



## **The Role of Customer Feedback in Shaping Service Innovations in Telia Lietuva**

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### **ABSTRACT**

Our study addresses the impact of customer feedback on Telia Lietuva's service innovations, where customer insights are integral to company service development. The article focuses on exploring the data collection processes used by Telia Lietuva through the lens of various methods: surveys, social media monitoring, and analyzing customer service interactions in order to shed light on the dynamic strategies that drive Telia Lietuva to collect, analyze and implement customer feedback. They use a wide assortment of advanced tools, including AI-powered platforms, CRM systems, and predictive analytics, to process and act on customer feedback effectively. Some notable innovations that arose from customer input include a redesigned mobile app, new flexible billing systems, and the launch of remote work data packages. The challenges in interpreting and implementing feedback, including the volume of responses, resource constraints, and striking a balance between short-term fixes and long-term innovations, are also discussed. The process must emphasize collaboration across departments and rapid iteration to integrate that feedback into service innovations. This study ends with Telia Lietuva's determination to improve through continuous closed-loop feedback, real-time data collection, and predictive analysis, enabling customer-centered innovations that enhance overall satisfaction and loyalty.

Keywords: Customer Feedback; Service Innovation; Telia Lietuva; Customer Involvement; External Relationships; Innovation Performance

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### **1. Introduction**

In the changing telecommunications industry, customer feedback has become one such critical driving force for creating new services that led to the emergence of various industries at the global level. To avoid losing customers to competitors in such a competitive marketplace, companies need to meet customer service expectations. This feedback provides insight into the customer needs, changing preferences, and dissatisfaction not being served, telling companies how to do better at serving existing services, and how to build new service offerings. This is crucial for gap analysis as well as driving innovation. Feedback can be heterogeneous and sometimes contradictory, which often makes it challenging for organizations to prioritize feedback and implement changes (Crescenzi & Gagliardi, 2018). With limited time, constrained budgets, and the requirement of aligning feedback to wider company goals, the process of properly interpreting feedback and turning it into significant innovations becomes even more challenging. Still, while difficulties exist, businesses that effectively integrate consumer input and criticism into their product growth practises typically enjoy a major increase in customer satisfaction and competitive advantage (Feng & Ma, 2020).

In turn, service innovation research tries to find out what factors are vital for service innovation. Service innovation process is widely known to be very dependent on customer involvement (Ferreras-Méndez et al., 2019). Despite increasing awareness of the benefits of customer involvement, relatively few empirical studies have the relationship as their focal point and, more crucially, few have investigated the internal mechanisms that contribute to certain productive outcomes for this approach to service innovation (Heirati & Siahtiri, 2019). According to resource dependence theory (RDT), organizations rarely act in isolation but rather depend on external organizations to procure the resources they need for their operations. The reliance on external resources suggests that companies must develop linkages with other organizations and stakeholders to procure these resources (Albort-Morant et al., 2018). And thus, creating effective and innovative external relationships (primarily with customers) has become critical for firms (Liu & Chen, 2018; Ndubisi et al., 2020). When customers collaborate with the firm to innovate services, they may develop relationship learning by exchanging learning with each other in the process of developing mutual willingness to learn from each other, which could create future value (Liu & Chen, 2018). Hence,

we propose that relationship learning, defined as a fundamental interaction capability under RDT, can positively contribute to a firm's service innovation outcomes. Because firms do not only have to acquire external knowledge, but they also need to be able to use that external knowledge for service innovation. A central concept is the internal absorptive capacity (Tjahjono & Cao, 2020) of the firm, or its ability to identify the knowledge that is of use to the firm, to acquire that knowledge and to utilize that knowledge in practice. To effectively tap external sources of customer knowledge, as with remote suppliers, firms need to innovate their internal systems for absorbing, storing, processing and acting on the information that comes from customers (Santoro et al., 2020). Thus, we hypothesize that absorptive capacity operates as a moderator in the link between customer involvement and service innovation outcomes, acting mainly via the mechanism of relationship learning.

However, firms do not necessarily absorb and assimilate external knowledge into their service innovation processes. For successful exploitation of external knowledge, firms also need to develop a high absorptive capacity that is their internal ability to diffuse, transforming, and applying external knowledge (Fernández-Mesa, & Alegre, 2019; Martín-de Castro, 2015). To exploit the knowledge acquired from customers and especially from long distance, firms need to build their internal capabilities to assimilate and process this external data (Santoro et al., 2020; Witell et al., 2017). Thus, we conjecture that a firm's absorptive capacity can play a moderating role in the relationship between customer involvement and service innovation performance, promoting the learning process to enhance firms' innovative outcomes. The essential issue that this research is studying is how customer feedback influences service innovations at Telia Lietuva. Telia Lietuva is at the forefront of the most dynamic, extremely competitive and rapidly evolving dynamic services - range, expectations and technical opportunities. But turning customer feedback into actionable insights for service innovation is harder than it seems. Examine how exactly Telia collects and analyzes feedback and uses it to create new services or improve existing ones. According to the reviewed literature, there is a considerable research gap in the area of positive customer feedback and the service industry. To fill this gap, our study explores unsolicited positive customer feedback, in terms of compliments and gratitude, focusing on the usage of different performative acts and its potential effects.

**The Contribution of Customer Feedback to the Development of Service Innovations: Case of Telia Lietuva** The goal is to examine the impact that customer input has on service design and improvement, particularly about specific challenges and practices related to feedback use. It introduces the basic terms surrounding and connecting customer feedback, service innovation, and explores how Telia Lietuva collects, analyses, and implements these practices. It also assesses how well these mechanisms facilitate successful innovations. This research uses both theoretical methods, such as literature review, document analysis, and comparative studies, and practical methods, such as expert interviews and surveys.

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## 2. Methodology

### 2.1 Methods: Analysis Process

A mixed-methods approach was employed for data collection and analysis. Qualitative data were collected by conducting in-depth interviews and focus group discussions (FGDs) with customers to explore their experiences and perceptions. This approach offered in-depth insights into customer perceptions and pain points. Surveys that provided quantitative data in the form of numerical scores for the frequency of customer satisfaction and the quality of service were used for quantitative data. It enabled statistical analysis of patterns and trends. One of the primary benefits of mixed methods was that it integrated the depth of qualitative data with the breadth of quantitative analysis, providing a holistic understanding of the research question. Qualitative methods offered rich, nuanced information about customer experiences (Mina et al., 2020), and quantitative methods generated quantifiable data that could be generalized to a larger population. But the method was also complicated and lengthy, involving the merging of multiple kinds of data. It also takes a greater toll on the resources needed to collect and analyze data. The criteria for expert interviews and focus group participants were selected, above all, based on the technical reliability of the answers given in order to obtain thorough insights. Each expert had at least five years of professional experience in an area directly related to managing customer feedback or service innovation for customer experience. Relevant experience could be working as a Customer Experience Manager, Service Innovation Specialist, a Marketing Manager, a Product Development Lead, or a Customer Service Supervisor. These users typically had first-hand experience designing, implementing, or analyzing customer feedback systems, in addition to incorporating feedback into programs to improve services. Furthermore, they had played a role in at least two successful projects where leveraging customer feedback was the basis for innovation or improved service delivery. It ensured that the participants recruited had good knowledge and could share meaningful insights. The study participants were fully informed about the aim of the study, how data would be used, and their right to withdraw without consequence.

Data were maintained unknown and anonymised for all personal data. Participation was completely voluntary — no marching, no threatening, no coercing. The results of the study were reported honestly and transparently without fabrication or falsification. The research employed established strategies, including pilot testing and objective measuring tools for the intended variables, to ensure validity. Use of reliable scales and consistent processes ensured reliability. For qualitative research, smaller sample sizes, of 3–10 participants, were enough for in-depth exploration, and data saturation was frequently reached with only 6 participants. Quantitative research needed a bigger number of samples for the data to be statistically valid (I.e. for the data to be consolidated, a minimum of 10 respondents per variable is recommended). A total of 3 interview participants, 3 focus group participants and 10 survey respondents participated in the study. Surveys used well-tested instruments such as Likert scales to provide in-depth understanding of customer satisfaction and service quality.

## 2.2 Key features of Telia Lietuva

Telia Lietuva is a leading telecommunications and IT services provider in the Lithuanian market. It is a member of the Swedish-based Telia Company, which operates in multiple Nordic and Baltic countries. Telia Lietuva's services include mobile and fixed telephony, high-speed internet, digital television and IT solutions. Telia Lietuva is one of the main providers of telecommunications services to individual persons and companies. The company is not hesitant when it comes to investing in new technologies, whether it be 4G or 5G mobile networks, and is thus very much regarded for its focus on innovation. Telia Lietuva, in its turn, focuses on the growth of its fiber-optic networks enabling customers to access faster and more reliable internet. By constantly improving technology, the company can remain competitive and further enable increased user demand. Telia Lietuva, which is closely focused on customer satisfaction, they flush out common customer issues by reaching out through surveys, seeing what posts are most shared on social media, and by taking feedback from their customer service team. That feedback is then used to enhance services and develop new innovations that better address customer requirements. Telia Lietuva cares for the evolution of customers' services by listening to them. The company is also dedicated to sustainability and social responsibility. To minimize its adverse effects on nature, the agency follows energy-saving aviators and provides computerized arrangements for a greener world. Furthermore, they are working on projects that strive for digital education and combating the digital divide in Lithuania.

## 2.3 Project Plan Overview

Data collection, analysis, implementation, and monitoring were the four main stages of the project plan. The data collected was mainly based on customer feedback through surveys, interviews and focus groups. Data was collected via surveys, interviews and focus groups, for a more descriptive understanding of how consumers feel. During the analysis phase, the data that had been collected was converted into useful insights through the recognition of pattern and trends. These learnings drove the implementation phase, where feedback is harnessed to implement immediate actions to enhance services. Finally, the monitoring stage tracked the success of these changes, ensured they aligned with customer needs, and made necessary adjustments based on ongoing evaluations. The project timeline lasted over a five-month period, featuring data collection in the first two months, and analysis of the data continuing into the third month. Months 3 and 4 were spent integrating feedback and development, and monitoring and reporting took up the final two months. In this study, we systematically collected feedback from different grid system categories to evaluate implemented innovations in a sequential approach. The project also explored possible scenarios. In the best case, the result was rapid service improvements and very satisfied customers, thanks to clear feedback, aligned resources, and smooth implementation. In the worst case there was unclear feedback, limited resources, or the implementation failed, causing delays and wasting efforts. A realistic case expected balanced insights, reasonable constraints, and consistent movement, resulting in gradual but tangible benefits. The main barriers were resource limitations, ambiguous feedback, reluctance to adapt and time constraints. We optimized available resources and prioritized high-impact initiatives to address resource constraints. This allows for cross verification of the data coming from various sources to minimize unclear feedback. Overcoming resistance was done via communication and training of the team for the purpose of generating support for improvements. Using agile methods, they managed time constraints and could quickly adapt while keeping the project moving toward completion.

## 3. Research Results

### 3.1 Analysis of expert's interviews

**Table 1: Role at Telia Lietuva and Experience in the Telecom Industry**

Category	Sub-Category	Answer
Role at Telia Lietuva	Customer Experience Manager	"I lead a dedicated team focused on ensuring our customers have exceptional experiences... (M1)"
	Product Development Manager	"I am tasked with the creation and launch of innovative products and services... (M2)"
	Quality Assurance Manager	"My primary objective is to ensure that our services uphold the highest standards of quality... (M3)"
Experience in Telecom Industry	10 years	"My role, which I've held for the past decade... (M1)"
	8 years	"With 8 years of experience in the telecom industry... (M2)"
	12 years	"With 12 years of experience in the telecom industry... (M3)"
Key Responsibilities	Customer Experience	"Monitoring customer interactions across various channels... (M1)"
	Product Innovation	"Creating and launching products and services that align with customer needs... (M2)"

	Quality and Reliability	"Ensuring services meet the highest quality standards through audits and customer feedback... (M3)"
Use of Customer Feedback	Mobile App Redesign	"After receiving feedback about the complexity of our mobile app, we redesigned it... (M1)"
	Flexible Data Plans for Remote Workers	"We introduced a flexible data plan for remote workers, based on feedback... (M2)"
	Network Infrastructure Upgrade	"We upgraded our network after receiving complaints about call drops in a region... (M3)"

Responses revealed two critical takeaways, representative of the company's commitment to customer focus and innovation. Customer Experience Manager (M1) - Team leadership in improving customer service "My team is dedicated to ensuring that our customers have the best experience possible. ..." Highlighting the importance of Story Share in delivering quality, customer focused transport services at the heart of their operations. Furthermore, the Product Development Manager (M2) also spoke about how customer feedback directly influences innovation: "I am responsible for creating and launching innovative products and services" This shows how Telia Lietuva leverages customer insights to tailor and create the product that matches shifting needs, an ongoing objective of the company in their efforts to maintain a strong position in an industry bristling with competition. Both responses highlight Telia Lietuva's dedication to constant modernization and customer experience innovation. These professionals possess between 8-12 years of experience in the industry and are highly skilled in making decisions that will directly affect customer happiness and service provision. Such findings overall point to a balanced approach to the process from Telia Lietuva, with customer feedback and experienced leadership as main drivers for both improvement and innovation in service.

**Table 2: Methods for Gathering and Analyzing Customer Feedback**

Category	Sub-Category	Answer
Methods of Feedback Collection	Surveys	"We utilize a variety of methods to collect feedback, including surveys... (M1)" "Surveys are a primary tool... (M2)" "Surveys are a key tool, and we deploy them regularly... (M3)"
	Social Media Monitoring	"We also closely monitor social media platforms... (M1)" "Social media is another critical feedback channel... (M2)" "We use sophisticated tools to track customer comments... (M3)"
	Customer Service Interactions	"Our customer service team plays a crucial role... (M1)" "Customer service interactions provide a wealth of information... (M2)" "Every interaction is logged and analyzed... (M3)"
	Net Promoter Score (NPS)	N/A "We use Net Promoter Score (NPS) surveys to gauge customer loyalty... (M2)" N/A
	Focus Groups and Interviews	N/A N/A "We also conduct focus groups and in-depth interviews with customers... (M3)"
Feedback Analysis Methods	Qualitative and Quantitative Analysis	"All collected data is analyzed using both qualitative and quantitative methods... (M1)" "It is analyzed using advanced analytics tools... (M2)" "The feedback is analyzed using both qualitative and quantitative methods... (M3)"
	Data Centralization	N/A "This feedback is compiled into a centralized database... (M2)" N/A
	Trend Identification and Issue Detection	"We detect patterns, measure satisfaction, and prioritize areas needing attention... (M1)" "We look for trends and recurring issues... (M2)" "We identify trends and pinpoint areas for improvement... (M3)"
Use of Feedback	Service Improvement and Product Development	"We develop strategic initiatives to enhance customer experience... (M1)" "This data-driven approach allows us to prioritize product development efforts... (M2)" "We develop strategies to enhance service quality... (M3)"

Telia Lietuva has several methods to collect and analyze the feedback from customer's and surveys and monitoring social media are an inseparable part of the process. Surveys method was highlighted as a first step tracking tool to collect feedback. As one person put it, "Surveys are a key mechanism" (M2). This demonstrates how the company relies on surveys for gathering structured information from a diverse group of clients to gain insights about customer satisfaction and areas that need enhancement. Social Media Monitoring also plays an equally important role in gathering real-time feedback apart from surveys. "One of the main feedback loops is social media" (M2), showing how the company captures and reacts to insights to how customers feel about its products across digital platforms. Now, Telia Lietuva can engage with their customer base and take on issues or feedback that are generated around their business in the free domain. Both approaches, surveys and social media monitoring are essential for Telia Lietuva to understand customer needs better and to enhance services accordingly, driven by firsthand customer input. Combining both structured and real-time feedback to provide a complete picture of customer satisfaction and market trends.

**Table 3: Innovations Driven by Customer Feedback**

Category	Sub-Category	Answer
Service Innovations	Mobile Application Redesign	"Customers expressed concerns about complexity... leading to a simplified user interface and improved user experience... (M1)"
	Flexible Billing System	"We developed a flexible billing system... allowing customers to customize plans and choose billing cycles... (M1)"
	Remote Work Data Packages	"Feedback during the pandemic led to the introduction of data packages for remote workers and students... (M2)"
	Enhanced Customer Support (Chatbot)	"We implemented a chatbot for instant assistance, reducing wait times... (M2)"
	Network Infrastructure Upgrade	"Customer feedback on network reliability and call drops led to targeted infrastructure upgrades... (M3)"
	Self-Service Portal	"Feedback on service resolution delays led to the introduction of a self-service portal... (M3)"
Feedback Source	Surveys, Social Media, Customer Service Interactions	"Feedback was gathered via surveys, customer service channels, and social media... (M1, M2, M3)"
Outcomes of Innovation	Improved Customer Satisfaction	"Increase in user engagement and satisfaction post mobile app redesign... (M1)"
		"Higher satisfaction and reduced churn after flexible billing... (M1)"
		"Increased subscription rates and satisfaction post data package launch... (M2)"
		"Improved network reliability and satisfaction post infrastructure upgrade... (M3)"
	Operational Efficiency	"Chatbot reduced wait times... (M2)"
		"Self-service portal empowered customers to resolve issues quickly... (M3)"

Table 3 shows the main innovations in Telia Lietuva, which were implemented according to the customer feedback. The Mobile Application Redesign and the Remote Work Data Packages. This was a reaction to critiques about the app being too involved (the Mobile Application Redesign). As one of them put it, "Customers said we had too much complexity, that was a problem. So, it kind of resulted in a simplified user interface and an improved end user experience" (M1). It emphasizes Telia Lietuva's purposefulness to increase its services usability after listening to automated feedback by the customers, therefore providing user-friendliness according to the users' expectations. The Remote Work Data Packages were also developed based on feedback from you during the pandemic that you needed specialized data plans. As one respondent noted, "Feedback during the pandemic resulted in data packages for remote workers and students" (M2). This innovation shows the extent to which Telia Lietuva listened to the evolving needs of its customer base and acted quickly to meet those needs in a rapidly way. All of these innovations presented here prove the proactive stance taken by Telia Lietuva to implement relevant changes from the insights they derive out of customer feedback. The company was able to improve the user experience and evolve its services according to new market needs by listening to customer worries and needs.

**Table 4: -Challenges in Interpreting and Implementing Customer Feedback into Service Innovations**

Category	Sub-Category	Answer
Challenges in Interpreting Feedback	Volume of Feedback	"The sheer volume of feedback from various channels is a challenge... We use advanced data analytics to categorize... (M1)"

	Distinguishing Actionable Insights	"It's difficult to decide between actionable insights and outliers or noise... (M2)"
	Accuracy and Relevance	"Feedback may be incomplete, ambiguous, or temporary... Cross-referencing feedback from multiple sources ensures accuracy... (M3)"
Challenges in Implementing Feedback	Skewed Feedback Representation	"Feedback can be skewed toward vocal customers... We ensure diverse demographic representation in surveys... (M1)"
	Resource Constraints (Budget/Feasibility)	"Constraints such as budget and technical feasibility can complicate implementation... We maintain cross-functional teams... (M1)"
	Integration into Existing Product Pipelines	"Feedback-driven innovations may require changes in processes or technologies, which can be resource-intensive... (M2)"
	Balancing Short-Term Fixes vs. Long-Term Innovations	"Some feedback calls for immediate action... while others involve long-term development... (M3)"
	Resistance to Change	"There can be resistance within the organization... We build a culture of innovation and customer-centricity... (M2)"
Solutions to Address Challenges	Data Analytics & Trend Identification	"We use data analytics and sentiment analysis to filter feedback... (M1, M2)"
	Diverse Feedback Collection Methods	"We collect feedback using multiple channels to ensure broad representation... (M1)"
	Cross-Functional Teams	"Cross-functional teams help ensure collaboration across departments... (M1, M3)"
	Agile Development Process	"We adopt an agile approach to iterate quickly and integrate feedback into development... (M2)"
	Clear Communication & Training	"Regular communication and training promote understanding of the importance of customer feedback... (M2, M3)"

Key challenges for interpreting and implementing customer feedback into service innovations for Telia Lietuva are summarized in Table 4. Now, there are two fundamental challenges we encounter: Volume of Feedback and Resource Constraints (Budget/Feasibility). Volume of Feedback is a major pain point for Telia Lietuva, as noted by one respondent, "The sheer volume of feedback from various channels is a challenge "we use advanced data analytics to categorize" (M1). This can be illustrated how difficult is to manage large amounts of feedback from customers and in which overwhelm ended is possible. Telia Lietuva, for example, uses data analytics to filter and organize feedback, allowing them to manage and leverage it appropriately. The second killer is Resource Constraints (Budget/Feasibility), which makes the implementation of any Feedback Driven Practice innovations quite difficult. "Implementation can be made difficult with constraints such as budget and technical feasibility "We preserve cross-functional teams," one respondent explained" (M1). This underlines how budget restraints and the technical challenge of certain innovations thwart progress. However, the company employs cross-functional teams to overcome those challenges so that resources are allocated correctly, and different departments work together as a team towards a common goal. Such challenges highlight the delicate balance that we need to maintain when integrating and implementing feedback from customers. Thus, Telia Lietuva's answer to these problems, beyond leveraging advanced analytics and cross-functional collaboration, stands evidence to their commitment towards addressing the intricacies of transforming customer feedback, to actual changes in services offered.

**Table 5: Expert's Interview Analysis - How Technology Has Facilitated the Process of Gathering and Utilizing Customer Feedback**

Category	Sub-Category	Answer
Gathering Feedback	CRM Systems	"We leverage advanced CRM systems that integrate feedback channels into a centralized platform... (M1)"
	Survey Platforms	"Our comprehensive survey platform allows us to design, distribute, and analyze surveys with ease... (M2)"
	AI-Powered Tools	"AI-powered chatbots collect feedback during customer interactions... (M1)"
	Social Media Listening	"Social media listening tools monitor customer sentiments in real-time... (M2)"

	Customer Service Logs	"We collect feedback through customer service interaction logs... (M3)"
Utilizing Feedback	AI and Machine Learning (ML)	"AI and ML algorithms analyze feedback, performing sentiment analysis and categorizing insights... (M1, M3)"
	Big Data Analytics	"We utilize big data analytics to cross-reference feedback with other customer data... (M1)"
	Data Visualization Tools	"Data visualization tools help us create dashboards that present feedback data in an easily understandable format... (M3)"
Improving Service Innovations	Project Management & Collaboration Tools	"Technology facilitates the implementation of customer-driven innovations through project management tools... (M2)"

Two main technological developments have made waves: CRM Systems and AI-Powered Tools. Centralization of feedback data from all channels: Deploying CRM Systems As a respondent summarized it, "We utilize sophisticated CRM that integrate feedback channels into a centralized platform." (M1). When used in conjunction with Omnia by Fusion Survey's technology, Customer Insights by Omnia helps streamline the feedback and insights collection process at every customer touchpoint, enabling the company to manage all their customer feedback in one system. Customer feedback through the centralized platform is organized for the company to access, analyze, and act on insights in one place. Likewise, AI-Powered Tools are proving to be a game-changer for the feedback collection. As one respondent observed, "AI-powered chatbots gather feedback during customer interactions" (M1). Overall, chatbots powered by artificial intelligence not only help to collect feedback but also interact with customers, leading to a more interactive and efficient process of capturing feelings during customer interactions! Both these technological innovations, CRM systems, and AI-powered tools, have enabled Telia Lietuva to capture feedback more effectively and at a larger scale. Not only do these developments increase the speed and precision of feedback collection, but they also set the stage for more advanced analysis and faster improvements to services.

**Table 6: Expert's Interview Analysis - Communicating Customer Feedback Acknowledgment**

Category	Sub-Category	Answer
Feedback Communication Strategies	Personalized Follow-Ups	"We respond directly to customers with updates on how their feedback is being addressed... (M1)"
	'You Spoke, We Acted' Section	"We highlight specific changes and improvements made based on customer feedback on our website and mobile app... (M1)"
	Feedback Loops	"We ensure customers receive updates about how their suggestions are being implemented... (M2)"
Direct Communication Examples	Monthly Newsletters	"Our newsletters outline top feedback themes and the specific actions taken in response... (M2)"
	Email Updates	"We sent personalized emails detailing how customer input led to new data packages... (M2)"
	Follow-Up Messages	"We inform customers through personalized messages about feedback-driven changes... (M3)"
Digital Communication Platforms	Blog Posts and Tutorials	"We publish blog posts and tutorial videos about new features developed in response to customer requests... (M3)"
	Social Media Engagement	"We engage with customers on social media, posting updates and discussing feedback... (M3)"

In table 6, different strategies and communication tools of Telia Lietuva are listed that are used by the company to recognize and react based on customers' feedback. Here are two main approaches that they stand out from: Personalized Follow-Ups and the 'You Spoke, We Acted' Section. A Critical Strategy: Personalized Follow Ups to Cultivate Customer Loyalty. And as one respondent noted, "We reply and directly engage customers with updates on how we are addressing their feedback" (M1). This not only communicates that feedback was heard, but also that customers can rest assured that their input is being listened to and acted on. By tailoring responses, customers feel a connection and that the company is invested in making improvements based on consumers, going the extra mile. The second key strategy is called the 'You spoke, we acted' Section, in which Telia Lietuva demonstrates the concrete improvements they made based on customer feedback. As one of the respondents puts it, "We complement certain changes and enhancements made on our website and mobile app based on customers' feedback" (M1). Such public announcement amplifies customers' knowledge of what they have done, and instills trust by proving that there is transparency. This gives customers an opportunity to make an impact and ensures that the suggestions are not

in vain. These communication techniques show Telia Lietuva's commitment to clear, customer-focused communications. The company promotes closer and more trusting customer relations through the implementation of individualized follow-ups with customers whenever possible and the practice of making changes based on customer feedback very visible.

**Table 7: Measuring Impact of Service Innovations on Customer Satisfaction and Loyalty**

Category	Sub-Category	Answer
Measurement Methods	Quantitative Metrics	"We use a combination of quantitative and qualitative metrics to assess impacts... (M1)"
	Net Promoter Score (NPS)	"We track changes in NPS scores before and after implementing service innovations... (M1)"
	Customer Satisfaction Surveys	"Surveys are distributed before and after the introduction of new services... (M2)"
Retention and Churn Analysis	Key Performance Indicators (KPIs)	"We track KPIs like customer retention rates, repeat usage rates, and customer lifetime value... (M2)"
	Customer Retention Rates	"We analyze changes in retention before and after service innovations... (M1)"
	Churn Rate Monitoring	"We track customer churn rates to understand if the innovations are helping to retain customers... (M1)"
Qualitative Insights	Customer Feedback and Reviews	"We gather qualitative insights into how our innovations are perceived through customer feedback... (M1)"
	Social Media Feedback	"We analyze feedback from our customer service channels and social media to assess sentiment... (M2)"
Engagement Metrics	Usage Frequency	"We monitor customer engagement levels, such as usage frequency and interactions with new features... (M3)"
	Post-Implementation Surveys	"These surveys are designed to gather feedback specifically related to the recent innovations... (M3)"
Case Examples	Network Infrastructure Enhancement	"After enhancing our network infrastructure, we observed an increase in the average duration of customer subscriptions... (M2)"
	New Troubleshooting Tool	"We observed increased engagement and reduced resolution times after introducing a new troubleshooting tool... (M3)"

As shown in Table 7, several approaches were employed by Telia Lietuva to evaluate how service innovations affect satisfaction and loyalty among customers. Here are 2 crucial methods to use: Net Promoter Score (NPS) Customer Retention Rates One of the most important metrics that we use, Net Promoter Score (NPS), we track customer loyalty and satisfaction after service innovations. One respondent commented: "We follow the NPS score differences pre- and post-service innovations..." (M1). One way to do this is by tracking NPS (Net Promoter Score), which provides a clear and quantifiable measure of customer satisfaction, helping the company to determine whether the changes made have had a positive effect on customer satisfaction levels. Telia Lietuva uses changing NPS scores to understand the overall impact of innovations and whether they correspond to customer expectations. Retail Sales are another key metric to measure: This enables the company to track the impact on customer retention of innovations. One respondent said, "We study retention differences pre- and post-service innovations." (M1). This approach directly ties customer retention to the effectiveness of improvements in service, allowing Telia Lietuva to determine whether its innovations are contributing to customer retention. Tracking retention rates also helps reveal the long-term success of service innovations and their contribution to building customer loyalty. While both NPS as well as customer retention rates prove to be critical for the analysis of effectiveness of service innovations. Monitoring these metrics allows Telia Lietuva to assess the direct influence of its innovations on customer satisfaction and guide its decisions about areas needing further improvement. These metrics can help improve service quality and customer loyalty based on data.

**Table 8: Future Trends in Customer Feedback and Service Innovations**

Category	Sub-Category	Answer
Personalization & Tailored Services	Advancements in AI and Data Analytics	"Customers are expecting more personalized solutions driven by data analytics and AI. We are investing in customer analytics tools and enhancing segmentation strategies." (M1)



Omnichannel Experiences	Seamless Integration Across Platforms	"Customers expect a cohesive experience across mobile apps, social media, and online platforms. We are improving our omnichannel strategy to meet this demand." (M1)
Sustainability Focus	Eco-Friendly Practices	"Customers are more environmentally conscious. We are implementing sustainable practices, reducing our carbon footprint, and promoting energy-efficient technologies." (M1)
IoT Integration	Expanding IoT Services	"We are preparing for the rise of IoT by expanding our IoT capabilities to offer seamless and reliable connectivity solutions for a growing number of connected devices." (M2)
5G Technology	5G Infrastructure and Use Cases	"The advancement of 5G will drive faster speeds and new service offerings. We are investing in 5G infrastructure and exploring smart cities and advanced mobile applications." (M2)
Customer Self-Service & Automation	Self-Service Portals and Automated Processes	"Customers are demanding more control over services. We are enhancing self-service portals and increasing automation in customer service processes." (M2)
Data Privacy & Security	Strengthening Data Protection	"As concerns about data privacy grow, we are strengthening our data security measures and ensuring transparent privacy policies." (M2)
AI & Machine Learning in Customer Service	Predictive Analytics & Automation	"AI and machine learning will enhance customer service experiences through predictive analytics and automated responses for faster issue resolution." (M3)
Network Resilience	Reliable Network Performance	"With the increasing reliance on telecom services, we are improving network reliability through infrastructure upgrades and proactive monitoring systems." (M3)
Customer-Centric Models	Prioritizing Customer Feedback in Innovation	"There is a shift towards customer-centric models where service innovations are aligned with customer feedback and preferences." (M3)

The future trends in feedback of customers and innovative services at Telia Lietuva are summarized in Table 8. Two major trends that emerge are Personalized & Tailored Services and Omnichannel Experience. In the Future Customer Engagement Personalization and Tailored Services will play such an important Role. As one of the respondents said, "Customers are demanding more tailored solutions powered by data analytics and AI. We are investing in customer analytic tools and improving segmentation tactics." (M1).

General Trend of Telia Lietuva earnings One of the most significant trends is Omnichannel Experiences, which means that customers look for a seamless and consistent experience across all platforms. We are enhancing our omnichannel strategy to satisfy this demand.' (M1). Focus here is to create only one customer journey so that customers can engage with the company with ease of touching different touchpoints. Telia Lietuva is working to understand service users better by improving its omnichannel strategy, which will involve comprehensive interactions between the company and its clients for more pleasant (service) journeys that exceed user expectations for convenience and consolidation and enhance the overall experience and satisfaction. These trends of the future are indicative of a larger movement towards increasingly personalized, interconnected, and consumer-oriented services. Telia Lietuva is already taking steps to achieve this by investing in AI, data analytics, and omnichannel integration while also aligning its offering to reflect changing customer demand, ensuring it can continue to introduce valuable services that drive long-term loyalty over the coming years.

**Table 9: Cross-Departmental Collaboration for Customer Feedback Integration**

Category	Sub-Category	Answer
Marketing's Role	Feedback Collection and Trend Analysis	"Marketing gathers feedback through surveys, social media listening, and market research. They analyze this data and share insights with product development and customer service." (M1)
Product Development's Role	Designing Service Innovations	"Product development teams use customer insights to refine services and work closely with marketing to ensure features align with customer needs and preferences." (M1, M2, M3)
Customer Service's Role	Frontline Feedback Collection and Issue Reporting	"Customer service gathers real-time feedback from customers, documents common issues, and communicates them to marketing and product development." (M1, M2, M3)

Collaboration Process	Cross-Functional Teams and Joint Meetings	"Cross-departmental meetings and workshops ensure seamless integration of feedback into service innovation. Teams work together to prioritize customer needs." (M1, M2, M3)
Tools for Collaboration	Collaborative Platforms and Communication Systems	"Collaborative tools and platforms streamline communication, ensuring all departments are informed about customer feedback and ongoing projects." (M2, M3)
Feedback Integration	Continuous Feedback Review and Alignment	"Regular feedback review meetings align departments on customer feedback, allowing for continuous improvement of service innovations." (M3)

At Telia Lietuva, cross-departmental coordination was crucial for integrating customer feedback (see Table 9). But key departments like Marketing, Product Development, and Customer Service all have unique roles in this process. Marketing collects feedback through surveys, social listening, and market research," explained one respondent. They analyze this data and share insights with product development and customer service." (M1). This guarantees that where people struggle feeds into the innovation pipeline. Product Development leverages these insights to enhance services, making sure they are in sync with customer preferences. As one respondent noted: "Product development teams leverage customer insights to refine services and collaborate in close partnership with marketing to make sure the features align with customer needs and preferences. (M1, M2, M3). Cross-departmental meetings and workshops support collaboration and feedback alignment: "Cross-departmental meetings and workshops ensure seamless integration of feedback into service innovation. (M1, M2, M3). That ensures that customer needs are met at every stage of new service innovations through cross-functional collaboration.

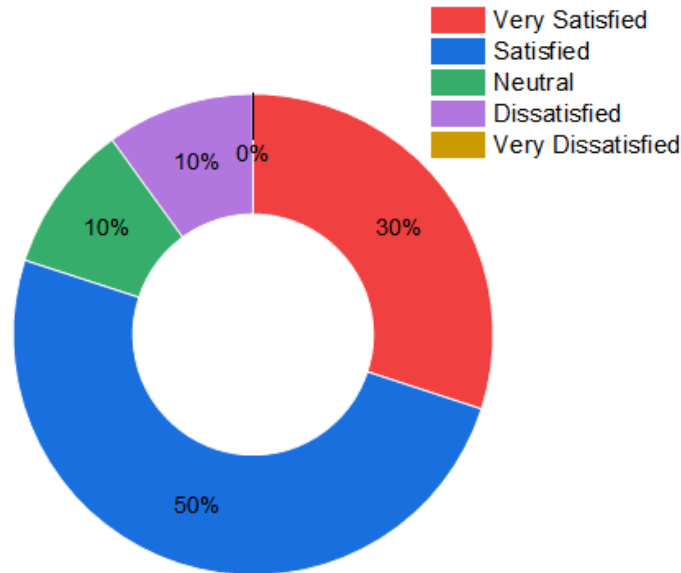
**Table 10: Continuous Improvement Strategies Based on Customer Feedback**

Category	Sub-Category	Answer
Customer Feedback Loops	Closed-Loop Feedback System	"We use a closed-loop system to ensure customer feedback is acknowledged and acted upon, informing customers of the changes we make based on their suggestions." (M1)
	Real-Time Feedback Collection	"Through our mobile app and website, we collect real-time feedback that helps us address issues immediately and improve customer experiences." (M2)
Data-Driven Decision Making	Advanced Analytics and AI	"We leverage AI to analyze customer data and provide personalized service offerings. This allows us to prioritize actions that match customer needs." (M1)
	Predictive Analytics	"We use predictive analytics to anticipate customer preferences, enabling us to proactively introduce new features and services before they are requested." (M3)
Agile Methodology for Product Development	Iterative Development	"Our product development follows an agile methodology, allowing us to introduce updates quickly in response to customer feedback and adjust based on iterative testing." (M2)
	Cross-Departmental Sprints	"We conduct cross-functional sprints with marketing, customer service, and development teams to respond rapidly to feedback and integrate changes into service offerings." (M3)
Customer-Centric Innovation	Customer Advisory Panels	"We have established customer advisory panels to involve key customers in testing new services and products, ensuring their feedback guides our innovations." (M1)
	Pilot Testing Programs	"Before launching new features, we run pilot testing programs where select customers provide feedback, allowing us to refine the service before a full rollout." (M3)

Table 10 summarizes continuous improvement initiatives at Telia Lietuva, where the company strives toward embedding the voice of the customer into the service innovation process. Implement a closed-loop feedback system where customer inputs/events trigger actions. As one respondent said: "Inside our company we have a closed-loop system where customer feedback is acknowledged and acted upon, and customers are notified of changes that we make based on their feedback. (M1). This ensures that customers see the effects of their feedback, cultivating loyalty and engagement. From what we can analyze, real-time collecting feedback through mobile apps and website, enables the company to resolve the issue at a moment, therefore stating: "Through our mobile app and website, we collect real-time feedback that helps us address issues immediately and improve customer experiences." (M2). It facilitates swift resolution as well as continuous enhancement of customer experience. By employing advanced analytics and AI to analyze customer data all these translate into data-driven decision making thus providing personalized services to customers. As one respondent put it: "We apply AI to analyse customer data and offer tailored service options. This enables us to prioritize measures that align to customer demand." (M1). Moreover, the

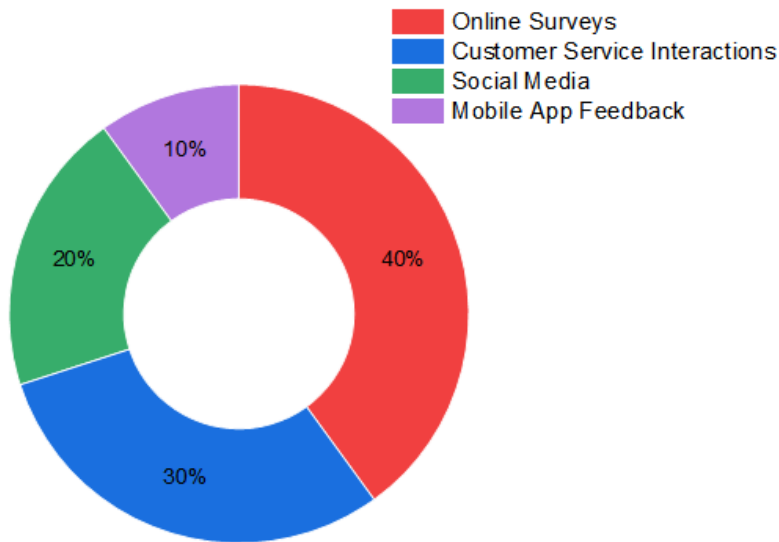
agile methodology allows for quick enhancements and modifications. The solution is to sprints across departments, which can accelerate that solution to new problems and allow for real-time changes to be made to meet customer needs as the first way the software is developed. This enables Telia Lietuva to develop strategies that ensure responsiveness and alignment with changes in customer demand and needs. Overall, Telia Lietuva’s ongoing improvement processes leverage customer feedback in real time, utilizing predictive analytics and agile development, to ensure that new developments are continuously adjusted and refined to maximize customer satisfaction.

**3.2 The analysis of survey results**



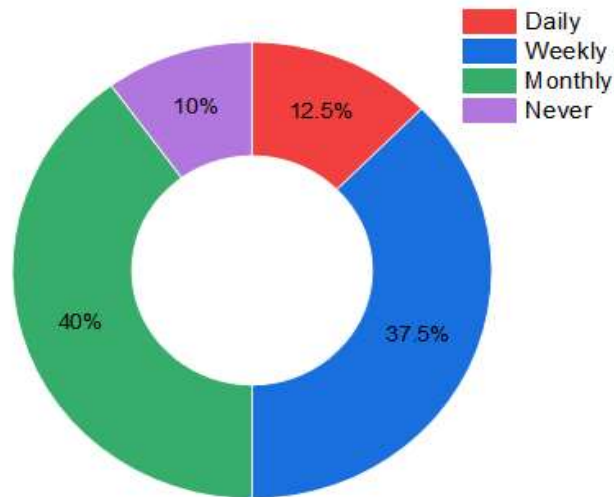
**Figure 1: How satisfied are you with the current services provided by Telia Lietuva?**

Many respondents are satisfied with the current services provided by Telia Lietuva. Specifically, 50% of the participants indicated that they are "Satisfied," and 30% reported being "Very Satisfied." This shows that most customers have a positive view of the services. Only a small percentage expressed dissatisfaction, with 10% being "Neutral" and another 10% being "Dissatisfied." No respondents felt "Very Dissatisfied," which suggests that overall, customer satisfaction is high.



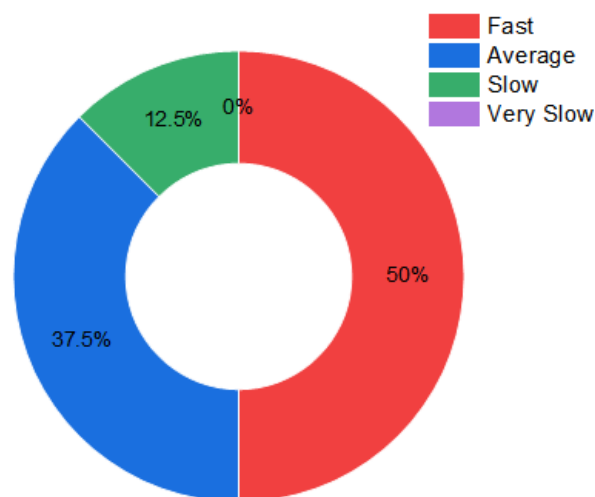
**Figure 2: Which method of providing feedback do you find most effective?**

The most effective method for providing feedback, according to respondents, is online surveys, which 40% of them preferred. This suggests that structured, formal feedback channels are valued highly. Customer service interactions follow, with 30% of respondents finding this method effective, indicating that direct communication with customer service is also important. Social media is seen as effective by 20% of respondents, while mobile app feedback is the least favored method, chosen by only 10%. No respondents specified other methods, which underscores the predominance of online surveys and direct interactions as preferred feedback channels.



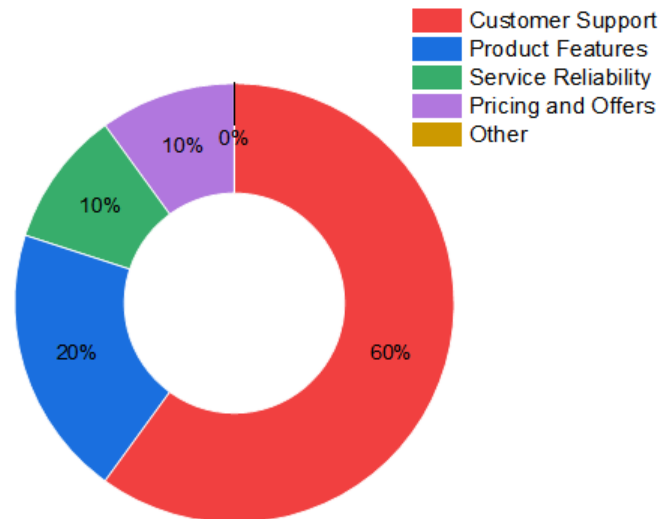
**Figure 3: How frequently do you use customer support or service channels (e.g., phone, chat, email) for resolving issues or inquiries?**

The majority of respondents use customer support channels regularly. Specifically, 40% of respondents use these channels monthly, and 37.5% do so weekly, showing that most people engage with customer support on a consistent basis. Only 10% of respondents use customer support channels daily, indicating less frequent but still regular usage. No respondents reported never using these channels, which suggests that all participants engage with customer support in some capacity. This pattern highlights a general reliance on customer service for resolving issues or inquiries.



**Figure 4: How would you rate the speed at which Telia Lietuva responds to your feedback?**

Most respondents rate the speed of Telia Lietuva's response to feedback as either "Fast" or "Average," with 40% rating it as "Fast" and 30% as "Average." This indicates that a significant majority feel that their feedback is handled in a timely manner. However, there is still room for improvement, as 10% of respondents rated the response speed as "Slow." No respondents felt the response was "Very Slow," which is positive but highlights that further enhancements in response times could enhance overall customer satisfaction.



**Figure 5: What area do you think Telia Lietuva should focus on for improving their services?**

The majority of respondents (60%) believe that Telia Lietuva should prioritize improving customer support. This suggests that addressing issues related to customer service is seen as the most crucial area for enhancement. Product features and service reliability are mentioned less frequently, with each receiving 20% and 10% of the responses respectively. Pricing and offers are also noted by 10% of respondents, indicating some concern but not as pressing as customer support. No respondents specified other areas, reinforcing the focus on customer support as the primary area for improvement.

### **3.3 improvement plan/model of costumer's feedback in shaping service innovations strategies**

The proposed plan for using customer feedback to improve services includes five steps. The first step is collecting feedback from many sources, such as online surveys, social media, customer service interactions, and mobile app tools. These different channels make it easy for customers to share their thoughts and ensure the company receives a variety of opinions. Simple and quick processes, or small rewards, can encourage more customers to participate. The second step is analyzing the feedback to find common issues and opportunities for improvement. The company sorts this feedback into categories like product quality, service reliability, and customer support using tools. The company can prioritize which problems to address first because they focus on the most common or serious issues based on the results. In the third step, turning the feedback into action becomes a priority. Staff from various teams—including marketing, product development, and customer service—reviews the feedback on a regular basis. They make strategies to address the issues and enhance the service. Going into it as a team allows the solutions to be practical and useful for the customer. Step four is when we test our changes with a limited audience. These tests measure whether the changes are effective, and provide the company an opportunity to address any issues. You can roll out the updates to everyone without making mistakes by first performing tests. The last part is updating the customers. The company can explain how it responded to positive and negative customer feedback. This could involve using social media, newsletters or updates on the company's website. Thanking customers for their feedback builds a trust and makes them feel if their opinions will be shared with you. This plan guarantees that service enhancement would be the real result of consumer reviews. This process creates a cycle of the company listening, acting, and communicating back to customers, which not only helps to make customers feel valued but also increases innovation.

## **4. Conclusion**

Results Related to the Aim(s) of the Study So first of all, customer feedback is essential for determining where to improve and innovate your service. Feedback analysis helps companies identify the main problems and work on solutions to boost customers satisfaction. Feedback contributes to knowing customers and is also very important for designing services according to user demands. Second, while many organizations welcome feedback, the specific methods used to obtain feedback can have a major effect on how well an organization can incorporate customer feedback into its processes. For gathering actionable data, structured approaches, including digital surveys and real-time feedback for example, are well-suited. Channel for direct interactions, such as customer service, can give immediate insight into customer pain points. Generating feedback is one thing, but making use of that feedback means collaborating across departments. Marketing, product development and customer service need to work together to analyze, share and act on customer feedback. Consequently, this ensures that service innovations are data-driven, but at the same time play hand in hand with customer needs and expectations. This is facilitated by clear communication channels, collaborative tools and a commitment to (continuous) improvement.

### **4.1 Recommendations**

For Heads of Customer Support: Expand customer support services by increasing team size, offering thorough training, and delivering quicker response times. To make it easier for customers to get help, offer more ways for them to contact you (e.g., through live chat, better social media support, etc.)

For IT and Development Teams: Improve customers real-time feedback tools on mobile apps and online platforms to let them escalate problems and share insights without delays. Make sure these systems are easy to use and reliable, allowing quick reactions when customer concerns arise.

Network Operations Managers: Invest in infrastructure upgrades and maintenance to make service more reliable. Reduce service downtime by performing periodic system checks and addressing technical problems proactively to provide uninterrupted experience to customers.

For Product Development Teams: Design and improve service, informed by customer feedback. Hold regular meetings cross-departmentally to review feedback and amend your offering based on customer needs, incorporating customer preferences into the next product development cycle.

For Marketing & Customer Relationship Management: Conduct advisory panels and pilot testing programs to enhance customer engagement initiatives. Including key customer groups in testing of new services or features will ensure that final products reflect said customers' needs, which promotes loyalty and satisfaction.

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