

Using Customer Surveys to Improve Business Processes

Poor surveying techniques result in 95 percent of enterprises discovering the cause of a customer's defection only after the fact. Eight best practices can improve customer surveys.

Core Topic

Customer Relationship Management:
Business Strategies, Technologies and
Apps. for Customer Service and Support

Key Issue

What technology-enabled strategies will
customer service organizations use to
retain their most-valuable customers?

Strategic Planning Assumption

Through 2008, enterprises that implement
formal, periodic surveys to capture
customer sentiment and implement the
recommendations will spend 25 percent
less on customer retention programs (0.7
probability).

Conducting surveys to determine the success of a customer service operation, as seen from the customer's point of view, is imperative to better understand the quality of the service provided. Automated statistics and metrics (such as time to complete transaction, agent handling and wrap-up time) may capture operational details, yet fail to shed light on the customer's attitude toward the enterprise that results from the interaction (for example, loyalty, brand awareness and customer satisfaction). Surveys of varying types need to be created and administered on a periodic basis to know what is in the customer's mind and reduce customer turnover (see Figure 1).

Figure 1

The Dynamics of Customer Dissatisfaction

Ninety-five percent of enterprises say they know why a customer defects, but not until it's too late.

Dissatisfied Customers:
Complain to supervisor (2%)
Complain (3%)
Mention dissatisfaction (15%)
Leave and come back (20%)
Leave and don't come back (60%)



Beneath the surface,
other factors to consider:

Additional people told about the bad
experience and dissatisfaction:
10–25 times the number of
actual defecting customers
and growing because of new channels

Try at your peril Patent 6,411,687,
the Mood Analyzer, to solve this problem.

Source: Gartner Research

Creating and conducting surveys are not simple tasks. Enterprises with no experience or personnel trained for this

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purpose should look for help from service providers to get started. Those organizations that are willing to undertake the task of creating and conducting surveys should look at the best practices for customer service surveys:

1. Know What You Want. It is essential to know before crafting the survey what information is being sought. Most traditional surveys look for customer satisfaction levels. Others are trying to determine how to improve the delivery of service. Yet others may be trying to determine the effectiveness of a certain service program. The most important thing to know is that each of these goals should be achieved with a simple survey, and the information sought should be determined beforehand.

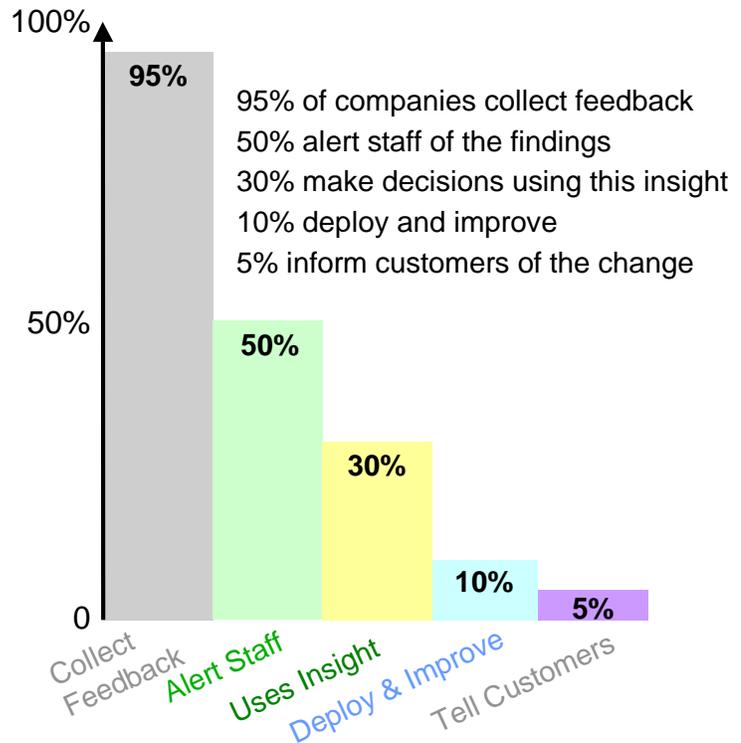
2. Determine Effectiveness. Survey methods will often be unique for a specific interaction channel (for example, Web, e-mail, phone) and customer segment (geography/postal code, age, gender, buying/service patterns). Each customer segment is unique and will react to channels and survey methods differently. Monitoring focus groups will reveal typical user patterns and channel preferences for a survey, as well as any incentives needed to drive participation. For example, a customer registering a newly installed personal computer may or may not have a readily available Internet connection during the registration process. A survey that requires customers to go online to complete an installation satisfaction survey may be an annoyance. However, the addition of a simple question, such as "Connected to Internet?" or "Store survey results until next Internet logon?" will advance the process. Effective surveys are usually delivered at the conclusion of a service interaction via the same channel as the service provided.

3. Adhere to the "KISS Principle." The keep it short and simple (KISS) principle applies to these surveys. Customers are more likely to complete a survey when the time to completion is explicitly displayed at the beginning of the process, the purpose of the survey is clearly stated and the use of information is defined. For example: "To help us improve our service to you in the future, please participate in our satisfaction survey. The survey will take less than one minute, and no information specific to you will be shared or distributed to any third party." We recommend no more than four to six questions per survey, one common topic, and short and succinct wording. Furthermore, to make it easier to answer and to tally responses, multiple-choice answers are recommended. Writing questions is a complex and iterative process. The most critical step in the survey process is to test questions. Before implementation, survey questions should be tested in focus groups, followed by a small pilot survey run and measured against a real customer base for a short period.

4. *Ensure Consistent Gathering.* Be sure to prevent the filtering of specific types of respondent. Hand-picking the "right" respondents to achieve higher scores is a common problem when gathering responses. For example, enterprises that discard participant data because the customer appears upset, not in the right frame of mind, biased or not really friendly rob themselves of critical insight and end up with skewed results. Customers who are the least "friendly" or sympathetic are often the most honest in their responses and central to a better understanding of where service delivery may be failing. Survey response gathering should be done consistently, either to all subjects in the target group (if feasible) or by following a predetermined random algorithm that will be applied to all customers (for example, every fourth caller into a Web site or call center).

5. *Read the Answers.* More than 60 percent of enterprises we poll generate a single data point from a survey — one that usually supports their original view of the level of customer service satisfaction — and ignore an analysis of the possible implications of the data (see Figure 2). A well-designed survey will reveal trends, patterns and outright new information that are valuable to improving the customer service operation. This information should be used as part of a customer feedback system (for more information on customer feedback systems, see "Customer Feedback Systems: Listening to Your Customers") to better understand, know and serve customers.

Figure 2
Capturing and Improving the "E" in Face-to-Face Contacts



Survey Source: Customer Champions in European Companies 2001

Source: Gartner Research

6. Act on the Information. Even the best surveys, designed and executed with the best of intentions, are a waste of effort unless a set of specific actions is put in place to respond to customer input, yet the majority of organizations fail to change the customer service organization or workflows based on survey results. Conducting a survey just to know where things are will upset customers who believe that the survey is intended to improve things. An enterprise that surveys customers but fails to act on the data will actually damage the relationship with the customers more than if they had never been surveyed. Even if the only purpose of the survey is to capture the status of customer satisfaction, customers should be given the opportunity to suggest specific input as to how they would like to see interactions improved. In all cases, the end result should be the same: Whatever needs to be fixed should be fixed, and what should be improved must be improved.

7. Repeat It. Improvements to the customer experience happen through an iterative process. Responses captured once will be inadequate for determining a trend. If we don't know whether customers are more satisfied today than last quarter, we are bound to lose customers, and the purpose of the survey will be lost. At periodic business cycles (such as quarterly), as

determined by the business, the survey should be repeated, and all the above steps should be done again — including knowing what we want from the survey.

8. *Let Customers Know.* Improvements to customer service as a result of customer feedback should be communicated back to the customers. Let them know that their input is taken seriously and used. Few organizations that conduct surveys do this, yet it is a critical part of customer experience management (see "Capturing and Analyzing the 'E' in a Customer's Experience") and of customer feedback systems, and it should be done to encourage future participation from customers and to improve customer loyalty.

Bottom Line: Customer service organizations must survey their customers iteratively to understand their frame of mind. This is imperative to learn what is working, what is not working and how to fix what needs to be fixed. The problem is building effective surveys that allow customer service managers to learn what their customers are thinking. Crafting and administering a great survey will help enterprises to provide better service and even improve it to the point of using customer service as a competitive differentiator — giving customers what they want.