

MENADŽMENT LOJALNOŠĆU KUPACA U AUTOMOBILSKOJ INDUSTRIJI PRIMENOM “SIX SIGMA” I “THE TOYOTA WAY” METODOLOGIJE

MANAGING CUSTOMER LOYALTY IN THE AUTOMOTIVE INDUSTRY USING SIX SIGMA AND “THE TOYOTA WAY” METHODOLOGY

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Summary

In these times of economic crisis and dropped sales, automotive manufacturers are spending their resources wisely and focus on areas with bottom-line impact. Such a focus is the customer loyalty, which is a “must” for automakers that compete in present environment. The average replacement cycle for auto buyers is usually three or four years...or even longer, unlike other consumer products with more frequent replacement cycles. Therefore, loyalty needs to be in the focus of automotive manufacturers and help building customer retention.

While many automotive manufacturers have started customer satisfaction programs, most of them don't realize that the customer train has left the station without them. Here are some facts on the negative influence of customer satisfaction:

More than 90 percent of the Fortune 200 companies are convinced that maximizing customer satisfaction maximizes profitability and market share. Yet fewer than 2 percent are able to measure bottom-line improvements from documented increases in levels of customer satisfaction. Anywhere from 15 percent to 40 percent of customers who say they are satisfied defect from a company each year.

In the Europe auto industry, the average repurchase rate of satisfied customers from the same car company is less than 30 percent. The corresponding figure for the appliance industry is below 45 percent.

The defection rate of people over age 65 is 40 percent; for those over age 35 it is 60 percent; for those between ages 20 to 35 it is more than 85 percent.

Currently, companies are in increasingly competitive environment in which customer's satisfaction and loyalty are vital factors in the success of any organization. This requires the use of continuous improvement methodologies, such as Six Sigma, which enable companies to improve customer satisfaction and meet their expectations. This research describes a case study carried out in a company from the automotive industry that has selected a Six Sigma project to respond to increasing in customer loyalty above customer satisfaction and buildup retention. The objective of the project was to improve the process of analysis of customer behavior through the identification of the variables that influence the customer behavior concerning loyalty and satisfaction and proposes several improvements and eliminate potential hazards and bad influences. Results are

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positive and can encourage managers from other industry sectors or even services to improve their customer loyalty and customer retention handling process using Six Sigma methodology.

Empirical evidence suggest that it costs significantly less to retain an existing customer than to acquire a new one, making loyalty very important in times when marketing budgets are decreased. While customer retention is necessary to maintain market share and sales volumes, loyalty alone won't grow these figures. Now the OEM's need to find the balance for spending money and resources to customer loyalty vs customer acquisition.

With the importance of customer loyalty above customer satisfaction, we can move on to the practical implementation of customer loyalty. For a more detailed background and conceptualization of customer loyalty, another two principles are recommended: Six Sigma - Beyond Quality Excellence to Total Business Excellence; The Toyota way -The key to greater profitability.

Six Sigma is a disciplined approach to improving product, process and service quality. Since its inception at Motorola in the 80's, Six Sigma has evolved significantly and continues to expand to improve process performance, enhance business profitability and increase customer satisfaction. This research presents experiences of practitioners on Six Sigma, followed by the application of the Define, Measure, Analyze, Improve, Control (DMAIC) problem-solving methodology to identify the parameters causing casting defects and to control these parameters. The results of the study are based on the application of tools and techniques in the DMAIC methodology, i.e. Pareto Analysis, Measurement System Analysis, Regression Analysis and Design of Experiment. The results of this research show that the application of the Six Sigma methodology increase customer loyalty and customer retention.

In the Toyota Way, it's the people who bring the system to life: working, communicating, resolving issues, and growing together. The Toyota Way goes well beyond this; it encourages, supports, and in fact demands employee involvement. It's a culture, more than a set of efficiency and improvement techniques. The employees will reduce inventory, identify hidden problems, and fix them. The employees have a sense of urgency, purpose, and teamwork because if they don't fix it there will be an inventory outage. This effort requires a combination of committed management, proper training, and a culture that makes sustaining improvement a habitual behavior from the shop floor to management.

How managers can dramatically improve their business process and improve to customer loyalty and increase retention using Six Sigma and The Toyota system: eliminating wasted time and process, building quality into workplace systems, finding low-cost but reliable alternatives to expensive new technology and perfecting business processes, all in purpose increasing customer loyalty, customer retention and satisfaction.

Keywords: research, customer, loyalty, retention, satisfaction, process, deflection, Six Sigma, DMAIC
