



## Customer Satisfaction

### *Are We Measuring What Is Most Important?*

The story goes something like this... A man is down on his knees late one night searching feverishly under a lamppost for his wallet. About that time a policeman walks up and asks what he is doing. In a panic, the man says that he is looking for his wallet full of cash that he lost earlier. The policeman asks where he was the last time he noticed that he had the wallet. The man answers that he was a block up the street at a shop to buy a gift for his wife. "Why don't you look there?" asks the policeman. "Because the light is better here," says the man.

Quite frequently the approach to measuring customer satisfaction follows this same line of reasoning. Organizations fall into the habit of measuring what is easy to measure, what is convenient to measure, what they have always measured, and/or those measures that, in their mind and only from their perspective, matter most. In the end the result is survey data that can be of limited usefulness. Let's take a look at three of the most common mistakes made when setting out to measure customer satisfaction.

**Measuring only part of what is needed:** Suppose an organization determines through some means of inquiry that courteous service is a key driver of customer satisfaction. It develops a questionnaire to gauge, among other things, the satisfaction level of this courtesy dimension. Survey findings reveal that customers are only mildly satisfied with the organization's level of courtesy. In the absence of more detailed information, all the organization can do is instruct its employees to be *more courteous*. A better approach would have been to have initially conducted deeper exploration into what defines courteous service in the mind of the customer. Perhaps it means making eye contact or calling a customer by name, or possibly it means asking permission before placing customers on hold when they call. Regardless of how courteous service is defined, measuring all of the elements that make up the broader dimension offers the opportunity for clearer insights into organizational weaknesses and clues into how to improve.

**Measuring the wrong things:** Now suppose the organization has been picking up low rumblyings that customers are not satisfied with the amount of time they spend waiting for service. A survey is developed and one component measures customer time spent waiting in the lobby. Surprisingly, the survey results indicate that customers are satisfied with their wait time - in fact, they view it as very reasonable. Yet, overall customer satisfaction continues to slump. Upon further investigation with a cross-section of customers, the organization discovers the root of the problem. It was not the wait time before being seen by an employee that was dragging down customer satisfaction. Instead, the culprit was the waiting time experienced *afterwards* while the employee searched for their record and answered telephone calls. The organization was simply measuring the wrong thing.

**Management's view of what customer satisfaction is:** When deciding to measure customer satisfaction, one of the first steps typically taken is to assemble a group of managers for a meeting to begin detailing what questions to ask. Suggestions might range from measuring responsiveness and staff professionalism to speed of service and reliability. A fair amount of give and take transpires until a general consensus emerges regarding what areas to include and exclude. The questionnaire is finalized and distributed to customers. The findings show that customers are fairly well satisfied with each of these measurement areas. Still, the overall results indicate that the organization has considerable room for improvement. A task force is now organized to delve deeper. Upon talking with a mix of customers, it is discovered that the survey failed to include other dimensions that were equally, if not more, relevant to customers. Due to the organization's perception of customer satisfaction from its own point of view, it missed out on what mattered most to customers.

Measuring customer satisfaction is a challenging undertaking when done properly. Quite often it means stripping away all of the perceptions of what we view a satisfied customer to be. It is only then that we can get at the heart of measuring all that needs to be measured, being on target with what we are measuring, and developing a measurement instrument that is focused on customer requirements.

## Survey Tip

The process of measuring customer satisfaction begins by including the customer. Gathering input from a cross-section of customers is perhaps the most crucial phase of the project. They are the primary source in revealing the dimensions that shape satisfaction.

Keep in mind that the definition of customer satisfaction is what the customer says it is, not what we say it is.

## Did you know...

Americans view ethanol as the alternative fuel most likely to replace fossil fuels over the next decade. In a survey conducted by UPI/Zogby Interactive, four in ten respondents said they believe ethanol will be the successor to crude oil. Midwestern states have already approved the construction of plants that turn agricultural products - mainly corn - into ethanol. A majority of survey respondents (55%) wants the U.S. government to increase funding for R&D of alternative fuels.

Nearly one-half of the respondents (47%) believe the price of gas will go up over the course of 2007, while 23% think the price will fall. Eleven percent believe gas prices will rise during the year by more than \$1 per gallon.

One in three drivers (35%) say they would significantly cut back on their driving if gas were to reach \$3 per gallon, while 66% would cut back if gas rose to \$4 a gallon. Ninety-two percent said their driving behavior is influenced by the price of gasoline.

Sixty-one percent of those surveyed support drilling for oil along U.S. coastlines, and nearly one-half are in favor of drilling in Alaska's Arctic National Wildlife Refuge.

Source: UPI/Zogby Interactive

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