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ORIGINALNI NAUČNI RAD / ORIGINAL SCIENTIFIC PAPER

PREDICTING CUSTOMER LOYALTY LEVELS OF PROFESSIONAL CUSTOMERS: THE CASE OF BALKANS

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Abstract: *The paper presents the results of customer satisfaction survey in the auto spare parts industry through the presented analyses conducted in period from 2015 to 2018 on a sample of 3269 professional customers of a company that operates in the region of Balkans: Bosnia and Herzegovina (BIH), Republic North Macedonia (RNM) and Serbia (SRB). The Categorical Regression Analysis (CATREG) was used as a method of predicting the level of customer loyalty by combining variables from the survey-questionnaire with regard to the relationship between the sales staff and the characteristics of the products themselves. The study identifies that for BIH the range of goods, delivery and the price and quality ratio have the greatest impact on customer loyalty, for RNM the assortment of goods, delivery and manner of resolving complaints, while in Serbia the delivery of goods and the resolution of complaints, have the greatest importance in anticipating the level of loyalty of customers.*

Keywords: *customer satisfaction, loyalty, Bosnia and Herzegovina (BIH), Serbia (SRB), Republic of North Macedonia (RNM)*

The JEL Classification: *M21, M31, L11, L26.*

INTRODUCTION

Measuring customer satisfaction is a common tool for monitoring market and interpretation the results of measuring helps companies in every day planning and strategic planning in order to adapt to changes and new trends on the mar-

ket. But, without loyal customers, business survival and profitability cannot be guaranteed. The easiest way to foresee the future of a product or service is to monitor customer satisfaction with the same product or service - customer satisfaction is an indicator of repeated purchase and is expressed by customer loyalty (Vranešević, 2000.). In general, higher customer satisfaction brings about higher customer loyalty (Hyunseok, Jaisang & Kyeong-Seop, 2017.). However, links between satisfaction and behavioural outcomes are neither linear nor straightforward (Šuster-Ernjavec et al., 2016.).

The paper presents the relationship between professional customer satisfaction and expected value, the relationship of value and satisfaction will be clarified, and the role of quality within the concept of value. The paper publishes the results gained by satisfaction survey of professional customers, of a family company AM Group that operates in the Balkans region, in particular: Bosnia and Hercegovina, Serbia and North Macedonia. One of the reasons for research presented here is a fact that successful family companies tend to create higher level of consumers loyalty than corporate ones. The corporate brand of family-owned companies carries certain features that distinguish it from the corporate brands of other companies (Perić et al., 2013.). Also, a new phenomenon that directly affects the industry of auto spare parts, in terms of quality and reclamation, is NPD. Kalaigianam et al. (2017.) conclude that new product development (NPD) outsourcing has gathered momentum in multiple industries, such as automotive, pharmaceuticals, and consumer electronic. Although the practice of companies outsourcing standardized or routine processes has existed for a long time, NPD outsourcing of complex components is a relatively new phenomenon. Kumar et al. (2014.) argues that an effective sales force is an indispensable asset, because salespeople play fundamental role in marketing strategy implementation. Katsikias et al. (2018.) assert that an effective sales force is an indispensable asset, because sales staff plays fundamental role in marketing strategy implementation.

The purpose of the research is related to the problems that arose due to the systematic expansion of the sales network, the relocation of individual business units to new and larger locations, the introduction of new services, and the recruitment of a larger number of sales staff, which did not receive full sales training in this particular line of business. Namely, in the observed period of research, the number of employees increased from 102 to 276, and 16 new business units were opened, while some existing business units were moved to new and larger facilities. Two new warehouses were opened, and the two existing ones were expanded. Another new wholesale was opened in Bosnia and Herzegovina.

Also, implementation of two software solutions integrated into one called ERP was done: NAV for the Company Management and LS for retail, together with WMS system, web shop and a loyalty program that enable monitoring of the price of products in the market, aiming preventively reaction to possible dumping. Great logistical changes have been made in the distribution and new sales channels have been perfected, so besides commercial - field sales, sales in retail and wholesale facilities, sales are also made via the internet. All these reasons directly affected the customer satisfaction.

The research was conducted from 2015 to 2018 on a sample of 3269 professional customer from BIH (1692), RNM (800), Serbia (777), namely from those cities where business units in which they purchase are located or the goods are dispatched from (Bosnia and Herzegovina: Banja Luka, Dobož, Gradiska, Modrica, Prijedor, Tuzla, Zvornik, Bijeljina, Pale, Trn, Bugojno, Tesanj, Sarajevo, Prnjavor, Laktasi; Republic of North Macedonia: Skopje, Gostivar, Tetovo, Strumica, Kumanovo, Kicevo, Ohrid, Veles, Stip, Prilep, Bitola; Serbia: Leskovac, Zemun, Vranje, Bor, Pirot, Nis, Zajecar).

THEORETICAL BACKGROUND

There are many reasons why companies decide to measure customer or clients' satisfaction, but the most fundamental account for their retention (loyalty) is detecting areas of the business which need to be improved and upgraded, listening to customers' reactions to the introduction of a new product or service in their assortment, measuring the level of customer satisfaction with a certain product or service, etc. The key thing is to understand what customers want better than the competition and then make customers loyal. In marketing terms, this two rules are translated into customer acquisition and customer retention (Giese and Cote, 2000.; Shirin and Puth, 2011.). After the confirmation of customer loyalty to the brand or service, the loyalty to the company is being confirmed by establishing loyalty programs (Evanschitzky et al., 2012.) that the company has systematically been introducing.

Customer expectations are not to be regarded as permanent and stable category; On the contrary, expectations are variable before the purchasing process, during this process and also during the use of products or services due to different influences (changes in market circumstances, competition efforts, etc.). Fornel et al. (2010) suggest that a change in customer satisfaction which has lagged behind and which contributes to future demand has a significant impact on consump-

tion growth. Also, complaints should be considered an indicator of organizational performance assessment, signaling some problems or failures in internal processes that need quick recovery in order to avoid migration of profitable customers (Filip, 2013).

By analysing levels of satisfaction, it is easy to conclude that the greatest value for the company is enthusiastic clients expressing real loyalty. Satisfaction is the measure of the product's performance (received value) compared to what it is being compared with, i.e. the expected value (which is not a stable category and can be under various influences). Winning customers and keeping them are the most hard-fought elements of modern business. Things are fought over because the organization's ability to win customers and to keep them coming back are indeed extremely precious attributes (Robinson and Etherington, 2006.). The satisfaction survey is based on the assumption that it is the difference between the known values and expectations, with the expected and realized value being approximately equal and that the expected and realized value can be significantly different. Thus, essentially clients can be: (a) dissatisfied, (b) satisfied or (c) extremely satisfied, i.e. enthusiastic. Companies whose clients are only "satisfied" still need to be careful, because satisfied customers are not resistant to competition attracting actions. Still, companies, which strive for high customer satisfaction and offer high quality service to their customers, may ensure that customers remain loyal to the company (Hu and Bentler, 1999.).

Customer satisfaction is directly associated with the quality of products or services, the attitude of the entire company towards the customer starting from the top management, the price, product availability, distribution and other elements of the marketing mix concept in the service activities (Kotler and Keller, 2012.; Tse et al., 1990.). Very often the concept of value and the concept of quality are identified in the literature. The quality of a service is also defined as the difference between expected and perceived service (Parasuraman et al. 1985.). According to Gale and Buzzell (1989.), the market-perceived quality is the attitude of the client about products or services compared to competitor ones, while the value is seen as market-experienced quality observed with the relative product price. Quality has to be defined in the same way customers do and if not, all that the business has done for building their service can turn out to be a bad investment (Grönroos, 2015.). Also, it is estimated that the cost of attracting new customers is from 5 to 25 times higher than the costs of maintaining the satisfaction of current customers (Saini et al. 2010.). In addition to all this and the company profile we underline that for this cause service

companies should pay special attention to sales personnel training because it is in direct contact with customers and directly interacting with them in order to create a service (Sengupta, Balaji & Krishnan, 2015.; Kotler and Caslione, 2009; Kotler and Trias De Bes, 2003.).

RESEARCH AND METHODOLOGY

The survey on the satisfaction of professional customers (auto mechanics and servicers), was conducted in the period from 2015 to 2018 on the territory of BIH, RNM and Serbia. The respondents were professional customers, AM Group company clients, who participated in annual Home Fair manifestations in the mentioned countries. Organization of the Home Fairs, which are primarily oriented to professional target customers is a sort of a must activity of improving sales in the last ten years for family business. Gathering useful information from the customers directly companies gain a different knowledge on the current competitive tactics of getting customer's loyalty (Milovanović, 2014.). Various issues were analysed in relation to satisfaction with the sales staff, their complaisance, competences and expertise, range of goods, flexibility in handling complaints or complaints, delivery services, sales and operations of field commercialists, the ratio of the value of the product to the price, the percentage share in the purchase, the quick order and so on. For the purposes of this paper, only questions that are directly related to sales improvement are statistically processed. The results of this research have been directly used to improve the sales promotion of the mentioned company and its operations in these countries.

The fondation of predictive model is laid with intuition and deep knowledge of the problem context, which are entirely vital for driving decisions about model development. The process begins with relevant data another key ingredient (Kuhn and Johnson, 2013.). Regression models are developed in business and economic applications to increase understanding of the system and process being studied. Statistical theory provides link between the underlying process and the data observed from the process (Newbold et al. 2010.). Van der Kooij and Meulman (2006.) point out that categorical regression quantifies categorical data by assigning numerical values to the categories, resulting in an optimal linear regression equation for the transformed variables. A special approach named Categorical regression with optimal scaling using alternating least squares is suitable to assign numerical values to those categorical variables and obtain the final regression formula (Angelis et al. 2001.). Categorical regression is also known by the acronym CATREG, for categorical regression. CATREG extends the stan-

dard approach by simultaneously scaling nominal, ordinal, and numerical variables. The procedure quantifies categorical variables so that the quantifications reflect characteristics of the original categories. The procedure treats quantified categorical variables in the same way as numerical variables. Using nonlinear transformations allow variables to be analyzed at a variety of levels to find the best-fitting model.

Table 1. CATREG algorithms – ANOVA Table

	Sum of Squares	df	Mean Sum of Squares
Regression	$n w R^2$	$u'f$	$n w R^2(u'f)-1$
Residual	$n w (1-R^2)$	$n w -1-u'f$	$n w (1-R^2)(n w -1-u'f)-1$

$$F = MS_{reg} / MS_{res}$$

Source: Authors' research

The Authors used CARTEG as a method of predicting the level of customer loyalty by combining variables from the survey-questionnaire with regard to the relationship between the sales staff and the characteristics of the products themselves. This analysis is used for categorical variables, uses optimal scaling, when dependent and predictive variable are combinations of nominal and ordinal variables, as is the case with this research. The dependency variable “loyalty” or “percentage estimation of purchasing of the goods” in the AM Group is the ordinal variable on a four-category scale from “below 60%” to “over 90%”. The data were processed in software package SPSS, while the charts and associated tables were obtained using the Power BI i.e. business analytics services provided by Microsoft. The research was repeated for four years, as it had previously showed to be an excellent mechanism for monitoring the loyalty of customers.

The following hypotheses are stated in the work:

H1: Big changes in distribution-sales network, following with new services will cause a loyalty decrease of professional customers.

H2: Service quality is directly related to customer loyalty.

H3: Depending on the country different variables affect the customer loyalty with different impact.

RESEARCH RESULTS

The variables will be presented through CATREG firstly regarding sum of three countries, than in particular for BIH, RNM and Serbia.

Predictive variables in the regression model were (also research questions):

RQ1: What is the relation of our employees towards you? – Three-level ordinal variable from “not satisfactory” to “very business-like and competent”

RQ2: Are you satisfied with the assortment of our goods? – Nominal variable, two categories “I am satisfied” and “not completely”

RQ3: Describe the flexibility in solving the complaint. – Nominal variable, three categories “fast and with quality”, “unsatisfactory”, “I did not have any complaints”

RQ4: Are you satisfied with the delivery of goods from our retail stores. - Nominal variable, three categories “yes, completely”, “not satisfied”, “I don’t use delivery”

RQ5: What do you think about the ratio of product value to price? - Nominal variable, two categories “satisfactory” and “unsatisfactory”

RQ6: Professionalism of working staff? - Nominal variable, two categories “professional enough” and “not professional enough”

RQ7: Do you think that our commercialist should visit you more often and introduce you with our action sales and new range? - Nominal variable, two categories “yes” and “no” (Table2).

Table 2. CATREG – The whole sample (BIH, RNM, SRB)

Model Summary			
Multiple R	R Square	Adjusted R Square	Apparent Prediction Error
.265	.070	.067	.930

Dependent Variable: Compared to your total purchase, what’s the percentage of the purchase in our store?
Predictors: What is the relation of our employees towards you? Are you satisfied with the assortment of our goods? Describe the flexibility in solving the complaint. Are you satisfied with the delivery of goods from our retail stores? What do you think about the ratio of product value to price? Professionalism of working staff? Do you think that our commercialist should visit you more often and introduce you with our action sales and new range?

Source: Authors’ research

The square R (R Square) of 0.070 indicates that the included predictor variables in the model explain, or participate in, with 7% of the customer loyalty tracking. However, sometimes in predictive models, such a low R value of squares can be expected, especially in those researches when attempting to predict people’s behavior (Table 2).

Table 3. ANOVA - The whole sample (BIH, RNM, SRB)

	Sum of Squares	df	Mean Square	F	Sig.
Regression	228.998	10	22.900	24.542	.000
Residual	3040.002	3258	.933		
Total	3269.000	3268			

Dependent Variable: Compared to your total purchase, what’s the percentage of the purchase in our store?
 Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7

Source: Authors’ research

As can be seen in Table 3, the F value for the regression model is statistically significant ($p < 0.001$) and indicates the existence of deviations of the corresponding variables from the model, when all the predictors are included in the model, they deteriorate the model’s prediction. In the further analyzes and tables as follows, the variables were separated according to their importance in the model. From the variables included in the model, the relation of the employees, the range of goods, the way of solving the complaints, satisfaction with the delivery and the ratio of the price and quality of the products statistically significantly influence or participate in the predictor model of customer loyalty. These variables make 99.8% of importance in the predictive model. It can be concluded from the above that three most important variables with a significant importance (“importance” column): flexibility in complain solving 52.7%, satisfaction with delivery of goods 23.8% and cost/quality ratio 10.6%. In addition, when looking at the “Part” column, it gives % relative importance or % participation in change for each predictor in regards to total participation in the change, ie predication of loyalty. Thus, it is concluded that the flexibility in solving the complaints involves 17.9%, satisfaction with delivery of goods 10.8%, and price and quality ratio 7.6% (Table 4).

Table 4. Selected variables according to their importance in the model (BIH, RNM, SRB)

	Standardized Coefficients			df	F	Sig.	Correlations			Importance
	Beta	Bootstrap (1000) Estimate of Std. Error					Zero-Order	Partial	Part	
What is the relation of our employees towards you?	.043	.019	2	5.235	.005	.081	.044	.042	.050	
Are you satisfied with the assortment of our goods?	.060	.022	1	7.582	.006	.090	.060	.058	.077	
Describe the flexibility in solving the complaint.										
.182										
.019										
2						.203	.182	.179	.527	
89.715										
.000										
Are you satisfied with the delivery of goods from our retail stores?	.110	.018	2	37.078	.000	.152	.111	.108	.238	
What do you think about the ratio of product value to price?	.080	.021	1	14.334	.000	.093	.081	.079	.106	
Professionalism of working staff?	.004	.013	1	.110	.741	.030	.004	.004	.002	
Do you think that our commercialist should visit you more often and introduce you with our action sales and new range?	.001	.010	1	.015	.901	.022	.001	.001	.000	
Dependent Variable: Compared to your total purchase, what's the percentage of the purchase in our store?										

Source: Authors' research

An additional analysis of participation variables from research has been carried out as a percentage of customer loyalty prediction per country, where AM Group is present:

Bosnia and Herzegovina

Table 5. CATREG - Regression for Categorical Data - Bosnia and Herzegovina

Case Processing Summary			
Valid Active Cases	1692		
Active Cases with Missing Values	0		
Supplementary Cases	0		
Total	1692		
Cases Used in Analysis	1692		
Model Summary			
Multiple R	R Square	Adjusted R Square	Apparent Prediction Error
.223	.050	.045	.950
Dependent Variable: What is the purchase percentage of the goods sold in our store?			
Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7			

Source: Authors' research

The R square (R Square) of 0.050 indicates that the included predictor variables in the model explain, participate with 5% in predicting customer loyalty (Table 5).

Table 6. ANOVA - Bosnia and Herzegovina

	Sum of Squares	df	Mean Square	F	Sig.
Regression	84.211	9	9.357	9.789	.000
Residual	1607.789	1682	.956		
Total	1692.000	1691			
Dependent Variable: Compared to your total purchase, what's the percentage of the purchase in our store?					
Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7					

Source: Authors' research

As can be seen from Table 6, the F value for the regression model is statistically significant ($p < 0.001$), and points to the existence of deviations of the associated variables from the model, ie when all the predictors are included in the model, they exacerbate the prediction of the model.

Further analyzes and tables below show the variables separated by their importance in the model. For customers from Bosnia and Herzegovina, in the four years during which the survey was conducted, from the variables included in

the model, the range of goods, the satisfaction with the delivery and the ratio of the price and quality of the product, have a statistically significant influence or participation in the predictor model of customer loyalty. These variables make 83.9% of importance in the predictive model. It is concluded that the same variables are most important with the highest importance (“importance” column): product range 29%, satisfaction with delivery 23.5% and highest - price/quality ratio 31.4%. Additionally, when the column “Part” is analyzed, it shows the% relative importance or% participation in change for each predictor relative to the total participation in the change, ie the prediction of loyalty. Thus it is concluded that satisfaction with the assortment of goods is 9.5%, satisfaction with goods delivery 8.9%, and price and quality ratio 11.1% (Table 7).

Table 7. Selected variables according to their importance in the model (BIH)

	Standardized Coefficients		df	F	Sig.	Correlations			Importance
	Beta	Bootstrap (1000) Estimate of Std. Error				Zero-Order	Partial	Part	
What is the relation of our employees towards you?	.050	.044	1	1.295	.255	.089	.050	.048	.090
Are you satisfied with the assortment of our goods?	.099	.036	1	7.423	.007	.146	.097	.095	.290
Are you satisfied with the delivery of goods from our retail stores?	.092	.031	2	8.499	.000	.127	.091	.089	.235
What do you think about the ratio of product value to price?	.111	.039	1	7.908	.005	.141	.111	.109	.314
Professionalism of working staff?	.012	.019	1	.416	.519	.057	.012	.012	.014
Do you think that our commercialist should visit you more often and introduce you with our action sales and new range?	.009	.018	1	.230	.632	.037	.009	.009	.006
Describe the flexibility in solving the complaint.	.036	.025	2	2.072	.126	.069	.036	.036	.051
Dependent Variable: Compared to your total purchase, what's the percentage of the purchase in our store?									

Source: Authors' research

Republic of North Macedonia

Table 8. presents an analysis of a prediction, categorical regression model to determine which variables the most foresee customer loyalty in Republic of North Macedonia.

Table 8. CATREG - Regression for Categorical Data - RNM

Case Processing Summary			
Valid Active Cases		800	
Active Cases with Missing Values		0	
Supplementary Cases		0	
Total		800	
Cases Used in Analysis		800	

Model Summary			
Multiple R	R Square	Adjusted R Square	Apparent Prediction Error
.245	.060	.050	.940

Dependent Variable: What is the purchase percentage of the goods sold in our store?
 Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7

Source: Authors' research

The square R (R Square) of 0.060 indicates that the included predictor variables in the model explain, participate with 6% in predicting customer loyalty.

Table 9. ANOVA – RNM

	Sum of Squares	df	Mean Square	F	Sig.
Regression	48.207	9	5.356	5.629	.000
Residual	751.793	790	.952		
Total	800.000	799			

Dependent Variable: Compared to your total purchase, what's the percentage of the purchase in our store?
 Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7

Source: Authors' research

As can be seen from Table 9, the F value for the regression model is statistically significant ($p < 0.001$), and points to the existence of deviations of the associated variables from the model, ie when all the predictors are included in the model, they exacerbate the model's predictiveness. In the further analyzes and tables as follows, the variables were separated according to their importance in the model. For Macedonian customers, in the four years during which the survey

was conducted, from the variables included in the model, the satisfaction with delivery, the ratio of price and product quality, and the flexibility to deal with complaints-claims, have a statistically significant effect on, or participate in, the predictor model of customer loyalty. These variables make 83% of importance in the predictive model. It is concluded that the same variables are most important with the highest importance (“importance” column): satisfaction with goods delivery 14.8%, cost/quality ratio 7.7% and flexibility in solving complaints 60.5%.

By analyzing the column “Part” the percentages are: satisfaction with goods delivery 8.3%, cost/quality ratio 6.5% and flexibility in problem solving 18% (Table 10).

Table 10. Selected variables according to their importance in the model (RNM)

	Standardized Coefficients		df	F	Sig.	Correlations			Importance
	Beta	Bootstrap (1000) Estimate of Std. Error				Zero-Order	Partial	Part	
What is the relation of our employees towards you?	.045	.053	1	.722	.396	.063	.046	.044	.046
Are you satisfied with the assortment of our goods?	.064	.040	1	2.520	.113	.087	.064	.062	.092
Are you satisfied with the delivery of goods from our retail stores?	.084	.036	2	5.605	.004	.106	.086	.083	.148
What do you think about the ratio of product value to price?	.066	.034	1	3.749	.050	.071	.066	.065	.077
Professionalism of working staff?	.011	.033	1	.112	.738	.000	.011	.011	.000
Do you think that our commercialist should visit you more often and introduce you with our action sales and new range?	.036	.030	1	1.474	.225	.053	.037	.036	.032
Describe the flexibility in solving the complaint.	.183	.037	2	24.065	.000	.199	.183	.180	.605

Dependent Variable: Compared to your total purchase, what's the percentage of the purchase in our store?

Source: Authors' research

Serbia

The following is an analysis for a prediction, categorical regression model to determine which variables are most predicated on customer loyalty in Serbia.

Table 11. CATREG - Regression for Categorical Data – Serbia

Case Processing Summary			
Valid Active Cases	777		
Active Cases with Missing Values	0		
Supplementary Cases	0		
Total	777		
Cases Used in Analysis	777		
Model Summary			
Multiple R	R Square	Adjusted R Square	Apparent Prediction Error
.202	.041	.030	.959
Dependent Variable: What is the purchase percentage of the goods sold in our store?			
Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7			

Source: Authors' research

The square R (R Square) of 0.041 indicates that the included predictor variables in the model explain, they participate with 4.1% of the customer loyalty rating. As already noted, sometimes in predictive models we can expect such a low value of the square R, especially in those researches when trying to predict the behavior of people (Table 11).

Table 12. ANOVA – Serbia

	Sum of Squares	df	Mean Square	F	Sig.
Regression	31.856	9	3.540	3.643	.000
Residual	745.144	767	.972		
Total	777.000	776			
Dependent Variable: Compared to your total purchase, what's the percentage of the purchase in our store?					
Predictors: RQ1, RQ2, RQ3, RQ4, RQ5, RQ61, RQ7					

Source: Authors' research

As we can see in the Table 12, the F value for the regression model is statistically significant ($p < 0.001$), and indicates the existence of deviations from the associated variables of the model, ie when all the predictors are included in the model, they exacerbate the model's predictiveness.

In the further analyzes and tables below, we see the separated variables according to their importance in the model.

As we see in the case of Serbian customers, in the four years during which the survey was conducted, from the variables included in the model, satisfaction with delivery and flexibility in solving complaints-claims have a statistically significant effect on, or participate in, the prediction model of customer loyalty. These variables make up 73.7% of the importance in the predictive model. From this we can say that the same variables are most important with the highest percentage of importance (“importance” column): satisfaction with delivery of goods is 50.4%, and flexibility in solving the complaint is 60.5%.

Additionally, when we look at the “Part” column, it gives us a % relative importance or % participation in change for each predictor in relation to total participation in change, ie predication of loyalty. So, we see that satisfaction with delivering goods is 13.3% and flexibility in problem solving 8.3% (Table 13).

Table 13. Selected variables according to their importance in the model (SRB)

	Standardized Coefficients		df	F	Sig.	Correlations			Importance
	Beta	Bootstrap (1000) Estimate of Std. Error				Zero-Order	Partial	Part	
What is the relation of our employees towards you?	.045	.065	1	.489	.485	.067	.045	.044	.074
Are you satisfied with the assortment of our goods?	.052	.040	1	1.691	.194	.078	.052	.051	.099
Are you satisfied with the delivery of goods from our retail stores?	.135	.050	2	7.214	.001	.153	.134	.133	.504
What do you think about the ratio of product value to price?	.045	.034	1	1.706	.192	.070	.044	.044	.077
Professionalism of working staff?	.015	.048	1	.101	.750	.042	.015	.015	.016
Do you think that our commercialist should visit you more often and introduce you with our action sales and new range?	.007	.025	1	.086	.769	-.019	.008	.007	-.003
Describe the flexibility in solving the complaint.	.085	.041	2	4.329	.014	.113	.085	.083	.233

Dependent Variable: Compared to your total purchase, what’s the percentage of the purchase in our store?

Source: Authors’ research

There is a statistical significance at $p < 0.01$ in the estimation of customers, compared to their total purchase (what's the percentage of the purchase in our store) in the observed period from 2015-2018 years. $\chi^2 (9, N = 3269) = 26,186, p = 0,000$. The percentage of customers that AM Group supply more than 90% of goods, grows from 27.4% to 35.5%. After the year of 2016 - big changes in distribution-sales network, followed by new services, caused a loyalty reduction of professional customers in the year 2017 (from 34.8% to 34.4%). In the category of customers less than 60% the percentage of those least loyal treasures is growing, so after the mentioned changes in 2017. it amounts to 12.9%, in 2018, when the situation improved (Table 14).

Table 14. Compared to your total purchase, what's the percentage of the purchase in our store? *Years of research - The whole sample (BIH, RNM, SRB)

2015 2016	Years of research					Total	
		2017	2018				
Compared to your total purchase, what's the percentage of the purchase in our store?	Excellent (over 90%)	N	217	278	275	312	1082
		%	27.4%	34.8%	34.4%	35.5%	33.1%
	Very good (80%-90%)	N	229	186	190	192	797
		%	28.9%	23.3%	23.8%	21.9%	24.4%
	Good (60%-80%)	N	241	242	231	239	953
		%	30.4%	30.3%	28.9%	27.2%	29.2%
	Bad (under 60%)	N	105	94	103	135	437
		%	13.3%	11.8%	12.9%	15.4%	13.4%
Total	N	792	800	799	878	3269	
%		100.0%	100.0%	100.0%	100.0%	100.0%	

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26,186a	9	.002
N of Valid Cases	3269		

a. 0 cells (0,0%) have expected N less than 5. The minimum expected N is 105,87.

Source: Authors' research

CONCLUSION AND IMPLICATIONS

Every service oriented company that pursues to maintain its business in a competitive environment should focus on customer loyalty (Milovanović et al., 2019). Although loyalty is the basis for the success of any service oriented company, it is

well known that this state is not easy to achieve, nor sustain. Business problems described in this work, which caused discontent among customers, relate to the service of the greater number of new traders who have not undergone quality training after the recruitment process. Rapid expansion of the sales network and relocation of some business units to a new and larger locations slowed down or completely stopped the process of delivery to customers. It resulted in dissatisfaction with loyal customers. These changes and transformations were implemented in 2016, so changes in customer loyalty were seen next year (2017). With this we can conclude that Hypothesis 1 is true (Table 14). Out of the available variables and data, there are those that in some countries (Table 7, Table 10, Table 13) where research is conducted may in the future affect the greater loyalty of customers, which confirms Hypothesis 2. So, for BIH we can say that the range of goods, delivery and the price and quality ratio most influence the customer loyalty. In Macedonia, that is the range of goods, delivery and the way of handling complaints. In Serbia, from the examined variables of goods delivery and solving of complaints, if there are any, they have the highest importance in predicting the level of customer loyalty. This is not only the proof of Hypothesis 3, but also an important thing for Authors and researchers in this field to think about. Though almost all ex SFRY republics, nowadays independent states, have similar social and cultural models, our line of thinking (and next survey issue) goes in direction of combination market characteristics combined with socio-cultural influence. Making a model that effectually puts this two elements into one could be extremely useful for traders and marketing experts. Also, in the future it is recommended to supplement the questionnaire with other business segments that are aimed at customers and try to examine the habits and behavior of customers in general and what is important to them in opposition to what they are satisfied with. In the end, the introduction of new loyalty program for professional customers would enable the connection of each individual purchase, as well as the identification and categorization of customers with deeper insight in their needs and satisfaction. Furthermore, this would enable the offer of additional and targeted actions, as well as the development of other retail strategies. All these are tools for achieving customer's loyalty. All this, with the implementation of the ISO 9001: 2008 standard, will lead to improvement and efficiency of the quality management system process as a whole, which will be presented by the authors in the third part of the research - a paper that presents the results of the research for years 2019 and 2020. There are several limitations, of course, that need to be noted. First, present study only examined the relation between customer satisfaction and loyalty toward quality of services on markets of four similar countries. Therefore, to generalize the result of this study, future research should target and

include more emerging countries in the sample. Second, analyzed factors may (and most probably do) vary regarding different types of business. We encourage researchers to further examine various antecedents of customer satisfaction and loyalty which eventually will help managers to efficiently allocate firm's limited resources.

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