Investigating the Cost of Losing Customers and the Credibility of the Organization in the Market with the Approach to Supply Chain of Mobile Companies

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Abstract- This article seeks to assess the cost of losing customers and, consequently, the credibility of the organization in the target market. For the wider scope of content, supply chain of mobile phone companies are targeted as a community has been evaluated. The results of the survey showed that today’s companies should pay more attention to lost customers, and take measures to reduce them. The loss of the customer for any reason imposes an irreparable cost on the company. In the meantime, telecom operators, as an example of the purpose of this study, in terms of having more competition with competitors, will cause the loss of customer to each one to attract the competitor. Unfortunately, you cannot do anything about those customers who leave the field of practice or leave a particular profession. But many things can be done about customers who are missing out for reasons such as inadequate customer service, poor goods, high sales prices, and so on. The company must investigate customers who are missing out for various reasons and provide each one with a solution.

Keywords: Loss of customer, organization credit, lost client cost, Supply chain of mobile company.

1. Introduction

In the new era of marketing, the goal of establishing long-term and reciprocal relationships with interest groups and, most importantly, the customer is drawn in such a way that more customers are retained and less customers lost and thus, in the long run, the market share and profitability of companies will increase. Some companies may be able to handle a number of customers in a variety of ways, but keeping them will not be easy, which is why marketers who hitherto hunted their customers today have tended to be more satisfied and keep them. Attention to customer preservation is the basis for the growth and survival of the organization, while the loss of a client's loss will be rival to the company's profits. [1]. Today's companies must pay more attention to lost customers, and take measures to reduce them. Reducing the proportion of lost customers involves a four-step process. The first step is to measure the extent of customer retention. For example, for a magazine, the number of customers who are about to renew their subscription is a good measure to measure the ratio of customer retention. But for a higher education institution, the best ratio is to keep students from the first year to the second year or the graduation rate of a class. In the second step, the company must determine the reasons for the loss of its customers and, if possible, consider the reasons for it (refer to marketing notes and ask questions about missing customers). Unfortunately, it's not going to be possible for those customers who leave the field of practice or leave a particular profession. But there are many things that can be done for customers who are missing out for reasons such as inadequate customer service, poor goods, high sales prices, and so on. The company must investigate customers who are missing out for various reasons. Step 3, the company should also estimate the loss of customers, in the case of a customer, the loss of profit is equal to the value of the customer's lifetime, which, if left untreated, the company acquired, in the fourth step, the company should Calculate the cost of avoiding an increase in the proportion of lost customers. As long as this cost is less than the profit, the company must pay the cost to reduce the amount of lost customers [2]. This article seeks to assess the cost of losing customers and, consequently, the credibility of the organization in the target market. Due to the wide range of content, supply chain of mobile phone companies have been evaluated as target community [12].
2. Customer behavior analysis and cost of customer loss

Some researchers in field studies analyze issues related to the cost of losing customers and have been very much considered in recent years. [3] measured the impact of mobile phone market restructuring in Korea on the cost of losing customers in a simulation fashion. Choi, [4] also reviewed the impact of business strategies of the five major mobile service providers in Korea on the customer loyalty this year. In this study, he also studied the rule-of-government performance on the Korean mobile market. [5] paid attention to the factors that customers consider when choosing their mobile operator. The result of this research is the effect of the reduction of intra-network calls and the quality of communication by operators on the decision of customers in their selection. Kim and Yun in 2004 surveyed 973 users of five major mobile service operators in South Korea, identifying costly customer costs and customer loyalty attributes. In this research, it has been shown that the possibility of customer switching depends on its level of satisfaction with the operator's service features including call quality, tariff level, operator presentation, brand credibility plus revenue and duration of subscription. Factors such as call quality, operator type, and brand credibility also affect customer loyalty, and this loyalty is measured by the intention or absence of the operator's advice to those around them. The lack of a meaningful relationship between the length of subscription time and the activities that confirm customer loyalty indicates the existence of a locking effect among the customers that can be called false loyalists. It means that those who are not only ending up for the sole reason of avoiding the costs of changing the operator. [6]’s research on the German cellular market in 2001 showed that customer retention, loyalty and satisfaction are causally interrelated, and the cost of mobile services and the benefit of the services provided have a great effect. Important to customer survival. In this research, we tried to investigate the structural difference between the three concepts of customer retention, customer satisfaction, and customer loyalty, and, at the same time, their relationship with each other. This research has based its analysis on a two-stage model based on which the overall customer satisfaction has a significant effect on his loyalty, and this, in turn, affects the client's intention to incur a loss or extension of a contract with the mobile operator. The cost of mobile services, the perceived profit from services, and the ability to transfer numbers between different operators are considered as supplier variables, which have a strong impact on customer durability. This research examines the points of sharing and differentiation between shelf-life, loyalty and customer satisfaction, and examines the effects of supplier-related factors on them conceptually and practically. The survey research mentioned above focuses more on finding specific factors such as customer satisfaction and loyalty with regard to the cost of customer loss, to empirically study and test a comprehensive model that includes relationships among different structures such as customer dissatisfaction, costs change, serviceability, and other customer related variables.

The other weakness of the research, based on the type of data collected and the examples, is that it is mainly based on scrolling and asking questions from customers who are mostly going to stay and are more concerned with the formulation of abstract responses based on their perception from service experience. These data are not able to describe and predict future customers 'decisions compared to actual transactions with customers' records. In addition, due to high scrolling costs, such research mainly chooses small samples (usually less than 1000) for review, which can compromise the reliability and validity of the research results. In 2006, a study was conducted on the South Korean Telecom industry that sought to overcome these shortcomings. It was published by [6], "Calculation of the Cost of Loss of the Client: The Factors of the Cost of Loss of the Customer and the Intermediary Effects of the Cost of Losing Customer in the Mobile Communications Industry", using relevant data. Subscriber transactions and payments pay attention to the factors behind the cost of losing their customers, and customers' dissatisfaction, cost of change, and utilization of services are effective in determining their decision to stay with the cost of losing customers. This article has two distinct achievements in comparison with previous research. First, the development of a comprehensive customer costing model and its empirical test using a large sample of transaction data and actual customer payments, and the second, the recognition of both the cost of a customer's overall and customer stage loss in a telecommunications industry based on subscribe. Most of the previous research focused on finding direct impact of independent variables on the cost of customer loss, while the research states that the customer’s situation acts intermediary between the symptoms of the cost of customer loss and the cost of a complete customer loss and acts as the first sign of danger. Another research entitled "The Two-Level Cost Model for Loss of Customer in the US Cellular Services Market” was released by [7] in 2008, which focuses on identifying factors that lead to costly customer losses. To understand this, two basic questions are raised: (1) How factors affecting the cost of change and customer satisfaction, such as the length of subscription, the complexity of the service plan, “phone enhancement, and the quality of communication, help to maintain customer durability, and (2) ) How demographic characteristics of the customer, such as age and gender, affect the choices they make on the mix of service design and the development of the handsets, which leads to a difference in their approach to the survival or cost of losing the customer [8], [9].
3. Organization Credit Analysis

From a market perspective, one of the key benefits of corporate credit assessment will be that it will increase the consumer's information in choosing the best goods and services. On the other hand, one of the important and important things for companies is to find out how effective their efforts and their plans are for the success of the company. Many of the costs that companies have incurred in recent decades are limited to advertising, post-sales services, product quality, development, ease and speed in distribution methods, research development and design of new products. These costs are in fact a long-term investment for the company's future credibility. Company credibility, the value and brand acceptance of the organization, based on the perception of the individual of the organization's expertise, reliability of the organization and its utility. In other words, the company's reputation reflects customer judgments from the organization hiding behind the brand (Clare, 2008). Company credibility is defined as the ability to believe and assure the obligations and goals of an organization, which has two main components of trust and expertise. In this sense, from the perspective of consumers, the brand, the specialty, and the willingness to continuously and continuously deliver what they promise in their controlled and uncontrolled communications [10].

4. Calculation of the customer's lifetime value

The value of a customer's life expectancy is somehow associated with the cost of losing that customer for the company. For theoretically, this concept explains exactly how much each customer is worth in monetary terms and so exactly how much the marketing unit should spend on each customer. In reality, the accurate calculation of the value of a customer's lifetime is difficult because of the complexity and uncertainty surrounding customer relationships, and the calculation depends on the nature of the customer relationship. Relations with customers are often divided into two categories. The first category, called contracting or maintenance, is the customer who does not renew the contract as a lost customer. Examples of this include magazine subscriptions and car insurance [11].

5. Conclusion

Today's companies must pay more attention to lost customers, and take measures to reduce them. The loss of the customer for any reason imposes an irreparable cost on the company. Meanwhile, telecom operators, as an example of the purpose of the study, are more competitive with competitors, the loss of customer for each one will attract the competitor. Unfortunately, it's not possible to do a special job for those customers who leave or leave the business. But there are many things that can be done for customers who are missing out for reasons such as inadequate customer service, poor goods, high sales prices, and so on. The company should examine customers for a variety of reasons and provide a solution for each one.

References