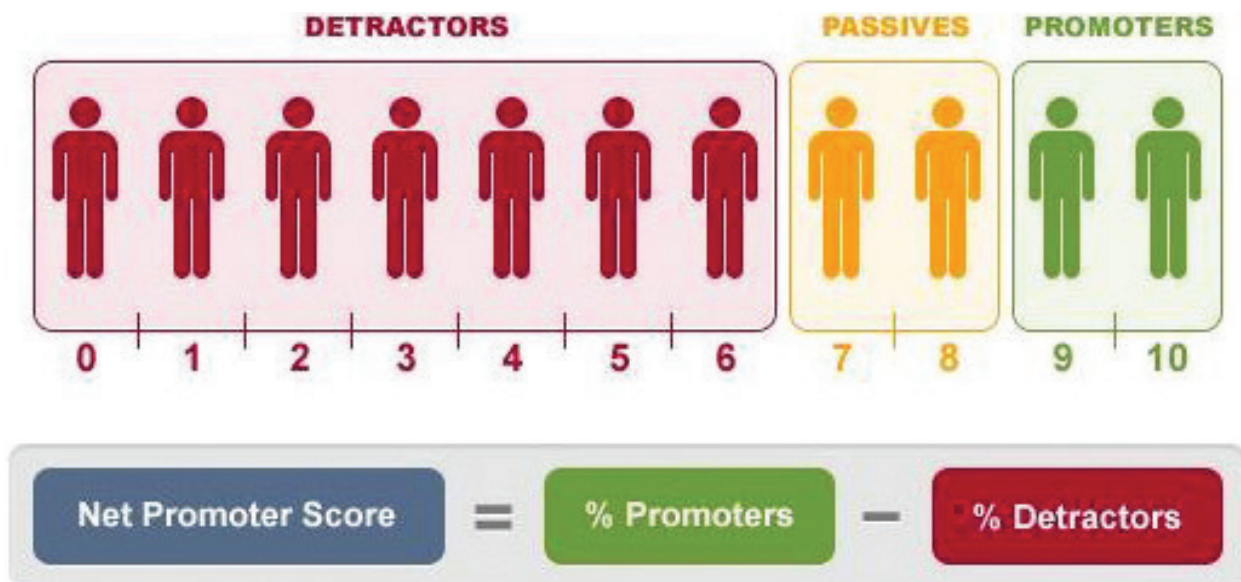
**Figure 5.** Connections of the simulation performance model based on EVA. *Source:* Authors' own adaptation, with the use [17].

Research into customer purchase behaviour is attempting to reveal the ‘Black Box’ of consumer decision-making, consumer satisfaction and brand loyalty. In some fields, the data could be confronted with previously published findings. The design of the research is therefore created and completed with findings from scientific articles, market research and other information published on related topics such as specialized and scientific magazines and literature.

In today’s global world, customer satisfaction is an important factor ensuring the stability of company revenue, as well as company performance growth. Customers are connected with other interest groups inside the company, employees and owners. By influencing each other, all three interest groups create the preconditions for strategic corporate performance growth, mainly credibility and corporate culture. ‘Customer satisfaction is one of the intensive development sources necessary for the creation and strengthening of the competitive position of a company on the market. Satisfaction can be defined as a man’s subjective feelings on the fulfilment of his expectations. These are subject to both experience and information, as well as personality and environment’ [18].

Customer satisfaction is most often measured by using different modifications of the customer satisfaction index (CSI), which is based on a barometer of customer satisfaction which has been applied in Sweden since 1989 [19]. It is important to note that the indices of customer satisfaction (ECSI—European customer satisfaction index, ACSI—American customer satisfaction index, CSI) measure cumulated satisfaction, summarizing experiences of customer behaviour, including changes in attitude in the relationship with the supplier.

The net promoter score (NPS) is a method of principles of instant customer experience. The NPS® (net promoter score) was developed by Satmetrix, Bain & Company, together with Fred Reichheld. The first findings on NPS were published in the *Harvard Business Review* [16]. The NPS principle is demonstrated in **Figure 6**.



**Figure 6.** Construction of the net promoter score. *Source:* Van Dessel [20].

The Net Promoter® concept is protected by copyright. A whole range of variants of these metrics and systems was created, mainly in the USA. The NPS concept has gradually become accepted throughout the world and is now also beginning to be accepted in the Czech Republic. Net promoter score (NPS) metrics create a precondition for the observation of customer value, that is, segmentation according to satisfaction. Working with customer segmentation is its greatest significance.

Experience shows that NPS is extremely useful for internal benchmarking; for example, the evaluation of vendors for trade and services companies, including car dealers, but also in the manufacture of products for one specific brand, which is particularly valid in the automotive industry. Organizations achieving high NPS values display the great importance of customer and employee loyalty for business success, as stated by Owen and Brooks [21]. Neumaierová and Neumaier [17] also discovered that NPS as the only indicator does not put customer and company employee into opposition. The metrics have an especially positive influence on corporate culture and the creation of a trusting atmosphere in the customer-employee relationship, creating conditions for sharing tacit knowledge. NPS metrics can also be used for research into B2B relationship satisfaction.

### 3. Corporate performance customer-oriented as a precondition for strategic growth

Instability and unpredictability of the globalized business environment affect to approach of enterprise to processing and formulating strategy. The basic requirement for companies is flexibility and readiness to environmental changes. The motivation for company management and employees is the question of ensuring the continued existence of the company in the long term.

A basic requirement of managers must be the ability to recognize and respond quickly to change. Global interconnectedness, the rate and intensity of change, speed and strength of the crisis respective spreading throughout the world, should not lead the belief that strategy has become useless under these conditions. On the contrary, it appears that most failures are due to lack of strategic management.

Timeless factors of strategic management can be summarized in three basic areas as follows:

- *be successful*—compare regularly with the competition on the principles of benchmarking,
- *satisfied and loyal customers are fundamental to success and creating value for a company*—regular analysis of expectations of stakeholders, including measurement of customer satisfaction,
- *follow main direction of competitive fight* and specify the direction of company's strategic development.

It is, as is strategic management, focused on the future. Strategic controlling is able to focus on the near and long-term future and uses its tools to track changes, crucial for a new strategy.

## 4. Findings of customer satisfaction and loyalty research in area of automotive

### 4.1. Characteristics of the automotive industry from the perspective of Czech Republic

The automotive industry is one of the world's most developed industries. Under the influence of changes over the last decade, mainly in context of the current global economic crisis, it has on the one hand brought about a high level of individualization, corresponding to the needs and wishes of the customer, but with the emphasis on quality and increases in production efficiency by cost saving on the other. Pollution from road traffic also sets limits for production development; ways to replace and overcome these limits are being sought. All this is in conflict with industry economic performance parameters.

Automotive production in the Czech Republic has specific circumstances. It has a long tradition, including qualified and cheap labour. From a global point of view, Czech automotive production is in 13th place, and in terms of the number of automobiles produced per thousand inhabitants, shares first place with Slovakia [22].

It is, therefore, logical that the automotive industry has become the backbone of the Czech economy. The consequence, however, is greater vulnerability in the current subsiding global economic crisis. From the perspective of the small open economy of the Czech Republic, it is apparent that automobile production is mainly intended for export. Other specifics of the market in the Czech Republic include a relatively high frequency of used cars, and their age, which was approximately 14.5 years in 2014 [23].

Dealers are customers of the automotive manufacturers in the B2B relationship. To sell automobiles to the final consumer, the manufacturer uses a distribution network of brand vendors outside its organization structure who also enable sales cost optimization. However, the manufacturer lacks a relationship with the final consumer on the B2C basis, which can create obstacles for management, regarding the value for the customer. Therefore, building a trust-based relationship built on identifying the image of the product, in this case an automobile, with the brand, plays an important role.

The term original equipment manufacturer (OEM) can be found in the automotive industry. It is used for manufacturers of products (automobiles) assembled from parts produced by different manufacturers. In the Czech Republic, the carmaker TPCA in Kolín, who uses the same chassis to assemble automobiles in the business-class mini for Toyota, Citroën and Peugeot, which compete with each other on the car market, can be included in this production method. Moreover, the production of Hyundai cars in Nošovice in the Czech Republic can be termed as OEM. Škoda Auto Inc., in Mladá Boleslav is the only fully fledged automobile manufacturer in the Czech Republic. It is a company with a great tradition of its own research and development centre, engine production, and providing staff education at its own training facility.

The whole chain of the supplier-customer relationship creates added value, which in turn influences the total cost and selling price of the automobile to the final consumer [24]. Material,



component and part suppliers—an external group with a great influence on manufacturer performance—play an important role in the automotive industry. They significantly contribute to the total-added value of automobiles, of which around 50% is materials, components and parts for automobile production. Quality and cost are attributes through which the supplier significantly mirrors manufacturer performance and customer satisfaction. This B2B relationship is, therefore, seen not only by purchasers (OEM), but also by the suppliers themselves.

The automotive industry is a sector typically characterized by a relatively long product life cycle. *'Each product is subject to its life cycle, at the end of which it must leave the market and yield its place to a new product'*, stated by Tomek and Vávrová [25]. From the current point of view, the life cycle of the product is significantly reducing. This is mainly due to the impact of new discoveries and technologies enabling continual improvement and changes to the product. The lifespan of the product is usually depicted using a product lifespan curve. Its course is not determined by product behaviour, but by the impact of numerous marketing tools, including the influence of other socio-political factors.

The classification of automobiles by class was introduced for reasons of client segmentation. Thanks to this, manufacturers and their organizations can easily define the status of individual models on the market and compare sales performance with comparable competitors. Classification also serves the final consumer for the comparison of different automobile brands during the purchasing decision-making process. An essential precondition for the determination of market position is in the competitive environment of the automotive industry.

The proposed corporate performance management model is based on a situational analysis of the Czech automotive industry. Results from research into the purchase behaviour of Czech automobile customers-consumers (B2C) are used as the data source for measuring satisfaction using the net promoter score (NPS). Measured NPS values are then used to simulate company performance on the basis of the EVA indicator and for the creation of a model.

From the sale categorization point of view, the automobile is a so-called special commodity, which is chosen thoroughly at length by the consumer, who considers and compares before deciding to buy. Besides the qualitative and technical parameters of the car, image and brand are also very important criteria for the choice. The customer-product-performance relationship is essential for the creation of a model. If the price of the product represents revenue, and quality denotes cost, then these variables can also represent the connection between company performance and customer satisfaction.

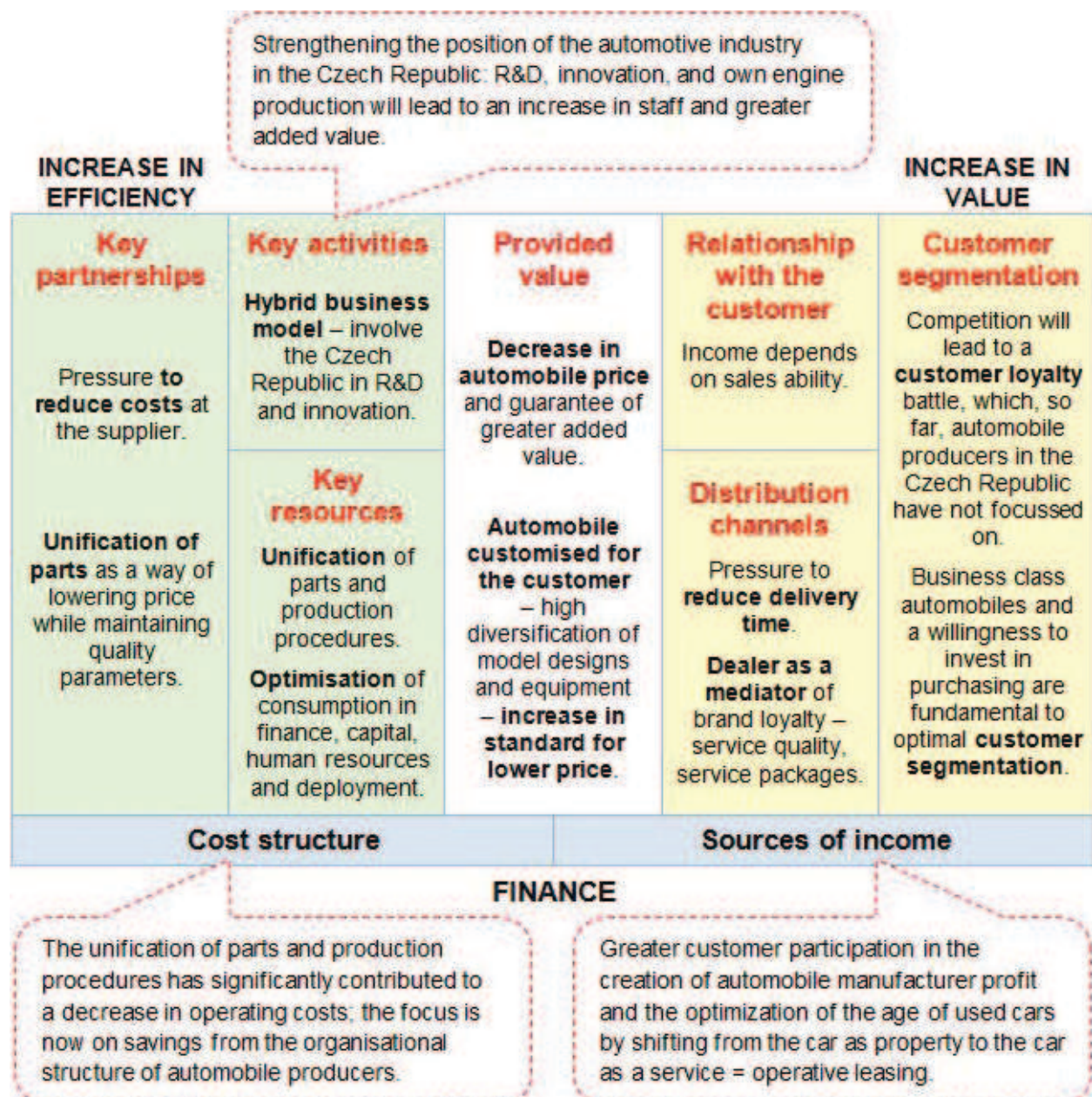
Findings on some aspects of the supplier-purchaser (OEM) relationship B2B in the automotive industry obtained through guided interviews with company managers engaged in automotive glass production take the character of qualitative research.

Understanding the changes caused by the current unstable global environment should help to adjust the business model to shifting external forces. The environment in which a company works can, according to Osterwalder and Pigneur [26], be seen as a 'certain space' of the design, respectively, a certain context, in which the business model is being created. It is influenced by customers, new technologies, competition and other factors including legislation and regulations [17]. This view allows for a better understanding of how the company works, what it needs to function successfully and, at the same time, ensure stable performance growth for the

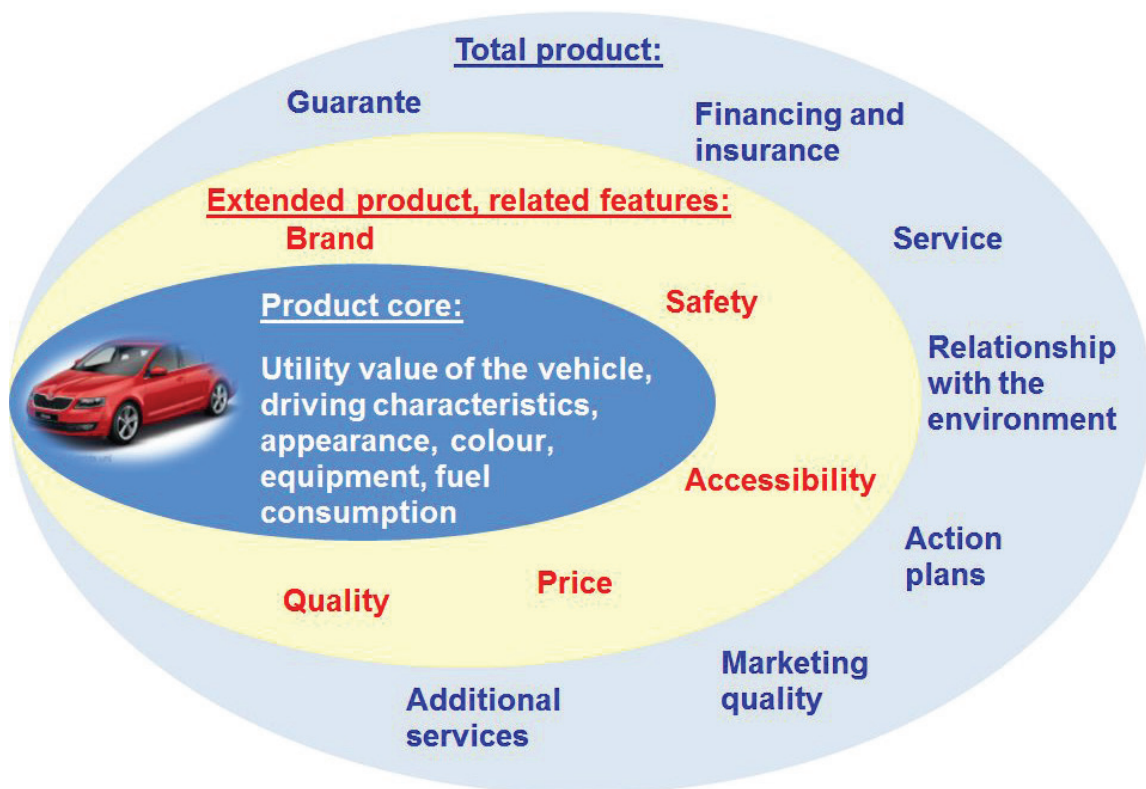


interest groups around it. This model was used as a part of the situation analysis of the Czech automotive industry, the aim of which was to uncover performance growth factors in relation to the behaviour of the Czech customer and owner (user) of the automobile. The results of the situation analysis of the current state of the automotive industry in the Czech Republic and its position on the market according to Osterwalder’s model are documented in **Figure 7**.

An online questionnaire survey for users of car was a source of primary data for calculation of satisfaction and loyalty using the net promoter score (NPS) metrics. Measured NPS values showed above-average satisfaction with the cars owned by the respondents. The research also included an analysis of the attributes of overall satisfaction with an automobile, using the philosophy of the three-layered product, the structure of which is demonstrated in **Figure 8**.



**Figure 7.** Growth factors of performance in the automotive industry. *Source:* Authors’ own adaptation.



**Figure 8.** The automobile as a three-layered product. *Source:* Authors' own adaptation.

Respondents rated their satisfaction with their cars in terms of utility value and customer value—the two layers related to automobile manufacturers—as being above-average. Dissatisfaction, however, was related to the third layer, the so-called total product, related to services. The third layer of the product, also reflecting the car dealer's image and culture, shows their share in the forming of the end customer's relationship with the automobile brand in terms of loyalty.

The customer gains more and more importance when strong competition is included. Companies, therefore, endeavour to gain loyalty. The position of a loyal customer can more reliably determine future attitudes and purchase behaviour. In the research, a loyalty analysis of the automobile owned by each respondent was carried out. From a scientific point of view, emotional loyalty is based on the customer's attitude towards the brand and how much they like it. It seems that in the relation to their own car, the respondents expressed emotional loyalty, given by attitudes towards their favourite brands, in contrast to the behavioural loyalty related to the repeated purchase of a brand and its recommendation, desirable for the growth of company performance. The qualitative research also studied the relationship between loyalty and the quality of the automobile brands. The evaluation showed how high the respondents considered the quality of German automobiles. This fact probably also explains the immense loyalty towards German brands, according to NPS values.

The professional community equates customer loyalty to a higher level of satisfaction, with a higher tolerance towards price increase. But this was not proved by the research. The respondents' answers, on the contrary, showed a high sensitivity to price, which is in contrast to the



measured NPS values for loyalty. From the discrepancy in loyalty evaluation in relation to price, it may be inferred that behavioural loyalty, leading to repeated car purchase, probably does not play a large role as expected in the purchase decision-making process. The verbal accounts, however, send a signal to automobile manufacturers and vendors on the Czech market: if the car utility value were better, even the Czech customer would be willing to pay more. Tolerance for a higher price of a favourite car brand is linked to the expected value in the core and secondary layers of the product.

It is important to know the correlations between satisfaction, loyalty and individual associated factors for the creation of a proposed model. Factors such as satisfaction and loyalty can reflect perceptions and feelings associated with a product. From the customer value point of view, the respondents attached great importance to quality and safety, evidenced by the strong correlation to total satisfaction. The third layer, services, is a weakness of the automobile as a product.

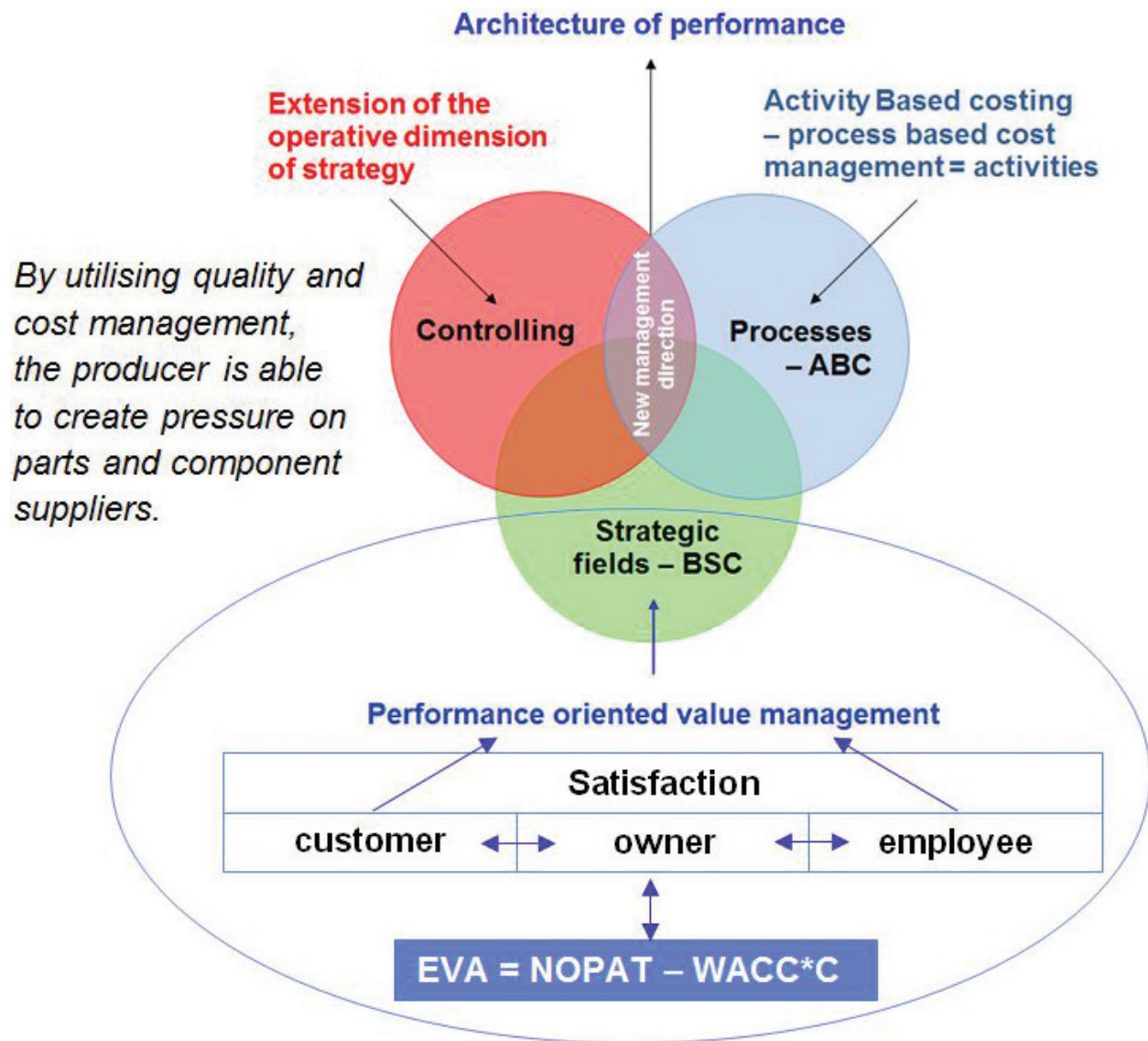


Figure 9. Automotive industry strategic corporate performance management model. Source: Authors' own adaptation.

## 4.2. Model of strategic corporate performance management and its parameters

The presented strategic corporate performance model is set in the environment of so-called 'performance architecture' which integrates controlling, balanced scorecard and activity-based costing. The use of the net promoter score (NPS) for the company performance model is based on customer segmentation, embodied in the very metrics. A proposed corporate performance management model for the automotive industry is shown in **Figure 9**.

The feedback is based on the passive customer segment, through which the improvement of automobile parameters and a transition in satisfaction evaluation into the sympathizer group can be attempted. The bond to the product—the automobile—presented according to Leeflang's theory as the summarization of the attributes of customer satisfaction in its three layers is an important part of the evaluation. In this regard, the attributes with which the customer connects their satisfaction are the moving forces. The price-quality relationship is firmly embedded in the performance-oriented system of the automotive industry management and its strategic orientation. This relationship is very important for customer orientation, but challenges their expertise. *'At a certain point, the customer no longer sees quality increase as an important precondition for paying a higher price for the product'* [12].

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