



Measuring Customer Satisfaction

The Way to Get Most Dissatisfied Customers to Speak Up

We have all been there: we are in a store to make a particular purchase. We don't know exactly where the item is so we make our way up and down the aisles, passing a store clerk or two along the way who, by the way, never make eye contact - much less offer assistance. After finding what we need, we get to the check-out line and have to wait longer than we think is appropriate because the check-out clerk has a running conversation going with another clerk while simultaneously attempting to ring up the customer in front of us. When it is finally our turn, the check-out clerk barely notices our existence, giving only the obligatory "How are you?"

The overall perception of this ten-minute episode differs according to which side of the cash register one is standing. From the store's perspective, we are satisfied customers. We came, we selected, we paid. No doubt that we will be back. We might even recommend this store to a friend. From our point of view, however, the experience looks quite a bit different - mediocre at best. Perhaps it was not bad enough to warrant searching out the manager to complain, but just maybe it was discouraging enough to make us consider the store down the street next time.

Scenes like this play out everyday in all business segments - including state government. Customers are taken for granted and treated as if the organization is doing them a favor. The definition of a customer is not limited only to someone in a retail setting who makes a purchase. Customers are also co-workers from a unit down the hall who call us seeking information or assistance that only we can provide. Our friendliness, willingness to help and overall attitude shape how that customer views us and our unit.

The misplaced illusion is that if customers have a bad experience they will report it. The research, however, paints a different picture. Evidence reveals that only 5% to 10% of customers who are dissatisfied with their experience will even bother to speak up. With nine out of ten unhappy customers remaining silent it is difficult, if not impossible, to gauge their level of satisfaction and the areas needing improvement merely by observation. As customers, most of us have a hesitancy to complain. It is often easier to keep silent and not make an issue of the situation. We will either slip away to other alternatives or, if there are no other options, bitterly endure.

Most organizations today recognize that their success, however defined, is shaped in large part by the number of satisfied customers they have. Yet, few organizations make the required linkage between recognizing the importance of customer satisfaction and actually measuring it. Many of those who do measure satisfaction make the mistake of doing so only once or perhaps just once every few years rather than making it a part of their ongoing customer management program.

Customer satisfaction measurement (CSM) is typically carried out through the use of three key metrics. First, CSM determines customers' *satisfaction* levels among a number of prominent organizational dimensions, such as service and support. It will also include an overall or "global" satisfaction rating. Second, it measures the *importance* that customers assign to each of these dimension topics. And third, it measures the level of customer *loyalty* - the degree to which customers will vouch for the organization. Through several analytical techniques, these three metrics are tabulated to determine a customer satisfaction index. The index remains viable only through continued measurement.

Have you wondered whether or not your customers are satisfied? Have you thought about what aspects of your business model drive customer satisfaction? Have you considered how your customers present your organization to others? If you said *yes* to any of these, or even if you gave a hesitant *no*, then it just might be time to see how a better understanding of your customers can benefit your operation.

Survey Tip

When conducting customer satisfaction surveys it is important to beware of questionnaires that are not properly balanced. Too often in satisfaction measurement there is a tendency to write questions that are too positive, resulting in overstated favorable attitudes.

One solution is to ask respondents about *specific elements* of their experience (e.g., service was completed when promised, patient's condition was fully explained, product x is priced lower).

Another solution is to ask about the person's *experience* (e.g., the timeliness of service) and then follow-up with a question about its *importance*.

Did you know...

With the Academy Awards just a few days away, who reigns as America's favorite movie star? For the second year in a row, Tom Hanks comes out on top as the country's favorite. Johnny Depp is second, while John Wayne and Harrison Ford are tied for third. Julia Roberts rounds out the top five.

These are the results of a nationwide poll of 1,001 U.S. adults surveyed online.

Gender and race play a role in choosing a favorite actor. John Wayne, who died over 25 years ago, is preferred by men, while women select Tom Hanks as their top choice. Denzel Washington claims the top spot among African Americans, while Hispanics are divided between Mel Gibson and Katherine Hepburn.

Respondents in the East, Midwest and West all choose Tom Hanks as their favorite, while Southerners prefer Brad Pitt.

Source: Harris Interactive

Comments, suggestions and questions related to survey research should be directed to Doug Cox - NCDOT Market Research Manager at (919)733-2083.