

Warne's Marketing

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Learning More from Customer Satisfaction Surveys

Go beyond determining satisfaction levels to measuring customer loyalty.

OBTAINING AND MAINTAINING ISO accreditation has increased the number of companies conducting customer satisfaction surveys.

While they may satisfy ISO requirements, many of the surveys don't provide companies with really meaningful measures of customer loyalty.

A customer may find your product and services satisfactory. They may also feel the same thing about your competitors' offerings. This leaves you as just another supplier who meets basic standards. Not the most solid of relationships.

on strong personal relationships. You may develop great relationships with prospective customers, but you may never sell them anything. Your prospects, your clients don't need a friend, they need help, they need solutions. Relationship selling is also a myth.

We recall when the retired VP/ Marketing of a client of ours was called back to help prevent a competitor from gaining a foothold in one of their long term "100% loyal customers." When he came back after meeting with the customer, but not the order, the CEO said: "I thought he was your friend."

First, ask whether they source the same service or product from other companies and what percentage of business they award to them.

Rank yourself against your competitors in every area of customer contact, including:

- product/service quality
- technical support from head office, and in the field
- installation supervision, if it's an installed product
- adjusting to their special needs
- sales support of customers or of your distributors
- promptness of response to queries
- billing and credit arrangements
- interest in and accommodation of your management in clients' ever changing needs
- product/services availability – including distribution channels
- technical literature
- position in the marketplace
- strength of brand
- web site effectiveness
- all customer contacts

Measure competitively to determine the extent of client loyalty.

As Ted Levitt noted: "there is a residue of dissatisfaction in every buyer/seller relationship." Probe deeply to identify the irritants, the discontent, the shortcomings in all your relationships or contacts with customers.

There are irritants in every relationship between people – our spouses, our friends, our offspring, our families. Total satisfaction is a rarity if not a myth. Yet most of us do stay loyal if there is affection and respect – or perhaps just a great deal of inertia.

In business you can't really count

"He is," answered the marketing man. "He just wants to test the competitive equipment. As I'm now retired he also wants to make sure we continue give the best in support services."

Even old time friendships don't last forever.

Measure Competitively

If your surveys are going to do more than produce superficial satisfaction levels you must also measure your clients opinions and rankings of competitive suppliers.

Must Be Independent

Don't think you can elicit the information yourself. Rarely will clients level with you. You need an independent third party to do the survey. People experienced in getting answers.

When probing distributor attitudes to a market leader in paper products, we encountered great hostility towards their pricing and supply policies. Words

Consultative selling is problem solving selling.

Monitoring and coaching sales peoples' activities is an on-going task to maintain quality service standards. More harm than good can be done to your company's reputation and client relationships by an inexperienced sales person who is not truly concerned with clients' needs.

Relationship selling is a myth. Your clients and prospects don't need a friend, they need solutions.

were used that we would never repeat in public. The hostility ranged all the way from the top to inside distributor sales people. We recommended changes in policies and a program of relationship building with distributor staffs. Our clients' brass instead chose to invite principals of each distributor to dinner, which didn't provide any solution.

Sales Bias

Sales people are notorious for colouring customer attitudes with their own biases and in not reporting the real facts.

One controls company asked its sales people to determine the number of home units – by type – its furnace manufacturer clients and prospects had produced in the past year. When the reports were tabulated the sales people were 57% over the number of units actually built. The reps either couldn't get or wouldn't ask their furnace clients for the real numbers.

Most sales people aren't button-down types. They'll spell Johnston as Johnson or Johnstone and suddenly you end up with three names on your database and an unhappy buyer who cares deeply about his name and identity. (Just try calling your dog by another name and see what happens. Our names are important to all of us).

Probe Sales Effectiveness

To be truly effective, all your marketing efforts must be directed to solving customer needs. So, it follows that your reps must be consultative sales people. This means helping clients solve their problems by uncovering their needs and providing solutions.

In "Soft Selling in a Hard World" Jerry Vass summarized consultative selling this way:

- "Do not talk – Listen"
- "Do not tell – Ask"
- "Do not sell – Solve"
- "Do not pitch - Probe"
- "Do not leave – Close"

The fact is we are more likely to do business with people who relate to our needs. Who care about our success, rather than theirs. Ultimately a customer's loyalty and long term profitable relationship is yours to obtain and maintain. So you have to regularly determine and measure how well you're satisfying client needs. Then to positively act to overcome any shortcomings in the relationships.

To find out where you stand, call Scott Warne about actionable customer satisfaction/loyalty surveys.



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