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Measuring

Customer Dissatisfaction



by Bob Furniss and Scott O. Thomas

With 35 years of combined call center experience, Bob Furniss and Scott Thomas share a chapter from their book entitled Ideas at Work, providing perspectives on improving the front lines of call centers. Both having started as online agents and making their way through various levels of management, they offer real solutions to real problems based on real experience.

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hen was the last time that someone asked you if you were happy with the service that you received? Many of us probably have received a call from a car dealer or cell phone company asking us if we were happy with our most recent experience with their company.

In world-class contact centers and companies across the globe, customer satisfaction is a key element of measurement programs. Companies survey customers via phone, mail, or e-mail in an attempt to discover the levels of satisfaction with the services provided in the areas of sales, distribution, claims, and customer service. Once they receive the data, they attempt to set goals to improve the level of service provided. In most cases, companies want to move customers to the top 25th percentile of the measurement. Likewise, our number one goal in the contact center is to understand what our customers are thinking.

A customer service survey should include such questions as, “On your most recent contact with customer service, were you completely dissatisfied, dissatisfied, somewhat satisfied, satisfied, or completely satisfied?” In most cases, the goal is to have 75 to 85 percent of the customers indicate that they are completely satisfied with their most recent experience. In the past, if our contact centers were able to reach this goal, we usually celebrated the success and reveled in the fact that value was being provided to our customers.

While this concept is based on sound principles, there is a new trend among top companies that just may change the way customers are analyzed. If we take the customer satisfaction score and turn it upside down, we find that 25 percent of customers are not happy. What if we focus on the bad in order to get to the good? What if we ask customers to tell us about their *dissatisfaction* instead of their satisfaction? Has anyone ever asked you what you *don't* like about a company? Has anyone ever given you a list of potential problems and asked you to rank the one that is causing you the most amount of pain?

We're all familiar with this adage about unhappy customers: “If I am happy, I will tell three other people, but if I am unhappy, I will tell nine. And if I am really unhappy and leave, you now have to pay twice as much to get another customer just like me.” The cost of customer churn can have a huge impact on a business. Understanding why I, the customer, am unhappy and attempting to fix my problem is a surefire way to reduce customer churn and to improve the bottom line.

Whether you are small agency or a Fortune 500 company, looking at the dissatisfaction of customers can be done in seven basic steps.

1. Identify the opportunity for improvement. The first step is to understand how your customers view their experiences with the company. You can do this by breaking down the interactions into six to eight key experiences. Each experience will cross several channels.

- Becoming a customer (e.g., marketing, sales, retail, Internet).



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measuring customer dissatisfaction

- Shopping for products/services (e.g., sales, retail, Internet).
- Buying products/services (e.g., sales, retail, Internet).
- Using products/services (e.g., customer service, Internet, retail).
- Resolving issues (e.g., customer service, sales, claims).
- Receiving invoices/billing (e.g., invoicing, collections, customer service).

Also identify the key customer segments and channels that customers use to interact with your company. Catalog the experiences, and identify the “events” that make up each customer experience.

2. Validate information directly.

While we can create the experience list from an internal perspective, we also need to talk to customers in order to confirm the information. The best way to do this is to conduct one-on-one interviews with customers across several segments of the business. Ask the customers about their daily interactions and listen for the key areas of dissatisfaction. Create a list of questions that crosses all of the various experiences.

The key to the interview is to allow the customer to talk openly about his problems. Focus on listening to the customer, understanding how each channel and organization is affecting his satisfaction. Ask questions that are open-ended and will generate the most

amount of dialogue. Here are some examples:

- Can you tell me about how you became a customer with our company? How did you hear about us? Whom did you contact first? What was your experience like?
- Can you tell me about how you use our products? What do you like and dislike?
- Can you tell me what happens when you have a problem? How do you contact us? What has been your experience when you do contact us?

3. Create a dissatisfaction list. Based on the information that you have gathered, create a list of 25 to 50 pain points for the customer. Be sure to include pain points across each of the customer experiences. Create the list in first-person statements. If possible, work with a research firm to complete the list. Example statements may include:

- The company Web site did not have the information that I needed.
- The customer service rep could not explain the service options.
- The customer service rep could not answer my questions or solve my problems.
- The sales rep did not return my phone calls.
- Filing a claim was confusing and time-consuming.
- When I called customer service, I was transferred several times before I

received an answer.

Ask follow-up questions to validate information and understand the specific problems. Be sure to ask questions in order to understand where the problem is most prevalent among the various customer segments that you service and channels that you provide.

4. Conduct quantitative research.

Now that you have created a dissatisfaction list, conduct quantitative research in order to understand how customers rank the problems. If needed, enlist the assistance of a research firm to conduct the surveys online or via the telephone.

Customers should be able to check more than one category and be able to give you detailed accounts of the problems. These “verbatim” will prove invaluable when you move to the next step of defining the root cause for the problem. Allow the customers to choose as many problems as they want. Ask them to identify their most *important* problems as well.

5. Analyze the results. Once the results are in, there are two key components to making the information actionable.

First, categorize the information in such a way that you can tell a story across the organization. Attempt to understand if the number one problem is also the most important one in the mind of the customer. If the customer says that the number one problem is: “The claims process takes too long,” then we have a clear course for change and improvement.

Second, attempt to tie the results to actual customer churn and the lost revenue associated with the lost customer. This way, the plan becomes actionable. Let’s say that the number one problem for the large-business customer is the way in which claims are

Agent Idea: Remember that you are the key element in presenting a positive customer experience. You have the ability to change a customer’s perspective with your words and your positive attitude alone.

Manager Idea: Be sure that your agents know their specific impact on the customer. Ensure that they understand the value of happy customers. Seek their advice for how to improve the customer’s experience.

handled. Look at the previous year's customer turnover rate, and tie these lost revenues to the top problems identified within this segment. If the customer dissatisfaction can be tied to specific lost revenue, it is much easier to find the money to fix the problem as a next step.

6. Implement change in the organization. Once you have identified the top categories for change, create internal actions teams to analyze the data further and find solutions for improvement. Gather people from all of the channels affected by the problems and conduct strategy meetings to discover the root causes for the pain points that the customers have identified.

Remember to keep the focus for change on the customer. Don't let the recommended solutions fix *internal* problems, but focus on how the change will impact the *customer* positively.

Have the teams identify "quick hits" that will make an immediate impact on the customer. Work as a team in order to understand the actual pain points, the root causes for the pain, and how you can change in order to improve the experience. The teams should

ask questions such as: Are processes in place that can be changed? Is there a new way to gather information or solve problems online that will reduce customer pain?

The teams also should identify long-term solutions that may take months for implementation. Identifying these solutions will allow the company to create detailed plans and budgets that are centered on improving the customer experience.

7. Measure the success. Now that we have identified the dissatisfaction and developed plans for improvement, we also need to circle back and confirm that the changes are having a positive impact on the customer. Additional research is needed to validate that there has been a shift in the customers' perceptions. Conduct the survey again in six months and again in one year in order to determine if there are shifts in their behaviors and acceptance of change.

Begin to measure and report on internal metrics that focus on the problems outlined by customers. If they said that the claims process takes too long, measure the process from beginning to end, and report on the



information to validate that the changes are making a difference in the eyes of customers.

Measuring dissatisfaction and implementing a plan to improve the experience is not a simple process, but companies across the world are finding that focusing on the "bad" sometimes is the way to make the customer the happiest! Customer retention is a key focus for most customer-facing companies. Understanding why customers are leaving and how much their dissatisfaction with the company will cost next year is the first step toward fixing the problems that *customers* see as most important.

Solve my problems, and not only will I become an even more loyal customer, but I will tell others about my satisfaction! ▼

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