


5 Secrets Executives Should Know About Customer Surveys



Discover how well-designed customer surveys can double profits, reduce expenses by more than 10% and increase referrals more than 100%!



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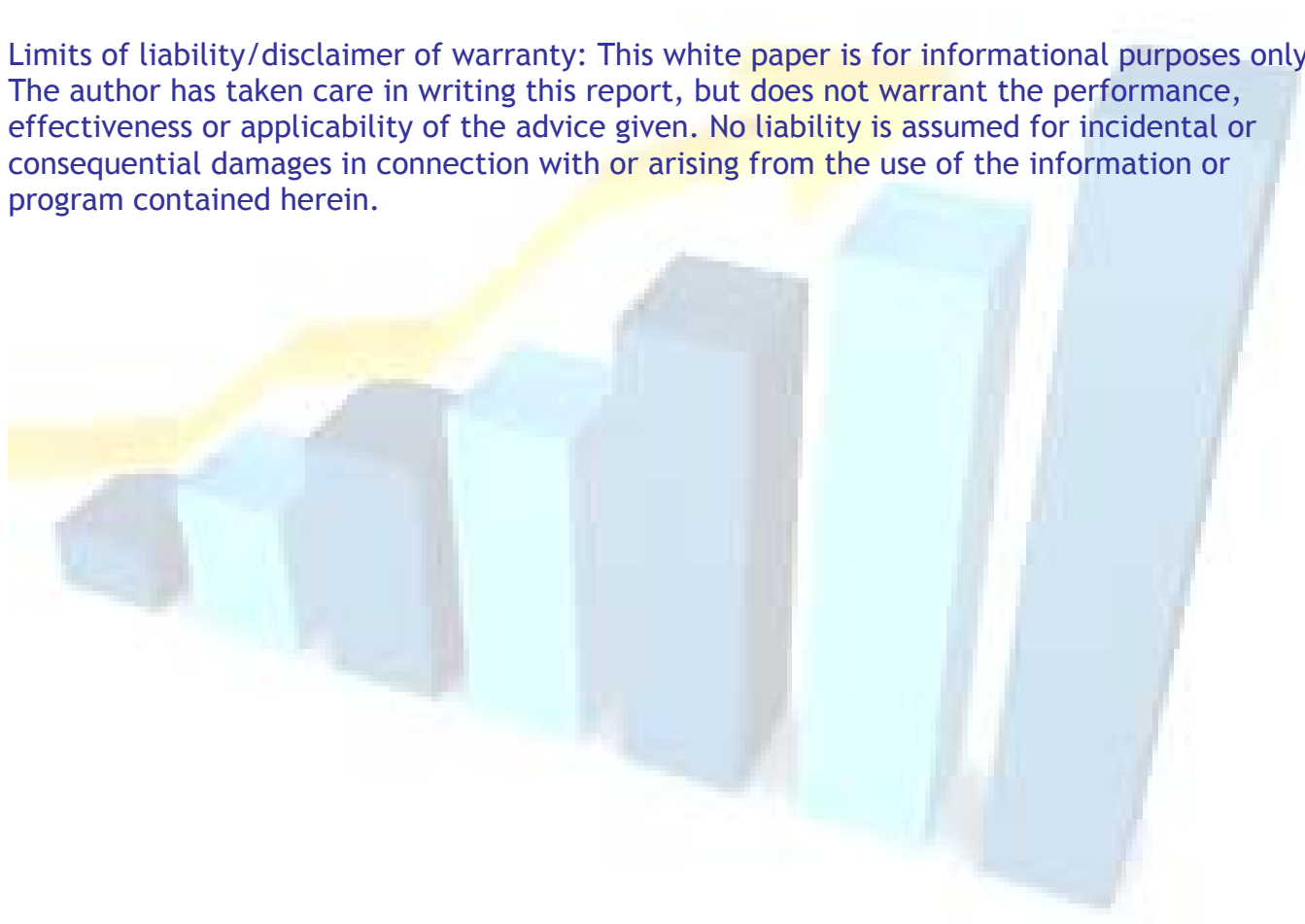
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Abstract

Whether you actively survey your customers or have considered surveying your customers, this executive report offers “need to know” insights and information for CEOs, CIOs, CMOs, COOs, VPs, Directors and Managers. You will learn how well designed customer surveys are one of the most powerful resources you can invest in for your organization.

There is a method to survey customers which is conversational, meaningful and relevant to both the customer and the business. Customer surveys can be utilized to strengthen the relationship between the business and its customer. The challenge is not all surveys are well received. The customer may view a survey as intrusive, lengthy, and may border on annoying. A business may view surveys as costly, difficult to manage, unnecessary, and irrelevant in making profitable or money saving decisions. But well designed customer surveys can double profits, reduce expenses and increase referrals.

5 Secrets Executives Should Know About Customer Surveys

1. Executives need to know what customers are saying and thinking
2. Executives can use survey data to reduce expenses and generate profits
3. Customers want to give meaningful feedback
4. Surveys can generate referrals and inform customers about products/services offered
5. Surveys do not have to be annoying, time consuming and costly

Secret #1

Executives need to know what customers are saying and thinking

All customer feedback is good feedback. You can love it. You don't have to like it. You can use it to reward. You can use it to train. You can use it to duplicate successful experiences. You can learn about problems before they become major issues. Sometimes you can fix the issue and sometimes you can't. No matter what kind of feedback is given, you can learn from it.

Great leaders learn from their success and failures. Executives seeking feedback from their customers will get a view point like no other. Who better to ask than your customer about what you're selling, your staff, the experience, whether or not they know someone else that may want to purchase? The accuracy and precision of decisions made based on up-to-date customer feedback is priceless.

Smart companies are engaging and treat its customers as an asset, not a liability. The number one asset in a company is revenue. Where does revenue come from? Customers. Executives need the ability to monitor customer experiences throughout the life cycle. They need to know they are targeting the right customers. They need to know how customers view service provided. They need to know if the products offered met the customer's expectation. They can track retention rates, satisfaction rates and use measurements as customer loyalty indicators.

The highest costs for most companies are human resources or staff. By asking customers about their experience with service, executives can learn easily that the right staff is being hired and retained. By not asking, it leaves the company vulnerable. If you had a serious staffing or training issue or if the customer experiences terrible customer service, by the time it's discovered, most likely it will be too late. Is it realistic for executives to rely on direct hires to "tell on themselves" or to be objective about how customers view the business? It doesn't seem to be the most reliable way of monitoring customer satisfaction.

Company branding is another reason for businesses to survey customers on an ongoing business. Too many times customers are loyal to a single staff member or owner within an organization and not the organization itself. It is important for business survival for customers to be directly loyal to the organization. This will spare mass exiting should the business be sold or if a staff member leaves the organization.

Customers have the most valuable information an executive can rely on — feedback. This is why customer surveys should be issued and reviewed at the highest level. Executives need to know directly what customers are saying about the company. Who better to ask about products, services, and experience than customers? Who better to have accurate and timely measurements than executives?

Secret #2

Executives can use survey data to reduce expenses and generate profits

Executives review numbers when it's too late. Balance sheets, sales reports and statistics are results not the details needed to see what is driving results. If a customer is not having a good experience they can either complain or take their business somewhere else. Companies can be blind sighted by several issues: untrained staff, inadequate resources, poor quality and the list goes on. It only takes a single negative experience for your customer to decide they've had enough.

Imagine selecting a portion of your customers and pro-actively contacting them for their feedback. You welcome the good and the bad; you ask for their suggestions; you ask if they would refer your business to others. What would you then do with the data? How could you use the data to increase profits and decrease expenses?

Now imagine yourself in the board room. You are discussing budgets. You are tasked with increasing revenue and decreasing expenses. You have high level executives and department managers in the same room for hours pow wowing ideas. You come up with ideas you *think* will work. How do you know they will work? What information is used for decisions?

If executives spent more time reviewing customer feedback and based their decisions on customer input, the decisions made would have a much greater impact. Here are some facts to consider (Taken from The Loyalty Guide www.theloyaltyguide.com and findings submitted to CRM Advocate by Verint Systems Inc. <http://verint.com>):

- 1% increase in customer loyalty can correspond to a cost reduction of 10%
- 5% more in customer retention, a company can almost double it's profits
- 78% of customers would become repeat customers after experiencing good over-the-phone service
- 82% of customers would recommend a business to family and friends after experiencing good over-the-phone service
- 90% of middle-market consumers agreed with the saying "you get what you pay for"
- 90% tell at least one person about a bad customer service experience
- 85% tell multiple people about a bad customer service experience
- 81% tell multiple people about a good customer service experience

Proactively seeking customer feedback will allow quick response to issues, saving money and time; increases customer retention, which increases revenue; and allows top executives to monitor staff and department performance from the customer's view point. There is too much at stake to not survey customers pro-actively. When customer surveys are well designed, follow a sensible time line, keep customers' needs in mind and are developed to give customers an added value, the power of surveys grows exponentially, along with additional customers and revenue.

Secret #3

Customers want to give meaningful feedback

When is the last time you received a call or email asking for your feedback or experience and believed the company genuinely wanted your feedback-good or bad? When is the last time you gave feedback, but never heard back from anyone about the feedback? How often do you rely on customer comments versus rating systems to decide on making a purchase? Seeing a movie? Selecting a vendor?

Customers do not want to just rate a company they want to tell their story. It could be a great story (i.e. testimonial) or a not so great story (i.e. complaint). So how do customers give feedback?

1. They tell others about their experience (good or bad)
2. They keep it to themselves (good or bad)
3. If it's something urgent, they will call (complaints, cancellations and account changes)
4. They continue making purchases or make additional purchases
5. They quit using product/service, cancel or terminate their relationship

Customers are usually left to their own when it comes to feedback. Without a crystal ball there is no way to identify which customers have positive or negative feedback to share. Very few companies seek pro-active feedback from its customers, yet customers will readily share their feedback when asked. When customers are engaged on this level, the message goes beyond just a simple survey or phone call. Companies who actively seek feedback from their customers can use this exchange to enhance and improve the relationship they have with its customers.

Would it not be better for companies to be proactive and give customers a way to provide ongoing feedback? Doesn't it make more sense to contact customers to get their feedback instead of waiting passively for them to do it their way? Their way could be walking away. It is something every company has the opportunity to prevent. Even more, increasing customer loyalty, satisfaction, sales, and referrals are the direct result of proactive contact with customers.

Any time there is dialog-Mail, Phone, or Email, there are three basic Yes/No questions customers should be asked to measure the relationship:

1. Are we meeting/Have we met your expectation?
2. Do you have any suggestions to improve your experience?
3. If you had the opportunity would you refer us?

The feedback obtained from these three questions will give executives the advantage of knowing the real "state of affairs" within the organization. The power in feedback is the information is accurate (customer perception), and will give executives the validation in making profitable and money saving decisions.

Secret #4

Surveys can generate referrals and inform customers about products/services offered

Customers are not always aware of all the products offered. Companies want their customers to be aware of the full product selection, but it can be challenging keeping customers informed. The challenge comes not only in keeping the customer informed, but communicating in a way where they think of your business when they are considering an additional purchase, have a need for other products or would recommend your business to others.

Companies assume customers learn all they can about what the company offers and its expertise. They assume the customers keep themselves informed about how to get the most value from their purchase. They assume the customer stays aware of changes, updates or additional services/products offered by the company. Unless the company communicates on an ongoing basis with its customers, these assumptions are usually wrong or incorrect.

Referrals can dramatically increase if customers simply know they are desired. From the beginning, the customer should know the goal is for them to be so pleased with the service or product they would, if given the opportunity, refer others. If that goal is not reached, then they know they have failed the customer. Measurement of a successful referral program begins by asking if the customer “would recommend” the company. Leads and closed business can be tracked by capturing how the new prospect/customer learned about the business. And finally, customers and non-customers, making recommendations should be categorized as VIP’s and acknowledged for their referrals.

Here’s a few ways you can keep your customers informed to increase sales and referrals:

- After a purchase, let customers know you appreciate their business. Show them other products and services that may be of interest to them or people they know in the future. Let them know you are there for them. Let them know their referrals are appreciated if earned.
- When following up with customers, let them guide you on how often they want to be contacted and how. Let them know about available resources to increase the value of their purchase. Share with them why their feedback is important to the overall business. Customers will appreciate sincere follow up and ongoing communications to get the most from their purchase and/or experience.
- Enews, post cards, letters, advertising, brochures, and presentations are just a few ways businesses can have ongoing communications with its customers. Money saving ideas include inserting materials with invoices or provide as a link on your web site. Top FAQ’s can be highlighted each time customers receive communication.

Secret #5

Surveys don't have to be annoying, time consuming and costly

What comes to mind when you hear “customer survey”? Many associate surveys with customer satisfaction surveys, market research and straw polls. Survey projects and consultant fees can cost thousands of dollars averaging well above \$100 for each completed survey. Surveys tap into a controlled group with a distinct set of questions. The data is then calculated into results. Results from surveys can be purchased and used by businesses, media, government and public interest organizations.

The definition of survey is (www.merriam-webster.com)

- a) to examine as to condition, situation or value
- b) to query (someone) in order to collect data for analysis of some aspect of a group or area

Customer feedback gives executives the data needed to analyze “real time” customer experience. An effective customer survey is where the answers from the customer can clearly define the relationship with that customer. Many times an organization will collect feedback from its customers but fail to view the information collectively or correctly. In cases where feedback is already collected from customers, it's only a matter of tweaking existing efforts.

Knowing the customer's point of view individually and collectively is one of the most valuable resources an executive can obtain. When a staff member is speaking with the customer and the customer shares their view point, what happens to that information? Is it documented, reviewed and compared to other customers? Is it placed in an Executive Report? Is it monitored over time to look for trends? Executive are left to rely on staff for feedback, go through a data base or even worse wait until a problem escalates to realize there's a larger scale issue.

Having dialog with customers as a routine course of business, limiting the information collected to relationship indicators, executives have the power to monitor and even change customer experiences for the better. Customer surveys can be used to collect relevant, real time information. With the right strategy, customer surveys are a sound investment of time and money.

Additional Resources:

To learn more, search the web for articles related to Customer Surveys, Customer Feedback, and Customer Loyalty. Here are a few web sites with a library of relevant articles.

CRM Advocate
www.crmadvocate.com

CRM Today
www.crm2day.com

Dallas Business Journal
www.dallas.bizjournals.com

Entrepreneur Magazine
www.entrepreneur.com

Forbes Magazine
www.forbes.com

Harvard Business
www.harvardbusiness.org

Inc. Magazine
www.inc.com

Microsoft Small Business Learning Center
www.microsoft.com/smallbusiness

Retention Rocks
www.retentionrocks.com

Retention Resource Center - Designed to Deliver Results!

Customer surveys are one of the best resources executives can rely on to make sound money making/saving business decisions. Retention Resource Center (RRC) has experience in providing quality, customized surveys for its corporate clients. Companies large and small turn to us to execute customer surveys that deliver results. RRC guarantees the results will meet your goals.

There are some natural barriers in designing, launching and managing customer surveys. Your company may not have experienced in-house staff with the ability of getting the job done. Even if you have experienced staff at your fingertips, pro-actively and objectively contacting your customers and creating and managing a reporting system requires time and expertise. Once executives understand resource needs and the importance of customer feedback, implementing becomes a higher priority.

What Reasons Do Executives Have To Contact Retention Resource Center (RRC)?

- If they are interested in surveying customers
- If they would like to assess needs at no cost
- If they are looking for practical, effective, and affordable solutions
- If they want to partner with experienced staff focused on results
- If they want to work with a company that offers 100% Guarantee
- If they are looking for a company who can work with C Level Executives
- If they want a company who will not recommend services without a true value
- If they want a company that is flexible and will work with internal resources
- If they want surveys received positively by customers
- If they want customers receiving high quality and engaging contact
- If they want to obtain objective feedback from customers
- If they are looking for decision making reports from phone or on-line surveys

Do you have a reason to contact RRC? If you are ready to launch or refresh your customer survey campaigns and would like objective consultation, RRC is the resource for you to consider.

**We are so sure our process will work for you; we offer complementary pre-design assessments and a 100% money back guarantee.
Call or email today to set up your complimentary assessment.**



RetentionResourceCenter

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About the Author

Ms. Terri Schepps has been immersed in customer satisfaction for over 20 years. Her experience as a business owner, entrepreneur and executive has allowed her to relate to the many challenges her peers face. Terri offers expertise on high-end contact, generating results for her clients.

Terri is recognized internationally as a customer retention expert. She has authored “The ABC’s of Customer Retention” and has published several retention focused articles. Her natural role in creating positive relationships drove her into forming her own business. She is committed to provide a unique service to many types of organizations and industries, large and small, private and public, non-profit and profit.

She is the founder and CEO/President for Retention Resource Center, LLC. She also co-founded and serves as President for Integrity For You, Inc., a customer contact service. Her passion is learning, writing and speaking. She readily shares her knowledge to help other leaders understand the impact of one to one contact with customers and prospects.

In addition to her professional memberships, Terri is active civically in the Dallas, Texas community. She is married and has four children.

Terri can be contacted at tschepps@retentionrocks.com