

DRIVERS AND CHALLENGES OF CUSTOMER SATISFACTION ASSESSMENT IN MODERN "BUSINESS TO BUSINESS" MODELS

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Abstract

Purpose – Basing on theoretical analysis, the paper aims to reveal the challenges of customer satisfaction evaluation in the context of business-to-business model. The authors analyze academic insights on business-to-business (B2B) and business-to-customer (B2C) models, their interpretation and reveal the reasons for uniform model of customer satisfaction assessment lacking and offer solutions to find solutions to these challenges.

Design/methodology/approach – The research paper stands for a qualitative research approach, which compounds qualitative content analysis and synthesis of scientific literature and conceptual modeling. The conceptual modeling part follows a simplified Robinson (2008a, 2008b, 2015) conceptual modeling framework and logic of Logical data flow diagrams (DFDs).

Findings – The article showed that traditional service quality evaluation models have considerable content differences between criteria proposed in those models and cover only high-level needs and limited evaluation perspectives to compare to the existing modern business environment and practical needs in service quality assessment and management. Also, notable differences of focus area (organization, product/service or customer) between traditional and other service quality evaluation models impose uncertainty for businesses in practice, making it hard to assess what criteria to follow when aiming to improve customer satisfaction.

Research limitations/implications – The research paper has both methodological and theoretical limitations, which should be considered as future research directions and improvements. Methodologically, the paper is missing a more comprehensive literature review of the theoretical background and relationships between B2B and service quality models as well as a bibliometric analysis of these research domains' outcomes and dynamics. From a theoretical content perspective, continuous semantical analysis is required by performing a comparative type of analysis of the existing legal base and legal interpretations of key terms in B2B, service quality, and customer satisfaction research domains as well as research subject analysis from customer's perspective.

Practical implications – The conducted analysis resulted in critical theoretical findings and conceptual models towards management and measurement of modern customer satisfaction, loyalty, and service quality within B2B operational models. These findings can be implied as a standpoint both for future scientific research and practical discussion within quality assurance managers and specialists.

Originality/Value – Customer satisfaction assessment guidelines are sparse in academic literature since there are lots of ambiguities when discussing customer position and needs in accordance with business relationship models (e. g. B2B, B2C). This paper essentially seeks to find answers to such issues as how a uniform B2B customer satisfaction assessment model may be built which would respond to the customer's needs and would also allow the organization to respond to changing market by meeting organization-centered service quality criteria.

Keywords: business-to-business services; customer satisfaction criteria; customer satisfaction evaluation; customer loyalty.

Research type: General review.

JEL classification: M10.

Introduction

There are examples of research papers done in service quality assessment model reviews (Milner and Furnham, 2017; Svensson, 2006; Seth, Deshmukh, and Vrat, 2005), however, the comparisons focused on links between service quality evaluation models and customer satisfaction criteria in the B2B context are sparse. This paper uses a qualitative research approach, which compounds qualitative content analysis and synthesis of scientific literature and conceptual modeling. This paper outlines and examines B2B customer satisfaction assessment models research gap in accordance to B2B customer needs and organizations ability to track changes or deviations in service quality.

Service quality evaluation is an important part of B2B businesses which allows them to increase brand loyalty, retain customers and improve the quality of services based on the quality evaluation. To evaluate service quality, various methods and methodologies are proposed, such as self-service technology quality evaluation SSTQUAL (Lin and Hsieh, 2011), electronic service quality E-S-QUAL (Parasuraman, Zeithaml and Malhotra, 2005), and retail service quality questionnaire RSQS (Dabholkar, Thorpe and Rentz, 1996). However, researchers and practitioners do not single out service quality models intended to be used specifically in B2B. In B2B, a service provided to another entity is intended to be resold, reused, or transformed to generate additional benefits to the service-receiving business, as opposed to B2C, where the customer is the end-recipient of the service with intent to consume the resulting outputs of a service.

It can be noticed that academic literature covers service quality aspects from the perspective of B2C services (Saleh and Ryan, 1992; Bouman and van der Wiele, 1992; Sukendia and Harianto, 2021), but it is less common to find studies focused on service quality from the perspective of B2B. Thus, based on theoretical analysis, the paper aims to reveal the drivers and challenges of customer satisfaction evaluation in the context of B2B model and its comparison with B2C model.

In this paper, an academic literature analysis was conducted to outline the similarities and differences of service quality criteria between the most common service quality assessment models of SERVQUAL, SERVPERF, SERVQUAL(R), SERV*OR. The paper also highlights the existing research gap on semantical and conceptual content analysis. The ambiguity in terms of customer and client satisfaction criteria interpretation identified as an outcome of challenges of satisfaction assessment stemming from blurred lines between B2C and B2B models, as well as from unequal level of detail the models are presented and examined. In practice, deviations of criteria importance between different types of client relationships can result in vague customer satisfaction evaluation guidelines.

As a final research outcome, the conceptual combined service quality assessment model is presented to show the content and logical links among service quality criteria of various most cited and researched models in academic literature as well as to introduce new theoretical evaluation perspectives.

1. Research methodology

The research implements a qualitative research approach, which compounds qualitative content analysis and synthesis of scientific literature and conceptual modeling. The review of scientific literature and comparative analysis are the principal methods used in the study. Google Scholar search engine (<https://scholar.google.com>) was used to search for scientific articles. Data collection was based on scientific literature with key orientation to 3 topics as follows: 1) service quality assessment models; 2) definition of business relationship types; 3) customer satisfaction criteria.

2. Theoretical background

2.1. Semantical interpretations on B2B and B2C relationship models

There are various business models based on a relationship with customers. Businesses can provide their goods and services to individuals, legal entities, the government, and they can also have a hybrid business relationship with customers (Iankova et al., 2018).

Depending on the type of customers targeted by the business and the type of goods and services they provide, the business relationship model is defined by the activities carried out by a company and vice versa - activities must be tailored to the type of targeted customer, be it an individual, legal entity or the government.

As pointed out by Nath, Saha, and Salehi-Sangari (2019), in some cases the boundary between B2B and B2C might be difficult to distinguish, but according to Gummerson and Polese (2009), isolation of extremes often occurs in Western social sciences: it is suggested that B2B and B2C are two unrelated models and need to be analyzed separately. However, it should be outlined that there is no common scientific position on analysis and interpretation of B2B and B2C as a unified research domain. The practice of modern organizations confirms close relationships and application of both type of these models in the same business area and accordingly foster to continue the scientific discussion.

In scientific publications, B2B construct is rarely defined or explained in a detailed way. Moreover, in the case of meaning definition, significant variations have been noticed both for B2B and B2C. Vargo and Lusch (2011) state that according to B2C model, a business provides goods or services to a customer who has a direct intent of consumption without further generation of

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additional benefits. Lilien G.L. (2016) considers the relationship model of B2B when the customer's order to the supplier stems from incentives to provide the benefit to their customer. Meanwhile, the scientist defines B2C transactions as customer's order to a business that comes from a personal need based on personal taste and personal preference. Flejsdtad et al. (2018) define B2B transactions as the benefits provided by a business to customers, which payback for the benefits received and at the same time contribute to the creation of the overall value of the product or service. Suppliers, customers, and partners are involved in value co-creation, outline scientists.

Thus, the main differences between definitions of B2C and B2B constructs are following:

1. Interpretation of customer role. In the case of B2C, the goods or services are exchanged between the business and the consumer who has no intent on passing on or further benefitting from the goods or services received. B2B relationship occurs when the client is not the final recipient of the goods or services and aims to additionally benefit from them by augmenting or otherwise transforming them. However, even if no additional transformation is performed, but the goods or services received are passed on to another entity or person, the initial transaction between the business and the customer is considered as B2B relationship.

2. Customer satisfaction criteria. Since the customer is involved in both B2B and B2C relationships, the customer satisfaction criteria found in the academic literature may be unclear - to which customer in which relationship those criteria are addressed. Refining and distinguishing between criteria that work in B2B and those that work in B2C relationships require ongoing scientific discussion.

2.2. Drivers and challenges of customer satisfaction criteria

The most standard research approach within customer satisfaction is an examination of satisfaction criteria from the perspective of parties of transactions and using terms of client satisfaction and customer satisfaction synonymously. However, during their study, Rashvand and Zaimi abd Majid (2014) found that *Client* and *Customer* have different perspectives on satisfaction criteria. In the context of their research, a client is an individual or an entity which orders professional services from companies and maintains communication during and after the transaction. Meanwhile, a customer is an individual or an entity that uses the services or acquires goods once, without maintaining communications with a supplier. Finally, terms of *client* and *customer* are reckoned as interchangeable within scientific discussion and practical application due to nature of communication domain in B2B transactions, which require involvement of all type of parties.

Rashvand and Zaimi abd Majid (2014) examined scientific papers, spanning between years 1981 and 2011 in which client and customer satisfaction criteria are evaluated and compared.

Researchers gathered satisfaction criteria and ranked them in the order of importance given by authors of those scientific papers (see Table 1). Criteria importance was assigned according to interested parties - customers and clients. The study of these authors in terms of criteria evaluation takes uncommon approach, since criteria are ranked between each other, and were given a percentage weight in relation to other criteria. This approach gives an insight about relative importance of criteria instead of grouping the criteria together, giving them all equal group level importance and assessment. Research conducted in this way to assess customer satisfaction criteria is rare in the academic literature - the most commonly found evaluation of criteria, as presented in Table 2, is limited to the exclusion of criteria into the most important groups, without assigning ranks of importance.

Table 1. Client and customer priorities for satisfaction criteria

Criteria	Priority for clients	Priority for customers
Expectations	27%	22%
Communication	23%	11%
Perception	16%	16%
Profitability	11%	21%
Commitment	9%	8%
Dispute reduction	9%	6%
Competency	5%	16%

Source: Rashvand and Zaimi abd Majid (2014, p. 14).

According to Table 1, common key criteria for clients and customers are expectations and perception. Expectations determine what result the party purchasing the service expects - that is, whether the user's wishes and needs will be fulfilled as they expect, with the result they imagined before receiving the service. Perception is the user's understanding of the success of a service. At this point, it is important that the supplier is informed about the customer's understanding of the service success criteria to meet the customer's understanding criteria accordingly. Another point of common priority both for clients and customers is found in terms of profitability. This is one of the moderately important criteria for both stakeholders. Profitability is assessed differently by each client and customer. Here it could mean additional benefits arising from the implementation of the service, while it could also mean a return on investment over a period after the implementation of the service. Clients tend to give lower priority to the profitability criterion than customers, who rated this criterion only one percent lower than expectation criteria, the most important criterion for customers' satisfaction. The seven criteria listed by the researchers can be divided into two parts - service results and service provisioning progress criteria. Clients evaluate service results through expectations, perception, and profitability. Meanwhile, service provisioning progress is assessed

through communication, commitment, dispute reduction, and competencies. This finding indicates that to achieve the highest level of customer satisfaction, it is important to achieve both sufficient result of customer service and service implementation experience.

Durdyev Serdar et al. (2018) examined the impact of five service quality factors on customer satisfaction in construction projects: reliability, responsiveness, assurance, empathy, and tangibles. In the study, the authors revealed that all five service quality factors have a positive impact on customer satisfaction, which determines customer behavior in the future (e. g. loyalty). The researchers cite reliability as the supplier's willingness to help solve problems, the timely and formal delivery of services as agreed, and a periodic progress report to the client. Response complements the reliability factor, which is a desire to help clients and inform them about the duration of the service and the probability of a work delay. The assurance factor identifies the following characteristics of the supplier: employees who inspire the client's trust in the supplier; a high standard of work performance; courtesy; sufficient knowledge to answer the client's questions and competence in solving problems. Empathy emphasizes the supplier's ability to understand specific client needs, convenient working hours for clients, after-sales service, and personalized attention. The tangible factor is characteristic of services with a tangible result. Researchers described this factor as the ability to provide the necessary number of tools and manpower, maintain order, provide thorough documentation, and legal personnel to carry out the activities. In academic literature, the factors listed are described differently by different authors, but the essential concepts of criteria segmentation and meaning are continuously applied in different customer service quality measurement techniques and models.

Milner and Furnham (2017) synthesized and summarized various quality measurement instruments. Among the quality measurement tools mentioned in the review are service quality assessment models such as SERVQUAL, SERVPERF, SERVQUAL(R) and SERV*OR. This paper presents service quality assessment models mentioned in Mulner and Furnham (2017) research that focus on overall service satisfaction, without distinguishing between models that narrow down into specific service fields. Table 2 presents the aforementioned criteria for evaluating the quality of services.

Table 2. Service quality evaluation models

Service quality evaluation model	Service quality evaluation criteria
SERVQUAL (Parasuraman, Ziethaml and Berry, 1985)	<ol style="list-style-type: none"> 1. Tangibles 2. Reliability 3. Responsiveness 4. Assurance 5. Empathy

Table 2 continues on the next page

Continuation of Table 2

Service quality evaluation model	Service quality evaluation criteria
<p style="text-align: center;">SERVPERF (Parasuraman, Zeithaml and Berry, 1985; 1988)</p>	<ol style="list-style-type: none"> 1. Tangibles 2. Reliability 3. Responsiveness 4. Assurance 5. Empathy
<p style="text-align: center;">SERVQUAL(R) (Parasuraman, Berry and Zeithaml, 1991)</p>	<ol style="list-style-type: none"> 1. Access 2. Communication 3. Competence 4. Courtesy 5. Credibility 6. Reliability 7. Responsiveness 8. Security 9. Tangibility 10. Understanding
<p style="text-align: center;">SERV*OR (Lytle, Hom and Mokwa, 1998)</p>	<ol style="list-style-type: none"> 1. Customer treatment 2. Employee empowerment 3. Service technology 4. Service failure prevention 5. Service failure recovery 6. Service standards communication 7. Service vision 8. Servant leadership 9. Service rewards 10. Service training

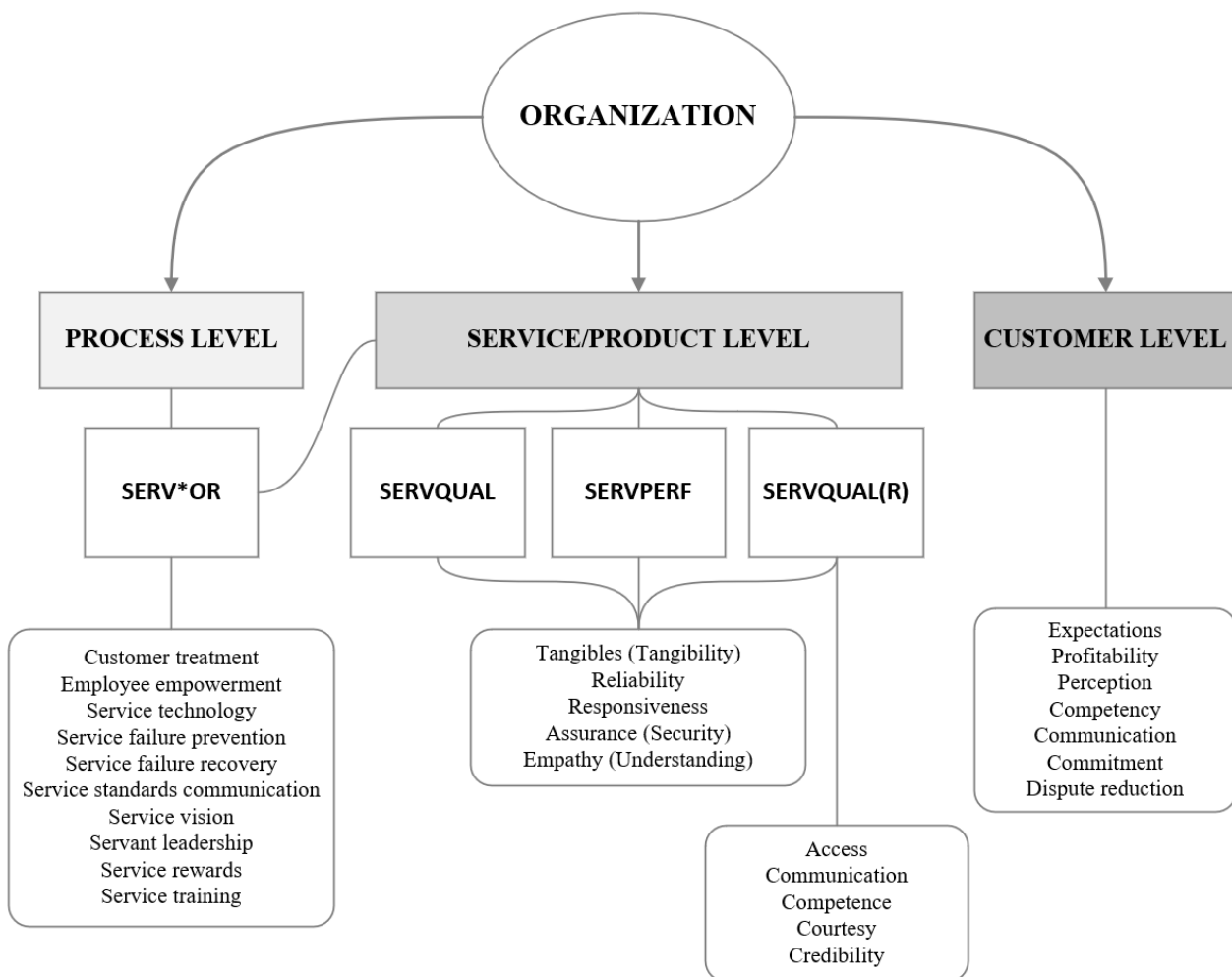
Source: Rebecca Milner and Adrian Furnham (2017).

As seen in Table 2, the SERVQUAL and SERVPERF models follow the same list of criteria. The main reason of this content match is a direct influence of SERVQUAL model, but from different perspectives. In more details, the SERVPERF model focuses on the service delivery process and SERVQUAL focuses on the quality of service results (Rodrigues Lewlin LR et al., 2011). Meanwhile, SERVQUAL(R) is an improved SERVQUAL model, supplemented with new criteria (Parasuraman, Berry and Zeithaml, 1985). Compared to SERVQUAL, SERVQUAL(R) features some of the criteria that stem from the original model, while describing generally the same intent: Tangibles are named Tangibility, Empathy is transformed to Understanding, and Assurance is Security. These criteria are examined in more detail in SERVQUAL(R). SERV*OR is an organizational orientation model. SERV*OR stands out from the perspective of quality assessment compared to most of the service quality assessment models. As Lytle, Hom and Mokawa (1998) - the authors of SERV*OR suggest, when organizations follow the SERV*OR criteria, they can become more service-oriented and service-capable, which means more capable of creating and delivering exceptional service quality that leads to higher profits, growth, customer satisfaction and loyalty. Unlike other service quality assessment models, SERV*OR aims to assess an organization's ability to provide quality services by self-assessing the criteria listed within the company. Compared to other models, SERV*OR takes a completely different approach in terms of assuring the satisfiable quality of services. That presents a level of uncertainty to practitioners who

seek ways to assure the quality of services that they provide to customers. Thus, further research should be conducted to develop a unified customer satisfaction assessment model.

3. Results and Discussion

During the analysis part of this paper, it was identified of the missing conceptual modeling of the common evaluation model, which summarizes the content and relationship among discussed models as well as introduces for practitioners a unified approach to their possible application and influence fields within organizations daily routine. Therefore, Figure 1 presents a conceptual combined service quality assessment model.



Source: the authors.

Figure 1. Combined service quality assessment model

A conceptual combined service quality assessment model presented in Figure 1 shows a holistic view of content similarities and differences between analyzed service quality evaluation models from an organization's point of view. Additionally, the conceptual model outlines a new theoretical evaluation perspective by introducing *Processes*, *Service/Product* and *Customer* layers as well as interrelationship logic among models. It is expected that the presented conceptual model will be useful to both academics and practitioners of service quality assessment as well as will be Contemporary Research on Organization Management and Administration, Vol. 10 (1), 2022

used as a stand-point in future scientific investigations of service quality models from a customer perspective, digital business environment, or in combination with Total Quality Management (TQM) models. Further empirical research should be also conducted on criteria level to find out which of the assessment criteria are still relevant and applicable in practice at the present day.

4. Conclusions

Even definitions of B2C and B2B constructs and models are widely discussed and presented as a unified research domain in scientific research papers, but as analysis in this paper showed is still missing well-grounded clarification in the interpretation of customer role and satisfaction criteria.

The conducted literature analysis also showed that traditional service quality evaluation models developed by Parasuraman, Zeithaml, and Berry (1985, 1988, 1991) research team and Lytle, Hom and Mokwa (1998) have considerable content differences between criteria proposed in those models and cover only high-level needs and limited evaluation perspectives to compare to the existing modern business environment and practical needs in service quality assessment and management. Also, the contrast of focus area of service quality evaluation models imposes uncertainty for businesses in practice, making it hard to assess what criteria to follow when aiming to improve customer satisfaction. Therefore, a conceptual combined service quality assessment model was presented, including new theoretical evaluation perspectives to the traditional models and revealing the content complexity of the modern service quality assessment research field.

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