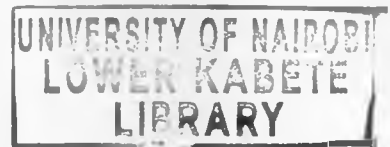


**CUSTOMER CARE AS A COMPETITIVE STRATEGY USED BY
HIGHCHEM PHARMACEUTICALS LTD, KENYA**

BY

MERCY W. GICHU

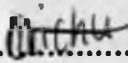


**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF
THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL OF
BUSINESS, UNIVERSITY OF NAIROBI.**

NOVEMBER, 2012

DECLARATION

I hereby declare that the work contained in this project is my original work and has not been presented at any other University for a degree. All information from other sources and works consulted has been duly acknowledged.

Signed 

Date 8/11/12

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D61/71224/2009

This research project has been submitted for examination with my approval as the University Supervisor.

Signed: 

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ACKNOWLEDGEMENT

Special thanks to God almighty for giving me the gift of life, good health, strength and finances to complete this program.

My regards goes to my supervisor, Mr Jeremiah Kagwe for his tireless effort, guidance and dedication to this work, which was crucial to the success of this project.

I am also indebted to my parents, Mr & Mrs Gichu, and to my brothers and sisters for their love, encouragement and support which gave me strength to carry on despite the many challenges I faced.

I also express my gratitude to my colleagues at HighChem Pharmaceuticals Ltd for their support and encouragement, and standing in for me when I had to leave early for classes and during exams.

God Bless you all.

DEDICATION

To my daughter Sharlyne Mwhaki, you make every challenge and every victory worthwhile.

You are my source of inspiration and strength: my motivator throughout the entire period of study.

I encourage you to work hard in life and study to reach the epitome.

God Bless you my child.

ABSTRACT

Customer care has strategic importance and requires companies to continually enhance customer experience and satisfaction, to deliver quality in a competitive marketplace. Customer care refers to the processes and actions that make it easier for customers to do business with a company (Kotler, 2000).

As one of the largest industries in the service sector, pharmaceutical firms must gain a broader understanding of the essentials that are required if they are to thrive and survive in a rapidly evolving and increasingly competitive global market. The pharmaceutical sector is expanding at an increasing rate and is becoming intensely competitive. As such, every organization needs to adopt some strategies which will enable it to have a competitive edge over the others. HighChem Pharmaceuticals Ltd has adopted a customer care strategy so as to be flexible, adaptable and above all provide superior service.

The objective of the study was to determine the use of customer care as a competitive strategy in HighChem Pharmaceuticals Ltd. The research design was a case study. Data collected was qualitative so content analysis was used to analyze the data. After completion of the data collection, the interview guides was checked for accuracy and consistency. Analysis of the data collected compared with the theoretical approach and documents sited in literature review.

The study found out that the company has differentiated themselves from the other competitors by use of customer service which has worked for the company as it has been able to achieve competitive advantage over its competitors. The study recommends that the company should set up customer centers in different parts of the country so that the

customers can pay a visit to the centers whenever they have an issue rather than travelling all the way and also these will ensure that the customers do not have to wait for long in the queue before they can be connected to the customer care attendant as they serve other customers

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CHAPTER ONE: INTRODUCTION

1.1 Background of the study

In today's highly competitive environment, companies need an extra edge to enhance their competitiveness. Many organizations are putting more focus on attracting and retaining customers and increasingly human resources professionals are tasked with developing programmes designed to enhance employees' customer service skills. The increasingly competitive global marketplace has compelled organizations to transform themselves in the way they conceptualize and conduct business. As one of the largest industries in the service sector, pharmaceutical firms must gain a broader understanding of the essentials that are required if they are to thrive and survive in a rapidly evolving and increasingly competitive global market. Modern pharmaceutical firms must operate within a new business paradigm that has only limited resemblance to the superseded business models. Economic progress, new technology and globalization have forced firms to seek new market opportunities and to provide new solutions for customers (Doz and Hamel, 2008). The changes in the marketplace have produced a profound reappraisal of historically established paradigms within the pharmaceutical industry. Pharmaceutical firms have been forced to think and act as global enterprises as they face the economic, technological, and market challenges of the modern era.

Businesses today operate in a market-driven, customer-oriented era. To survive, HighChem Pharmaceuticals Ltd has adopted a customer care strategy so as to be flexible, adaptable and above all provide superior service. Although the mechanics of a business operation can often be similar between businesses in the same industry, it is the 'people

part' – the relationship with the individual customer – where the business gains an advantage over a competitor. To be a customer-oriented business, the customers' needs have to take priority (Abratt and Russel, 1999).

1.1.1 Customer care

Customer care refers to the processes and actions that make it easier for customers to do business with a company (Kotler, 2000). In particular, there has been growth in customer care services, that is, personal communication channels such as face-to-face, mail, phone and the web that impact on the way a customer may interact with a business (Dawes and Rowley, 2008). This growth of customer care points provides opportunities for a business to practice proactive customer responsiveness. That is, an organization can use these customer contact points to communicate their understanding of, and ability to meet, individual customer. In today's competitive environment, every business looks for opportunities to stand out from the rest. One of the ways you can differentiate your business is by providing superior customer care. Customer care is more than merely selling skills. While selling skills focus on making or closing the sale, customer service concentrates on the total relationship you maintain with your customers. According to Lewis (1996), the purpose of the customer care strategy project is to enable an understanding of the current state of customer care and how it is delivered today, provide a framework or set of guiding principles within which decisions about customer care can be made, identify opportunities for customer care improvements and deliver a customer care strategy that provides a roadmap for the organization.

Customer care is a by-product of internal relationships and culture. The way the customer is treated is closely dependent on how the staff feels about their jobs, and the situation in which they do them. This “atmosphere” within a company is reflected at every level, but generated at the top. Customer-care training should echo this. Training should start at the top, but the courses at each level should differ to reflect the very different outcomes which are required. Customer care centers have become a major business field over the past few years. Traditional call centers have turned into modern multi-media based interaction centers that additionally integrate different communication channels like fax, mail or internet (Malhotra and Mukherjee, 2003). While most care centers primarily started with comparably simple tasks like providing information or handling orders, nowadays these centers also take over more complex tasks like giving advice in financial affairs or even strengthening relationships with certain key accounts. Consequently, the importance of customer care centers has shifted from a rather operative tool towards a strategic role in terms of relationship management.

Customer care has strategic importance and requires companies to continually enhance customer experience and satisfaction, to deliver quality in a competitive marketplace. Customer care refers to the processes and actions that make it easier for customers to do business with a company (Kotler, 2000). In particular, there has been growth in customer contact services, that is, personal communication channels such as face-to-face, mail, phone and the web that impact on the way a customer may interact with a business. This growth of customer contact points provides opportunities for a business to practice proactive customer responsiveness (Dawes and Rowley, 2008). That is, an organization can use these customer contact points to communicate their understanding

of, and ability to meet, individual customer needs – in other words provide customized customer contact service.

1.1.2 Competitive strategies

A competitive strategy, from a business level perspective, is the achievement of competitive advantage by a business unit in its particular market. Ansoff and McDonnell (1990) define competitive strategy as the distinctive approach which a firm uses or intends to use to succeed in the market. Kotler, 2000 views competitive strategies as more skill-based and involving strategic thinking, innovation, execution, critical thinking, positioning and the art of warfare. Competitive strategy specifies the distinctive approach which the firm intends to use in order to succeed in each of the strategic business areas. Competitive strategy gives a company an advantage over its rivals in attracting customers and defending against competitive forces (Ansoff, 1985). There are many roots to competitive advantage, but the most basic is to provide buyers with what they perceive to be of superior value a good or service at a low price, a superior service that is worth paying more for, or a best value offering that represents an attractive combination of prices, features, quality, service, and other attributes that buyers find attractive (Thompson and Strickland, 2003). Competitive strategy is thus the search for a favorable competitive position, in an industry, the fundamental arena in which competition occurs. Competitive strategy aims to establish a profitable and sustainable position against the forces that determine industry competition (Porter, 1998).

Firms pursue competitive strategies when they seek to improve or maintain their performance through independent actions in a specific market or industry. By using an effective competitive strategy, an organization finds its industry niche and learns about its customers (Porter, 1980). Porter (1985) asserts there are basic business strategies differentiation, cost leadership, and focus and a company performs best by choosing one strategy on which to concentrate. Firms pursuing cost leadership strategies attempt to gain advantages by lowering their costs below those of competing firms. Firms pursuing product differentiation strategies attempt to gain advantages by increasing the perceived value of the products or services they provide to customers. Focus also is based on adopting a narrow competitive scope within an industry. However, many researchers feel a combination of these strategies may offer a company the best chance to achieve a competitive advantage (Dezdar and Sulaiman, 2009). Other strategies includes resource based strategy and customer care strategy. Whatever strategy a business chooses, it must fit with the company and its goals and objectives to gain a competitive advantage (Porter, 1998). Competitive strategies should lead to competitive dominance, which in other words of Dezdar and Sulaiman, (2009).It is about sustained leadership and levels of undisputed excellence. They contend that competitive dominance is an attitude that begins with the realization that leadership is no guarantee for long term success, especially in the global market place. Firms also develop competitive strategies to enable them seize strategic initiatives and maintain a competitive edge in the market (Porter, 1998). The competitive aim is to do a significantly better job of providing what buyers are looking for, thereby enabling the company to earn a competitive advantage and out- compete rivals in the market place.

1.1.3 Customer care as a competitive strategy

Customer care has long been a major training requirement for organizations which seek the so-called “sustainable competitive advantage”. Most markets are over supplied and product innovation is the norm rather than the exception. In this environment, non-product benefits - and customer care is a major example - are essential. Any company which aims to be successful must aim to retain its customers. The value of the “lifetime customer” cannot be overestimated; the cost of constantly winning new ones frequently is (Dezdar and Sulaiman, 2009). Genuine customer care is a by-product of internal relationships and culture. The way customers are treated is closely allied to the way staff feel about their jobs and the situation in which they do them. This atmosphere, which is a feature of every company, is reflected at all levels but is cascaded from the top. Hence, it is a leadership issue. Customer satisfaction is unlikely to happen by chance. The effective leader ensures that it is never left to chance.

Some of the customer care variables include training, leadership, just in time deliveries, clear documentation, enhancing quality, quick feedback and clear channels on where and how to raise a complaint to . Training should be done for all staff as they will directly or indirectly come in contact with the customers. Training should not be left for front line staff only as all other employees need to know and understand customer is king for any business. This way, they will work with diligence and aim at achieving what is stipulated in customer care charter if the company has any. The effect of working with well trained staff is felt far and wide in customer care. Leadership on the other hand is a major customer care variable used as a competitive strategy in that a good leader leads by

example. It is paramount that all leaders promote customer service at all levels of the organization. The leader should be on the front line practicing good customer care, and not only giving instructions on how the customer should be treated, not merely coming up with policies and guidelines which he/she cannot follow. Just in time (JIT) deliveries entail delivering goods on time. Customers should have their orders delivered within the shortest time possible. Clear documentation entails having documents that are easily understood by the customer. Customers need to know what each document they are asked to sign and stamp is and also understand the copies that have been sent to them. Some of the documents sent to customers are invoices and statements. Enhancing quality entails making sure all goods and services sent to the customer are of high quality. The products should not be expired, have spoilt packaging or be stored in a haphazard manner. Customers expect quick and clear feedback for any of their concerns. Customer queries should be addressed within the shortest time possible. It is also important to have clear channels on where and how customers should raise their complaints or concerns. This should be indicated clearly for customers to know and use freely when need arises. Most organizations address this by having suggestion boxes.

Today, many organizations are faced with significant challenges in the area of customer care and service delivery, both internally and externally. The constant change in demographics coupled with high customer expectations is making organizations rethink its customer care strategies (Porter, 1998). Strategies and tactics that worked in the past are less effective and require more effort to execute. In an era where service has become a defining factor for customers, organizations of all types struggle to find the unique balance between delivery of a service, the cost of the delivery and customer expectations.

1.1.4 Pharmaceutical Industry in Kenya

The Pharmaceutical industry can be categorized into two branches, the human branch and the Veterinary branch. For purpose of this study, the focus will be on human drugs, the latter can be a basis for another study. Pharmaceutical manufacture is a significant aspect of Kenya's industrial sector. There are 42 registered pharmaceutical manufacturers in Kenya (Pharmacy and Poisons Board, 2003). Some of these are subsidiaries of multinational pharmaceutical companies. The companies generally repackage drugs or produce pharmaceutical dosage forms from imported raw materials. As it responds to challenges and opportunities, the generic pharmaceutical industry will continue to be a major force shaping the economics of medication (Pharmacy and Poisons Board, 2003).

Kenya spends about 8% of its GDP on health (EPZ, 2005). The market for pharmaceutical products in Kenya is estimated at KShs 8 billion per annum. The pharmaceutical industry consists of three segments namely the manufacturers, distributors and retailers. All these play a major role in supporting the country's health sector, which is estimated to have about 4,557 health facilities countrywide (EPZ, 2005). The Kenyan pharmaceuticals and healthcare market presents significant revenue earning opportunities for drug companies. Growth in the sector has been boosted by strong demographics, increased healthcare needs, longer life expectancy, rising healthcare spending in the public and private sectors and improved access to health facilities. Currently, medical care is a pre-requisite among employers; the law requires that every employer ensure the provision of proper medicines and attendance to employees, unless otherwise provided for by the government.

The government, through Kenya Medical Supplies Agency (KEMSA) is the largest purchaser of drugs manufactured both locally and imported, in the country. It buys about 30% of the drugs in the Kenyan market through an open-tender system and distributes them to government medical institutions. The number of companies engaged in importing and distribution of pharmaceutical products in Kenya continue to expand, driven by the Government's efforts to promote local and foreign investment in the sector. Pharmaceutical products in Kenya are channeled through pharmacies, chemists, health facilities and shops. There are about 700 registered wholesale and 1,300 retail dealers in Kenya, manned by registered pharmacists and pharmaceutical technologists. (EPZ, 2005).

Control of the profession of pharmacy and the trade in pharmaceutical products is administered by the Ministry of Health (MoH), through the Pharmacy and Poisons Board, as provided for by Chapters 244 (The Pharmacy and Poisons Act) and 245 (The Dangerous Drugs Act) of the Laws of Kenya. Kenya largely imports medicinal and pharmaceutical products from sources such as Great Britain, India, Germany, France, the USA and Switzerland and the importers are expected to meet legal requirements which include provision of samples to the Kenya Bureau of Standards (KEBS) for quality checks and registration, meeting the regulations of the national policy, which has been adopted by the MOH and passing regulatory quality control, monitoring and market surveillance as stipulated by the Pharmacy and Poisons Board and the National Drug Quality Control laboratory.

1.1.5 HighChem Pharmaceuticals Ltd

HighChem Pharmaceuticals Ltd, part of HighChem group of Companies, was the Pharmaceutical wing of the Giant German conglomerate, Hoechst East Africa. In 1997, Hoechst wanted to wind up its operations in Kenya and each of the divisions namely the chemical, veterinary and crop science, and pharmaceuticals, all became independent companies under the HighChem group of companies. The company is a leading importer and distributor of original pharmaceuticals products. HighChem Pharmaceuticals Ltd has been an importer and distributor of patent medicines for the past forty years (HighChem website). The company is owned by two directors of the M.G. Schulmeyer (50% ownership) and S. Bather (50% ownership). The company structure consists of the operations manager, who reports to the group operations director, who in turn reports to the managing director, who reports to the board of directors. The company employs forty five members of staff.

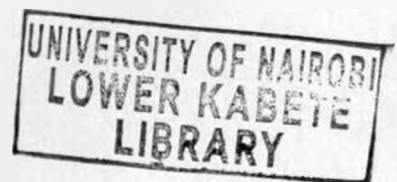
The company imports and distributes products for two companies only, these are: Astra Zeneca (United Kingdom) and Sanofi Aventis (France). Some of the major products that Highchem Pharmaceuticals imports and distributes for Astra Zeneca are Meronem, Nexium, Zoladex and Symbocort. Those that the Company imports and distributes for Sanofi Aventis are Lantus, Maalox, Epilim and Rhinathiol.

The company's main customers are mainly hospitals, government institutions like Ministry of Defense, and local distributors: Main Hospitals include The Nairobi Hospital, Mater Hospital, Aga Khan Hospital Nairobi, Mombasa and Kisumu. The main local distributors the company sells to are: Transchem, Omaera, Transwide and Makadara

Chemists Mombasa. The company's has an annual turnover of one billion shillings. The company sells its products both on cash and on credit. It sell on credit to customers it has accounts with. The customers buy on a daily basis and the company delivers the goods to the customer's premises. Customers are then sent for monthly statements where they pay the amount due after thirty days of date of statement. However the credit has to be monitored. In this case there are measures that govern the credit period given to customers. The credit management department holds meetings every week to ensure that collections of cheques are on track.

1.2 Problem statement

The pharmaceutical sector is expanding at an increasing rate and is becoming intensely competitive. As such, every organization needs to adopt some strategies which will enable it to have a competitive edge over the others. As competition intensifies, many businesses continue to seek profitable ways in which to differentiate themselves from competitors. What separates a company from its competitors is the relationship it has with its customers (Boone and Ganesham, 2007). The situation is no different in pharmaceutical industry. As fixed and mobile markets mature and approach saturation, pharmaceutical operators' strategies are rapidly evolving. Revenue growth is increasingly sought by maximizing the value of the existing customer base, complementing (or even substituting) gross addition strategies. At the same time, continuous improvements in operating efficiency underpin bottom line enhancements (and shareholder returns). In this context, customer care – traditionally perceived as a “necessary cost” – is rapidly becoming a key success factor. On the one hand, customer satisfaction is the critical



enabler for upselling, cross-selling and retention strategies, and customer service their key sales channel. On the other hand, effective channel shifting strategies and continuous productivity improvements, in call center operations are essential building blocks of efficiency programs

The pharmaceutical industry in Kenya is made up of local, multi-national corporations, subsidiaries or joint ventures all fighting for a share in the industry. The cutthroat fierce competition necessitates customer satisfaction which is very essential to not only exist but also to excel in the market. The pharmaceutical market is enormously more complex. Henceforth, to survive in the market, the company not only needs to maximize its profit but also needs to satisfy its customers and should try to build upon from there. The managers of these companies are operating in environments which are becoming increasingly uncertain, confused and incoherent. The traditional signals and barometers which guided them to a given destination are changing around them as the internal and external environments with which they were familiar become pressured by the twin forces for change and consolidation in acute services. This has necessitated the adoption of differentiating strategies which has lead firms to adopt customer care strategy in order to gain competitive advantage due to more demanding consumers, expecting always-available support services and prompt solutions over a range of different channels.

Recent studies that have been undertaken on customer care as a competitive strategy includes Tanui (2010) who researched on the strategies adopted by Kenya Commercial Bank limited to improve customer service and found out that for a company out be competitive and remain vibrant in the market, it is required to adopt winning strategies

that will offer the best customer service to its customers. Some of the customer service strategies suggested having been established by the bank include; establishing contact centers to handle customer issues, establishing service focus groups that meet regularly to review customer service and providing readily available feedback forms which customers use to communicate to give their feedback. Other strategies include customer surveys and competitor analysis and having customer focus week every three months. On the other hand Ibrahim (2009) undertook a study on customer service policy and its relevance to the customer service among public corporations in Kenya and found out that the major benefits of adopting customer service strategies include increase in customer loyalty, increased profitability and increase in business growth. The study also found out that differentiating oneself in the market place with excellence in customer service leads to acquisition of new customers, retention of the existing ones and improvement in financial performance. Kimari (2006) conducted a study on Pharmaceutical producers and users perceptions of the role of distributors in the industry and found out that the industry is dynamic and challenging where change is no longer slow predictable but rapid and unpredictable. As observed above, the studies conducted on customer care as a competitive strategy have not considered the use of customer care as a competitive strategy by pharmaceutical firms. This study will be guided by seeking answers to the following question; how does HighChem Pharmaceuticals Ltd use customer care as a competitive strategy?

1.3 Research Objective

The objective of the study was to determine the use of customer care as a competitive strategy in HighChem Pharmaceuticals Ltd.

1.4 Value of the study

The study will be of value to:

The management of HighChem Pharmaceuticals Ltd as they will be able to understand the benefits of having effective customer care within the organization as it will be able to interact with the customers which in turn results to improved organizational performance.

The study will be of benefit to other pharmaceutical companies as they will be able to understand the benefits of having a customer care service within the organization which acts as a link between the organization and its customers.

This study is justified since it will be of academic value to those interested in pharmaceutical studies with an aim of establishing a business in the pharmaceutical industry since they will be able to understand what to do right to succeed and what if done wrong will bring the business down. The study will create a monograph which could be replicated in other pharmaceutical companies in Kenya. Most important, this research is further aimed at offering some practical suggestions on the importance of customer care.

The Scholars will gain knowledge on the use of customer care as a competitive strategy.

They will also be able to use the findings of this study to prove various theories and to use the study as a basis for further research on other benefits of customer care. The findings will also increase the stock of theoretical and empirical knowledge especially in the African context and also form the basis for further research and teaching.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter will review literature in the issue of customer care as advanced by different authors. It looks at how customer care can be adopted by companies to create a competitive advantage thereby achieving their set objectives.

2.2 Concept of customer care

Customer care is an organization's ability to supply their customer's wants and needs according to Rapert et al. (2009). It is all activities which bind a corporation and its customers together to further a sales relationship. It is a package of measurable activities that provide utility to customers or optimum levels of service. Customer care is about people. Accordingly, if people are important to an organization, then every person who deals with an organization is equal in value to every other as a person, with the potential for creating value for the organization. All employees and consumers of services have something to contribute (Zeithaml et al., 2008). It is the responsibility of the company management to recognize, develop and harness the full potential for customer satisfaction. Management must be prepared to listen to the requirements and needs of customers. The central principle of the strategy is to integrate services around the customer, which take account of best practices and standards of leading customer service organizations both nationally and internationally. The cost of providing customer service and winning customer satisfaction in the future will be greater, as the challenges in terms of increased

customer expectations and successfully meeting them grow. Therefore, customer care standards must be equally important, and achievable, both internally and externally, consistent and interdependent, achieved through organization-wide initiatives.

Heynes and Dredge (1998), argue that customer care management strategies entail: motivating staff to approach work positively as attitudes are very important in the customer service mix, taking special care to value the work that part-time employees do and include them in the team, organizing efficient systems to deliver effective and consistent customer service at all times, championing customer service within the organization to ensure that sufficient resources are allocated to this important function. This can mean building a good business case to justify additional expenditure to ensure customer loyalty and promoting high standards of service by setting clear, measurable performance targets for employees. According to Lewis (1996), in order to achieve creative customer service management organizations should focus on anticipating customer's needs; anticipating supplier's strategies; helping suppliers or customers respond to the changing regulatory environment; classifying customers according to customer service needs, and providing different levels of service to them based on these needs and providing more management service to smaller customers.

Today, superior service is understood as a key differentiator and loyalty is seen as a high priority. There is considerable focus on improving customer service in every sector and knowledge of how to achieve this has strengthened considerably. Yet achieving exemplary service still seems rather elusive; in particular many managers are left wondering whether they should put emphasis on the "hard" or the "soft" aspects, the head

vs. the heart (Boone and Ganesham, 2007). Those who emphasize “hard” factors in managing service success lay stress on: customer segmentation and feedback mechanisms; service standards and measurement; processes; benchmarking; knowledge; information management, and resource and capacity planning. The exponents of “soft” factors talk about outstanding service in terms of its personal, subjective nature: enthusiasm and passion for the customer; empathy and listening; culture; feeling good about yourself and others; keeping cool under pressure; “moments of truth”; empowerment and discretion; celebration, support, impressions, and creativity (Domegan, 1996). There are three main determinants of customer care excellence - people, processes and technology. It is wrong to assume that raising current service targets will lead to an improved service over time.

Customer expectations are not always in line with an organization’s service standards. It could be that achieving the target of answering the telephone within four rings instead of eight goes unnoticed amongst the customer base but places immense pressure on staff resources at the point of service provision. It is, therefore, imperative that customer expectations are thoroughly understood prior to setting out any standards aimed at improving the customer experience.

2.3 Competitive strategies

Competitive strategy is the high-level strategy used by the firm to realize its business goals, in particular, profitability, in the face of competition. Competitive strategy conventionally refers to how the firm competes at the industry-market level (Porter,

1980). However, in the rapidly evolving industry and market landscape of high-technology, competitive strategy, in turn, depends on three levels of “strategy-making” that is industry-company level where the firm must determine its strategic position, its core competencies, and its strategic action, company level strategy-making which involves induced strategy and autonomous strategy and the intra-company level where the internal level autonomous strategy is created (Mockler, 1993). Porter (1985) defined competitive strategy as the ability of a business to derive abnormal profits in a competitive industry based on a value-creating strategy not simultaneously implemented by any current or future competitor. Boone (2007) on the other hand indicated that a competitive strategy is when a firm is implementing a value creating strategy not simultaneously being implemented by any current or potential competitors and when these other firms are unable to duplicate the benefits of this strategy. The interaction of resources and capabilities enable firms to implement core competencies which can shape the strategy, created by these drivers.

Mockler (1993) argued that competitive strategy is an outcome of interaction through all of the company’s processes instead of considering small set of them. Strategic positioning is a key to set activities near each other in a way that the imitation would be hard for rivals. Accepting existence of the competitive advantage inside activities and the relations between them explains why imitating complex process of rivals are complicated. According to Porter (1998) competitive strategy is inside the activities which perform effectively, or they will lead to efficiency. It illustrates the strategy that a firm has chosen to sustain or achieve advantages via rivals. Besides that reaching competitive advantage

has always been important to firms to sustain better standing comparing with their competitors and have their own market share (Zeithaml et al., 2008). Porter (1980) states three main strategies for achieving competitive advantage: Overall cost leadership, differentiation and focus. Stahl et al. (1991) states that competitive advantage can be achieved by two types of changes, external and internal changes. The external source refers to customers and consumers behaviors and internal references that change directly are developed by firm's potential innovations to be superior in comparison with other competitors. Feinburg et al. (1995) believed that sustainability of strategies based on firm resources are far greater than previous strategies focus on market. Also producing with lowest standard factors doesn't reach competitive advantage in developed countries. Companies should be able to renovate structures and products to sustain competitive advantage (Porter 2006).

Porter (1998) states that the goals of a competitive strategy for a business unit in an industry is to find a position the industry where the company can best defend itself against the five forces which are rivalry, threat of substitutes, buyer power, supplier power and the threat of new entry. These five forces constitute the industry structure and it is from this industry analysis that a firm determines its competitive strategy. Porter unveiled four generic competitive strategies that can be viable in the long term business environment. They are cost leadership strategy, differentiation strategy, cost focus strategy and differentiation focus strategy.

2.3.1 Cost leadership

Porter (1985) explains that each value activity of companies have their own costs; these items reflect the potential source of reducing cost in order to follow cost leadership.

However they go through them little by little. Cost leadership occurs when the company uses its resources to achieve the lowest costs of manufacturing and distribution and services, so that it can offer a lower price than its competitors and achieve a large market (Kotler et al., 2000). Cost leadership competitive strategy helps to decrease the threat of new entrants by creating cost based barriers to entry, like economies of scale and cost advantages independent of scale. Low cost position strategy also decreases the threats of rivalry through pricing strategies that low cost companies can engage in (Burnes, 2002).

Porter (1998) claims that if a company can reach overall cost leadership, then it will be an above average performer in its marketplace. The strategic logic of cost leadership usually needs a firm to be a cost leader. When there is more than one aspiring cost leader, rivalry among them is usually fierce because every point of market share is viewed as crucial. Unless one firm can gain a cost lead and persuade others to abandon their strategies, the consequences for profitability can be disastrous. Bharadwaj et al. (1993) believed that scale effects are important in competitive cost advantage. The volume of equipment of services is relevant to economies of scale.

2.3.2 Differentiation

Differentiation happens when a company focuses on creating a highly differentiated product line and marketing programs, so that it comes across as the class leader of its industry (Kotler et al., 2000). Porter (1996) added that variety of different positioning is needed to choose the strategy. If it was not so, every company would use single set of activities to determine differentiation. Product differentiation is a competitive business strategy whereby firms try to achieve competitive advantage by increasing the expected

value of their product or services (Burnes, 2002). The existence of product differentiation, in the end, is always a matter of customer perception, products sold by two different firms may be exactly the same, but if customers believe the first is more valuable than the later one, then the first one will have a differential advantage (Lewis 1996).

Differentiation consists of differences from customer's perception. It is between important specifications and criteria of firm and competitors (Rapert et al., 1993). According to porter (1998), differentiation chooses one or more attributes that many buyers in an industry perceive as important and uniquely position it to meet demands. Porter argues that differentiation can be based on the product or service itself, the delivery system by which it is sold or the marketing approach factors. Based on porter ideas, the logic of the differentiation strategy requires a firm to choose attributes in which it differentiates itself from its rivals. Achieving the desired result in differentiation depends on the coordination of several activities and processes together. It's not about the physical production necessarily, it could be about marketing for example, however every task can be a source of differentiation (Porter 1998).

2.3.3 Focus strategy

In the focus strategy, a firm targets a specific segment of the market (Abratt, 2009). The firm can choose to focus on a select customer group, product range, geographical area, or service line (Dawes, 2008). Focus also is based on adopting a narrow competitive scope within an industry. Focus aims at growing market share through operating in a niche market or in markets either not attractive to, or overlooked by, larger competitors. According to Haynes (1998) the focuser selects a segment of group of segments in the

industry and tailors its strategy to serving them to the exclusion of others. By optimizing its strategy for the target segments, the focuser seeks to achieve a competitive advantage in its target segments even though it does not possess a competitive advantage overall. The focus strategy has two variants. In cost focus a firm seeks a cost advantage in its target segment, while in differentiation focus a firm seeks differentiation in its target segment.

A successful focus strategy depends upon an industry segment large enough to have good growth potential but not of key importance to other major competitors. Market penetration or market development can be an important focus strategy. Midsize and large firms use focus-based strategies but only in conjunction with differentiation or cost leadership generic strategies. But, focus strategies are most effective when consumers have distinct preferences and when the niche has not been pursued by rival firms (Boone, 2007).

2.4 Customer care as a source of competitive strategy

Today's organizations have to deal with dynamic and uncertain environments. In order to be successful, organizations must be strategically aware. They must understand how changes in their competitive environment are unfolding. They should actively look for opportunities to exploit their strategic abilities, adapt and seek improvements in every area of the business, building on awareness and understanding of current strategies and successes. Organizations must be able to act quickly in response to opportunities and barriers. According to Jubeliter et al., (2005) managers operating in organizations perform a number of activities including planning and organizing the work of their subordinates,

motivating them, ensuring customers are served to their satisfaction, controlling what happens and evaluating results. Decisions by managers have a strategic impact and contribute to strategic change. The organization is shown as one of a number of competitors in an industry; and to a greater or lesser degree these competitors will be affected by the decisions, competitive strategies and innovation of the others. These interdependencies are crucial and consequently strategic decisions should always involve some assessment of their impact on other companies, and their likely reaction and thus customer service in the future will require an increasing degree of professionalism, from both managers and customer-service staff.

Customer care has long been a major training requirement for organizations which seek the so-called “sustainable competitive advantage” (Ghobadian et al., 2007). One of the foundations of business strategy today is to understand the technological context of the marketplace (Rapert et al., 2007). According to (Potter and Brotman, 2004:249), technology strategy revolves around four key agreed upon assumptions which are focusing on the type of technologies a firm selects for acquisition, development, deployment, and divestment, commitment of investment decision adopted by the management, technology strategy may as well be suited for or applied in all types of firms and industries, and is not restricted to high technology enterprises and technology strategy comprising of both hardware and software elements.

Organizations that have been able to successfully integrate technology and business strategy have created significant business returns. The importance of technology in supporting strategy thus cannot be underestimated. Technology plays an increasing role in

defining the strategic basis of competitive advantage. Firms that have been able to harness the use of technology will be the firms that will emerge as survivors in the next shakeout. Business collaboration and technology integration are the priorities, but the specifics differ from company to company. The key to success depends on the extent to which companies understand the collaborative business models they need to support integrated technology. Companies looking for a compass to guide their technology investment strategies must consider the collaborate/integrate destination (Abratt, 2009).

Leadership behaviour at all levels is a key element of effective customer care. For better or worse, a manager, who has to be a leader as well, becomes a role model for their team (Dawes and Rowley, 2008). Their behaviour towards their staff, or internal customers, will be reproduced by those same staff in their transactions with their customers. It matters little that those transactions may be with colleagues. Internal care eventually impacts on customer-facing staff in the way that ripples spread when a stone is tossed in a pond. The most dangerous manager in any company is the one who believes that they have no impact on customer care because they never have any contact with customers. The inverted pyramid is a useful way in which to assess the role of the top person in achieving a customer-focused organization. The leader supports the efforts of their entire team while having little direct customer contact, in most cases. Their job is to commit their organization to a customer-satisfaction mission and empower their team to deliver it. Once the mission is agreed, it has to be communicated both clearly and regularly. It must become a belief and value for the organization rather than the latest initiative or bright

idea from management. This will only happen when management behaviour towards internal customers and reinforcement of standards at all levels is seen to happen.

Well-led companies commit serious time and resources to clarifying their business mission (Lewis, 1996). Invariably, their mission statements contain reference to customers, with the best ones reinforcing the place of internal, as well as external, ones. While the statement is important, the culture which is required to support it is crucial. Any leader worth their salt focuses on producing a caring culture for all the stakeholders involved in the achievement of mission. And, since culture is a reflection of behaviour, words are not enough. The leader must be prepared to “walk the talk”. Modern organizations across the world are going to great lengths to incorporate customer care as in the integral part of their organizational culture. Staying close to the customer (Peters and Waterman, 1982) is now considered to be an essential part of any organizations strategy towards ensuring greater sales. Culture should be seen as a medium that permeates the organizational system, influencing its other elements and being influenced by them. All organizational systems have a system wide organizational culture, and most of them also have sub-cultures typical to groups, functional departments or business divisions due to different local “ecosystem” characteristics. Although culture can influence the whole organizational system, it is important to realize that some aspects are more sensible to culture than others (Peter and Waterman, 1982).

The only real aim of any business is to win, satisfy and, hence, retain their customers (Domegan, 1996). The total value of a lifetime customer is probably unquantifiable. Their actual purchases are a small part of what they contribute to their suppliers. As products

improve and competition increases, both of which are confident, if not self-fulfilling predictions, customer service may become the only sustainable competitive advantage. It seems likely that, in many instances, service will be remembered long after the product is obsolete. The challenge for companies, and therefore for their leaders, is to exceed their customers' expectation regarding service. But this is only half of the problem. Unless the leader can motivate their team to want to give the necessary level of service, nothing will change.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section includes a description of the research design, data collection procedures and data analysis. In order to get in-depth information, an interview guide was adopted.

3.2 Research design

The research design was a case study. Kothari (1990) defines a case study as a powerful form of qualitative analysis and involves careful and complete observation of a social unit be it a person, family, cultural group or an entire community and/or institution. Robson (2002) states that a case study is a “strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple source of evidence”. The study focused on the use of customer care as a competitive strategy by HighChem Pharmaceuticals Ltd. By using a case study, the researcher was able to probe, collect data and explain phenomena more deeply and exhaustively.

3.3 Data collection

The study made use of primary data which was collected through a face to face interview with the researcher. To get an in-depth result on the study, an interview guide (appendix 1) was used to collect data on the use of customer care as a competitive strategy. An interview guide is a set of questions that the interviewer asks when interviewing (Mugenda and Mugenda, 1999).

The respondents to be interviewed were those involved with formulation and implementation of organization's strategies. This made it possible to obtain data required to meet specific objectives of the study. The interviewees were the top management team members who come up with the policies and ensure their implementation. They included manager in charge of finance, information technology, operations, human resources and the marketing and research division.

3.4 Data analysis

Data analysis involves reducing accumulated data to manageable sizes, developing summaries, looking for patterns and applying statistical analysis techniques (Mugenda and Mugenda, 1999). The data obtained from the interview guide was analyzed using qualitative analysis.

Since data collected was qualitative, content analysis was used to analyze the data. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study (Mugenda and Mugenda, 1999). It involves observation and detailed description of objects, items or things that comprise the object of study. After completion of the data collection, the interview guides was checked for accuracy and consistency. Analysis of the data collected compared with the theoretical approach and documents sited in literature review.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

The research objective was to establish the use of customer care as a competitive strategy by HighChem Pharmaceuticals Ltd. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Data analysis

Data collected was qualitative so content analysis was used to analyze the data. After completion of the data collection, the interview guides was checked for accuracy and consistency. Analysis of the data collected compared with the theoretical approach and documents sited in literature review.

The respondents comprised the credit controller, operations manager, marketing manager and the human resource manager. In total, the researcher interviewed four out of the intended six respondents. The other two respondents were out of office during the time of the interview. All the respondents interviewed had university degrees with the operations manager and the human resource manager having master's degree as well. The interviewees had different educational backgrounds that ranged from, Human resource, Marketing, and strategic management. With such academic and professional background the respondents were deemed to be capable to analyze and critical identify and respond appropriately to the usage of customer care as a source of competitive strategy. The duration in which the respondents have been holding the position in which they hold now ranged from two to nine years. The different duration in which the respondents have

worked in the organization was sufficient enough to know how the company has been using the strategy.

4.3 Research findings

The respondents indicated that there exist a customer care in the organization which is located at the company's head office and is being manned by seven employees dedicated to making sure that the customers concerns are addressed at the shortest time possible. The effectiveness of the centre in meeting the organization objectives was achieved through the customer response on the prompt action which was taken by the organization customer service in solving of issues which were of concern to them in a short period of time as what separates a company from its competitors is the relationship it has with its customers. The company uses the standard operating procedures which give clear guidelines on how different problems should be solved, when and by who, and also it helps the organization to concentrate on the important areas that help in improving customer satisfaction and perfect servicing.

The treatment of customers by the staff has been reinforced by the management through empowerment of employees to make decisions that relate to customers and rewards best performing departments/employees, use of circular letters sent to clients to indicate how they view the services of the company and what the company needs to improve on in order to be able to ensure customer satisfaction and training of employees to equip them with the necessary skills to handle the customers.

The respondents indicated that their organization has utilized customer care by having a dedicated team of customer care agents, and managers being the ones welcoming the customers, and the fact that the company's competitors do not have customer care, the company utilizes to the fullest its competitors weaknesses. In order to ensure that the employee's handles customer issues adequately, the company undertakes annual training to all its employees on customer care so that they can communicate positively and professionally with both internal and external customers at the same time the newly recruited employees are trained on customer care.

The use of feedback loop will ensure that the organization gets to understand the views of the customers regarding the services in the organization and areas in which they think the organization needs to improve on. The respondents indicated that there is feedback loop in the organization which is achieved through sending of circular letters to customers, through mobile calls that are used by customers in case of complaints and customers being given complaint forms to fill every week. The customer feedback is captured in the company every three months and these enables the company to have a database of all the customers feedback and thus use it to come up with strategies which will ensure that the customers concern is taken into account. The respondents indicated that the company review its performance based on customer feedback so that can give concrete recommendations to all departments concerned so as to improve their overall performance.

Resource allocation is important and equitable resource allocation and sharing is an important activity that enhances strategy execution. The resources include financial,

physical, human, technological and good will resource. The budgetary resources should be marched with departmental operations. Effective resource allocation calls for unique, creative skills including leadership, precision, attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders. The company allocates sufficient resources to the customer care in the budget for call centre staff recruitment, their equipment, training, team building and gifts for customers during festive period. The respondents indicated that the company anticipates customers so that they can be able to come up with goods and services that meet the customers' demands, come up with strategies which will enable the company compete effectively with its competitors and ensuring that there is sufficient communication with customers and suppliers so that any changes from either party can be communicated in good time.

The leadership of an organization provides direction to workers as they pursue a common mission in implementing organization objectives. The leaders influence their relationship with their followers in the attempt of achieving their mission. Effective leadership is very crucial during strategy execution and can be achieved through participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members. The respondents indicated that the leadership in the company plays a leading role in that they too practice customer care in the way they handle the customers who want to meet the managers and also how they handle members of staff which creates a bonding between them and that the managers visit the major customers so that they can address their concerns on one on one basis.

Implementation of successful competitive strategy calls for efficient and effective leaders to guide the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues and these has been replicated in the organization as they ensures that the company's customer care attendants attend team building with other members of staff every year and encouraging all the employees to give feedback and suggestions on issues they think the organization can undertake in order to achieve competitive advantage. Organizational culture helps in nurturing and dissemination of core values in an organization, acts as a medium that permeates the organizational system, influencing its other elements and being influenced by them. Customer care has been incorporated in the organizational culture through training of all employees and encouraging them to embrace customer care to all customers and colleagues and also orienting the new employees on the culture prevailing in the organization. This has enabled the company to be close to its customers thus increasing its revenue.

Although culture can influence the whole organizational system, it is important to realize that some aspects are more sensible to culture than others and these include customer care department. The culture being propagated in the organization leads to competitive strategy as the culture in the organization cares for all the stakeholders involved in the achievement of mission and these has been achieved as the leaders are in the forefront in supporting the current culture. The respondents indicated that the company deals with customer issues promptly as they arise since they are the ones making them to be in business. The company has a consistent service standard through the standard operating systems which ensures that there is consistency and flexibility when dealing with

customer issues. Organizations that have been able to successfully integrate technology and business strategy have created significant business returns. The importance of technology in supporting strategy thus cannot be underestimated. The company uses the customer relationship management system in order to come up with periodical reports to see how often a certain problem occurs and measures taken, so that a recurring problem is dealt with satisfactorily as technology plays an increasing role in defining the strategic basis of competitive advantage.

4.4 Discussion

The study found out that there exists a customer service department in the company which is used to achieve competitive advantage over its competitors. Superior customer service is understood as a key differentiator and loyalty is seen as a high priority. There is considerable focus on improving customer service in every sector and knowledge of how to achieve this has strengthened considerably. Customer satisfaction has been the driving force for the management of the company as when the customer is satisfied; loyalty towards the company is strengthened. Businesses today operate in a market-driven, customer-oriented era. To survive, HighChem Pharmaceuticals Ltd has adopted a customer care strategy so as to be flexible, adaptable and above all provide superior service

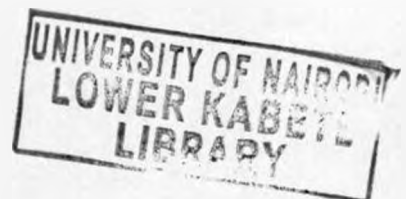
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter gives a summary of the findings as well as the conclusions gathered from analysis of data. Findings have been summarized alongside the objective of the study. Conclusions have been drawn from the study and the recommendations for action given.

5.2 Summary of the findings

The study established that all the respondents have a university degree with two respondents having a master's degree. The duration in which the respondents have worked in the organization was between two and nine years and thus they understand the value of customer care to an organization. There exists a customer care department in the organization whose effectiveness in meeting the organization objectives was through prompt response to customers concerns in a short period of time. The company uses the standard operating procedures which give clear guidelines on how different problems should be solved, when and by who, and also it helps the organization to concentrate on the important areas that help in improving customer satisfaction and perfect servicing. The organization empowered its employees to make decisions relating to customers while at the same time they were sending circular letters to customers for them to indicate how they view the services they are being offered. The company trains its employees in order to equip them with the requisite skills to handle customers well and at the same time rewards departments and employees.



The organization utilizes customer care by having a dedicated team which undergoes annual training so that they can communicate positively and professionally with both internal and external customers while at the same time the newly recruited employees are trained on customer care. The company uses feedback loop which is achieved through sending of circular letters to customers, through mobile calls that is used by customers and customers being given complaint forms to fill every week. The customer feedback is captured after three months and this enables the company to review its performance and advice all departments on the areas they need to improve on. The company allocates sufficient resources to the customer care for call centre staff recruitment, their equipment, training, team building and gifts for customers during festive period while at the same time the company's leadership provides the necessary direction to the employees, encourages participation by all groups and individuals captured in strategic plan through freedom of choice of leaders by team members, the leadership in the company playing a leading role in that they too practice customer care in the way they handle the customers who want to meet the managers and guiding the rest of the employees through the strategic plan with a lot of ease and provide solutions and explanations to unclear issues.

The company incorporated its customer care strategy in its organizational culture so that it helps in nurturing and dissemination of core values in the company. The organizational culture of the company influences competitive advantage as the culture in the organization cares for all the stakeholders involved in the achievement of mission and these has been achieved as the leaders are in the forefront in supporting the current culture. The company deals promptly with all customer issues using the standard operating systems which ensure that there is consistency and flexibility when dealing with

customer issues. The company has embraced technology in order to be effective in customer service by customer relationship management system in order to come up with periodical reports.

5.3 Conclusion

The study found out that there exists a customer service department in the company which is used to achieve competitive advantage over its competitors. Customer service was found to be effective when the organization ensures that they allocate sufficient resources to it for staff recruitment, their equipment, training, team building and gifts for customers during festive period, existence of standard operating procedures, use of customer feedback loop, the company's leadership playing a key role in the implementation of effective customer care, promptness in dealing with customer issues, the organizational culture caring for all the stakeholders involved in the achievement of mission and the use of information technology in delivering value to the customers.

The company has differentiated themselves from the other competitors by use of customer service which has worked for the company as it has been able to achieve competitive advantage over its competitors. Improving each construct that leads to customer satisfaction has been the driving force for the management of the company as when the customer is satisfied; loyalty towards the company is strengthened.

5.4 Recommendations

The findings from the study indicates that the company has an effective customer care centre located at the company's headquarters which was being manned by seven employees. The study recommends that the company should set up customer centres in different parts of the country so that the customers can pay a visit to the centres whenever they have an issue rather than travelling all the way and also these will ensure that the customers do not have to wait for long in the queue before they can be connected to the customer care attendant as they serve other customers.

The study found out that the culture and the leadership of the company plays a key role in ensuring that the company achieves competitive advantage. The company should also ensure that the organizational structure which is in place is one which ensures that there is faster decision making and all the employees are involved in the decisions which are arrived at as they are the ones who interact with the customers on daily basis and thus they should be having thorough knowledge of all operations in the company.

5.5 Suggestions for further research

The study confined itself to HighChem Pharmaceuticals Ltd. This research therefore should be replicated in other sectors in order to establish whether there is consistency on the use of customer service as a competitive strategy.

5.6 Limitations of the study

The main challenge faced was the administration of the interview. The respondents were busy formulating the company's five year strategic plan which made them quite busy. However, this limitation was overcome by interviewing the respondents while on their lunch and tea break and postponing the interview to a later date when the lunch or tea break was over.

The study focused only on managers who are mainly involved in strategy formulation and implementation. There was lack of involvement of other players like the members of the board of directors who also contribute to the success of strategy implementation.

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APPENDICES

APPENDIX 1: COVER LETTER

Mercy W. Gichu

School of Business, University of Nairobi

P.O BOX 30197, Nairobi

May, 2012

Dear Respondent,

I am a postgraduate student at the University of Nairobi, School of Business. I am carrying out research on “Customer care as a competitive strategy used by HighChem Pharmaceutical Ltd”. This is in partial fulfillment of the requirement for the degree of Master in Business Administration (Strategic Management) Degree program at the University of Nairobi.

This study uses HighChem Pharmaceuticals Ltd as a case study. The success of this research substantially depends on your help and co-operation.

I hereby request you to respond to the questionnaire as honestly as possible and the best of your knowledge. The information provided will exclusively be treated with utmost confidence; neither your name nor any other details shall appear in my report.

Thank you in advance,

Yours sincerely,

Mercy W. Gichu

(Student)

J.N Kagwe

(Supervisor)

APPENDIX 11: INTERVIEW GUIDE

The interview guide will seek to achieve the following objective:

Determine the use of customer care as a competitive strategy by HighChem Pharmaceuticals Ltd.

Background information on the interviewees

1. What is your current position in the organization?
2. For how long have you been holding the position?
3. What is the highest level of education you have achieved?

Customer care

1. Is there a customer care centre in your organization?

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2. If yes, how effective is the centre in meeting the organization objectives?.....

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3. Is there a framework or set of guiding principles within which decisions about customer care can be made in the organization?

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4. What actions has your organization taken to ensure that customers are treated well since the treatment of customers depends on how the staff feels about their jobs, and the situation in which they do them?

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Customer care as a competitive strategy

1. Do you think that your organization has utilized customer care in order to gain competitive advantage over its competitors?

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2. Do all the employees in the organization undergo customer care training in order to equip them with the necessary skills to serve customers adequately?

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3. Is there a customer feedback loop in the organization?

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4. How often does your organization capture feedback through the customer feedback (complaints) scheme, residents' surveys and other feedback?

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5. Does the organization review its performance based on the customer feedback through the revision of customer service standards so as to make it easy for the customer to contact and interact with the organization?

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6. Does the organization allocate sufficient resources to customer care so as it can be efficient in its operations thus being competitive?

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7. Does your organization practices the following "anticipating customer's needs; anticipating supplier's strategies; helping suppliers or customers respond to the changing regulatory environment; classifying customers according to customer care needs, and providing different levels of service to them based on these needs and

providing more management service to smaller customers?"

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8. Does the organization leadership play a leading role in the implementation of effective customer care in order to gain competitive strategy?

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9. Has the organization leadership ensured that the whole organization is united towards the achievement of competitive strategy through customer care?

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10. Has the organization incorporated customer care in the organizational culture?

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11. Does the culture being propagated by the management of the organization ensure that it leads to the achievement of competitive strategy through customer care?.....

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12. How prompt is the organization in dealing with customers issues?

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13. Does the organization have a consistent service standard which ensures competitive strategy through customer care?

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14. Has the organization embraced information technology in order to be effective and deliver value to its customer's thus competitive strategy?

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