AVALON CONSULTING
Turn your business into a promise delivery system

TURN YOUR BUSINESS INTO A PROMISE DELIVERY SYSTEM.

MODULE FOUR. MEASUREMENT.

“If you are too busy to build good systems, then you’ll always be too busy.”

B. Logue

A promise kept?

You've defined your primary promise and built the systems to consistently make it happen. Or at least you hope so.

Well, stop hoping and start knowing. It's time to implement a system which continuously asks your customers if you lived up to the promise you made and the expectations you set. Without consistently collecting and evaluating your customer's experience data, you really don't know if you are succeeding in creating a promise delivery system.

A much quoted survey by Bain & Co. found that 80% of CEO's believed that their company delivered excellent service. 8% of their customers agreed..
The point here is not to dive into those numbers, but to say that it's not inconceivable that there is a gap between how great a company think it is, and how it's actually perceived by its customers - and a first step to get clarity, to close that gap, is to measure what the customers say about how the company delivers on its primary promise.

How, when, what and who

How

There are many tools available out there which are relatively easy to comprehend, customize, implement and use in relation to evaluating the delivery of your primary promise.

One of our case studies mentions the Net Promotor Score (NPS) which will be described in more detail there. The big upside with the NPS is that it is very simple. It asks one question: "On as scale from zero to ten, how likely are you to recommend our service to a friend or colleague?". That's it. Easy to answer, process and follow over time. The downside it that it doesn't tell why the respondent would recommend you or not, so it doesn't give a lot of information to act upon. But as a scoring aggregator it's a very efficient tool, not at least because it's easy to understand and fast to respond to for your customers.

"Who picked 'I Can't Get No Satisfaction' to be our on-hold music?"

You can obviously enhance the NPS with additional qualitative questions which specifically addresses your primary promise. For instance;
"Our promise to our customers is <insert your primary promise>. Was that your experience?" And if the answer is no, ask why not. This will not only give a dissatisfied customer an outlet for their frustration (and maybe have you reach out to them), it will also enable you to laser-focus any needed adjustments within your systems.
To this purpose, some of the often used online survey tools are services such as SurveyMonkey or Typeform where you can customize and submit your questionnaires, both closed or open ended qualitative or quantitative questions. SurveyMonkey also offers a pre-cooked NPS template.

Besides NPS, the most common used types of customers surveys are Customer Satisfaction Score (CSAT) and Customer Effort Score (CES). They all have the same objective; to gauge the level of satisfaction - or dissatisfaction - among your customer base.

By the way, it doesn't have to be a somewhat sophisticated online survey platform. It can also be something as simple and personal as a follow-up phone call. As long as it's part of an overall systems approach, so that it's done consistently and the data is stored, interpreted, shared and used to improve your promise delivery systems.

When

If you've done customer surveys before, you know that the feedback percentage can be rather disappointing. A response rate of 5-10% will make most surveyors very excited. In other words, answering your survey will not have top priority among even the most loyal of your customers. We're all bombarded with surveys - and most of us skip them.

The vast, and silent, majority will express their satisfaction level by their future purchase decisions, not by letting you know how you did.

But one of the ways to increase the response rate, and thereby get at more representative picture of how your business performs, is to consider when to conduct the survey.
Most surveys are done after the business-customer interaction has happened. The product has been received, the service has been done. But that is also, let's be honest, when the customer's interest for your business is more or less over. So why bother with filling out yet another survey?
So consider doing the survey while you still have an active customer relationship going. For instance when you are approaching the end of a specific business interaction. The customer is still engaged with your business and has had enough time to evaluate the performance. You might even want to "warn" the customer about a few questions in the pipeline, so he or she is not surprised when it arrives. Most people don't like surprises.
It's been our experience that such a change in timing and approach can significantly increase the response rate from low single digits to high double digits.

What's implied here is that asking your customers about their experience, if you lived up to your primary promise, is not an isolated incident done occasionally when you feel that it's about time to get some feedback. It's an ongoing effort, a natural part of a systems approach, executed at the end of every customer cycle and subsequently enhancing your employees engagement and knowledge about their roles and objectives.

What

Besides the value of knowing how your business is perceived overall, for instance if you have a high word-of-mouth score in the NPS (and if this number is moving in the right direction over time), you also want to measure how your primary promise is perceived out there amongst your customers. Are they aware of it? Do they value it? Did you live up to the primary promise? If so, why? If not, why not?
The feedback to these questions is what will enable you to evaluate and improve your promise delivery systems.

It's tempting to collect a lot of data when designing the survey now that the lid is off, but we recommend to keep the number of questions, the length of the survey, as short as possible. It not only increases the likelihood of the respondent to complete and submit your survey, it also makes the processing and sharing of the data easier, and the required actions more focused and simpler to fulfill. The amount of data collected and the tangible actions taken tend to be counterproductive.

Who

A project is doomed to fail if it doesn't have a clearly defined owner. Not a team, or a few colleagues sharing it, but one single individual owner with a crystal clear area of responsibility and objective. This single-owner approach also applies to measuring and evaluating how well your business delivers on its primary promise.
So find and appoint a member of your team who is both motivated and talented owning the project, someone who can design the survey system, evaluate and communicate the results, and see that the feedback is put into action to continuously tweak and improve the delivery systems.

Also make sure to communicate to the whole organization how pivotal this role is to the company's success. The person in charge of customer data collection and the subsequent actions taken, needs to have a high level of support and respect from all. It's a central role in the success of building, or re-vitalizing, the business as a promise delivery system.

If that person ends up being you, either because you are the best candidate and/or you are running a small business and have no one else to delegate this job to, the same as written above applies.

Team building

In the companies we've worked in, worked with, or researched, it's been worth noting that the act of measuring and evaluating the business performance is an essential part of building a team and a culture which is informed, takes ownership and work to improve the systems.

These companies have made it a daily/weekly/monthly routine to share the results of their customer feedback.
They celebrate the good news and vigorously work to correct the causes of the bad news.
When bad news occur, and it will, the focus is not on the problem itself, but more so on how to fix the problem, how to fix a failing system.
The focus is not to dwell on the negative, but to see the negative feedback as an opportunity to improve the present systems and human behaviour associated with them.
We'll talk more about this in module six, *Failure response system*.

As you've read some of our case stories, for instance Ritz-Carlton, you'll see how the rhythm of sharing the performance results also keeps the business' primary promise top of mind. It's a relentless repetition of what the organization is striving to achieve, what their claim to fame is, and how to keep delivering it.
That's why the collection and sharing of customer feedback should also be seen as an integral part of the employee training efforts.

Most new employees will receive initial training; a colleague showing the ropes to a new employee for a few days or weeks, having him or her read the company guidelines or operation manuals, etc. But it is often information overload which fades away over time with the risk of being replaced by self-invented habits and routines by the new team member. And your business could end up with as many, non-coordinated and non-promise-focused, systems as you have employees. The opposite of business with a focused promise delivery system.

The antidote should include a daily or weekly team huddle around the latest customer feedback, with the underlying benefit of being reminded of the business' overall promise, the systems the employees are in charge of, and the actions they do which directly or in-directly has an impact on the company's performance score.

I thought you would pay me..

An example of customer feedback which is collected, evaluated, shared and used to improve a company's promise delivery systems, comes from the business covered in the case story related to this module:

In the early days of the junk removal company 1-800-GOT-JUNK?, the collection of customer feedback revealed that quite a few customers thought that the company would pay them for their junk. The business model is obviously the other way around; the customers pay 1-800-GOT-JUNK? to come and remove their junk. However, this misconception was noted both at the central call centre and later during service follow-ups. The risk was that customers with this misunderstanding would end up with a negative experience, wrong or not, and this would eventually reflect poorly on the company's reputation and brand value.

At the company's daily meet-up called Huddle, which is mandatory for all employees, the issue was acknowledged and shared. A member of the staff was appointed with the ownership and responsibility to come up with a solution, which turned out to be an increased focus on the payment details in the company's key focus areas and promise delivery systems. These systems are; on-time service, upfront rates (where the potential confusion re. the payment process would be clarified), clean shiny trucks and friendly uniformed drivers.
The information adjustment was implemented at all customer touch points, including the business' franchise operators who execute the promise delivery systems on the front line.

By listening to their customers, 1-800-GOT-JUNK? became aware of an issue which created unnecessary confusion and a potential bad experience. They shared the issue within the organization and gave the solution a clear owner.
The outcome was better communication and delivery of the business' focus areas.