

Can We Talk? Surveying Your Prospects and Clients

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Strategic Planning Assumption: Through 2006, enterprises that fail to establish strong relationships with their constituents will erode their competitive position by 15-20 percent per year.... Recent studies have shown that enterprises with loyal customers can generate profits up to 60 percent higher than those of the competitors. In addition, loyal customers make the enterprise twice as likely to exceed financial analysts' forecasts.

—From Gartner, "CEM is Critical" (June 18, 2003)

Today, more and more companies around the world understand the importance of really knowing how their customers and prospects view their organisations. They also realise that customer viewpoints can change quickly. So how do you keep informed of your customers' opinions? How do you know they're continually satisfied? How do you know that they value your company? Or that they feel appreciated? Gathering this data objectively, accurately and quickly can be difficult. Yet it's critical in today's competitive marketplace.

Customer information usually comes from within a company. While this information may be useful as one data source, it's seldom accurate and can vary across departments. Typically, customers and prospects are not honest when speaking with company personnel. Add to this human filters, interpretations and individual agendas... and the end result can be misleading.

Surveys, properly done, can provide companies with the customer information they need to remain competitive. "Properly done" is the operative phrase. To gather customer data correctly, several critical decisions must be made:

- In-house versus outsourced
- Survey versus quality monitoring
- Objectives
- Survey design

In-House Versus Outsourced

Only the largest enterprises can obtain objectivity with their own surveys. Consider the auto manufacturer who conducted three identical service-related surveys simultaneously.

Professionally designed, the surveys generated the following:

- One-third, conducted by a dealership, achieved very low response rates because customers did not want to "confront" a local business.
- One-third, conducted by corporate headquarters, achieved higher response rates because customers felt they wouldn't be identified.
- One-third, conducted by an independent third party, achieved the highest response rates.

The bottom line: people want to discuss their experiences and opinions—they just don't want to talk directly with the company. Large companies, which can obtain a significant representative sample, have the option of conducting surveys in-house. Midsize and small businesses are best served by outsourcing.

Surveys Versus Quality Monitoring

We've all heard it: "The service has gone downhill, so I won't use them again." Many companies do "customer satisfaction" surveys once or twice a year. While this is better than doing nothing, it's not enough. The damage that can occur between surveys can be irreversible.

Surveys are appropriate when a company has a specific need for the following:

- Data on an isolated occurrence: e.g., "Did the last upgrade improve performance?"
- Market research for future products or enhancements

Quality monitoring is appropriate for continuous or high-frequency measurement. If you're losing customer loyalty and don't discover it for several months, chances are you'll never regain those customers. Companies who conduct surveys instead of quality monitoring are making a mistake.

Quality monitoring is persistent and consistent. Using survey techniques, quality monitoring is an ongoing, real-time process that allows companies to discover when a process, product or service begins to take a downturn. Corrective action can then be taken before a negative impact occurs

It's important to understand which technique—survey or quality monitoring—will generate your desired results. Surveys are best used for specific, time-sensitive information. Quality monitoring is for those companies that are serious about quality and view accurate customer information as an integral to a company's success.

Objectives

To determine the objectives of a survey or quality monitoring service, it's best to start with your company's corporate and business objectives. You want the information you generate to be useful and ultimately "operationalized"—assimilated into your company's business operations—to achieve quantifiable results.

The corporate objective for most companies is to sell as much as possible while generating 100% customer satisfaction and ongoing profits. Business objectives for customer-facing departments vary, but the following are common questions:

- In marketing, are you designing a solution the world wants and defining a message that resonates?
- In sales, are you delivering that message in a clear, concise and digestible manner?
- In service, is the support organization meeting customer expectations?

Since surveys seek answers to a one-time occurrence, defining a survey's objective can be obvious. A sample objective for the sales organization above could be "to determine whether the new sales team is communicating the company message clearly."

With quality monitoring, however, defining objectives can become more intricate. The best results occur when the process is conducted throughout all customer-facing organizations, such as sales, marketing and service/support. That's not to say that one department cannot act alone but that the resulting data may require cooperation from other departments as well.

A quality monitoring objective for the sales department above could be "to increase customer satisfaction with the sales team by 30%." With this objective, different departments would need to meet on a regular basis, review the latest results and take coordinated actions to continually improve.

Survey Design

Developing effective surveys is a science *and* an art—ask any pollster.

First, there are many types of questions that can be asked, such as these:

- Yes/no
- Rating on a scale
- Multiple choice

Second, the number of questions to ask needs careful consideration. Ask too few questions, and you won't get the necessary information; too many can irritate customers and prospects.

A skilled survey designer will know how to best use the many techniques to optimise response quantity and quality and how to ask questions that are unambiguous. It's a fatal survey error to ask one or more questions that are open to interpretation, since respondents may be misled and provide useless and possibly damaging responses.

A good survey designer will ask about survey objectives and metrics: "What are you trying to accomplish?" and "What data will help you accomplish that?" Then, questions will be designed to generate the desired results.

People don't talk much about mediocre products, services or support. But they do talk—a lot—about good and bad experiences. And, for the most part, they don't talk directly to companies, but they'll talk *about* companies.

Get to know your customers. Understand the best way to get the information and avoid a poor-quality job. It's worth it.

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