

Annual benchmarking group voices key issues about customer satisfaction measurement and benchmarking

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A host of different private sector companies gathered at ORC International on 6 December to discuss areas of interest surrounding customer satisfaction measurement and benchmarking.

Group members voiced a number of key issues relating to the comparability of the customer interaction process and measurement at different stages of the customer journey.

During best practice discussions, topics raised included the following.

What's best? Customer satisfaction indices and measures

A lively debate was initiated on how to effectively measure and use loyalty, and satisfaction indices. Many members simply used overall satisfaction as their key metric or measure.

While a few UK based companies in the group used indices widely, many felt that there was significant pressure within organisations to provide a single number which:

- a) can be used as the main metric for a corporate balanced scorecard
- b) is simple to communicate across senior management

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The "likelihood to recommend" or the Net Promoter Score approach, looking at Promoters minus Detractors, was debated by a number of discussion groups:

- It was felt that simplicity was the main benefit (ie, a very short questionnaire used and a high response rate achieved)
- However, the NPS approach was also considered as oversimplified and requiring supplementary questions to understand what drives likelihood to recommend

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Stumbling blocks in the usage of recommendation as a key indicator were also highlighted and some felt it would be inappropriate for their business because:

- There may be some products/services that people would not recommend to others even though they were happy with them
- Some customers do not recommend anything on principle
- Some clients do not think the product would be suitable for others (eg, in the case of "fashion" phones)

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While there was some concern that the "single figure" approach led to oversimplification of complex data, others had previously tried to test this method – one example included undertaking a correlation analysis on four key measures to assess their impact. Real differences were not found between them, therefore only one key measure, overall satisfaction, is now reported.

Get it out there: communication of customer satisfaction results

The communication of research findings, both internally and externally, was seen as a major issue research departments had to grapple with.

External communications:

- Various media were used to communicate satisfaction results to external audiences such as customers, including member magazines or the customer website.
- In b2b markets, reports of key findings and action plans were most favoured among members.

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Internal communications:

- Communications to top level management had to be concise and expressed in clear, simple terms (eg, a couple of slides to put across a handful of key messages). Aspects such as linking customer satisfaction findings with the financial impact on the business were perceived as particularly appealing.
- Interactive online data or data portals for staff were found particularly effective. A number of organisations put customer satisfaction data online so that staff can analyse their own data, following training provided by research department. Others post reports on the intranet or go to individual businesses, divisions or branches to present data which is subsequently cascaded down through the organisation.
- It was generally agreed that the benefits of wider communication outweighed any drawbacks.
- In addition, some members used satisfaction results to identify the level of bonuses staff would receive.

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Please e-mail website@orc.co.uk if you would like to become a member of our customer satisfaction benchmarking group.

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