

Get Closer to the Customer

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Editor's Note: This is the first in a series of articles about ArchPoint's multi-step Voice of the Customer approach.

Last week, a client mentioned they were considering reducing the frequency of an annual customer survey to once every two years. When asked why, their response was, "We keep hearing the same old stuff and frankly, we don't do anything with it." The ironic part of this discussion is that we were counseling them to move toward a rolling 12-month survey based on issues we identified with their current business. Once the conversation was over, we agreed to dig into the framework, approach and process of the customer survey. We decided to start by understanding the business needs for this data, and then we would consider the frequency.

This client exchange, and many others like them, inspired this series of articles. The ArchPoint Team has explored the topic of customer feedback, or Voice of the Customer (VOC), and understands how best to gather and react to this critical information. Strangely enough, this topic brings to mind a song lyric, "If you want me to get closer to you, then get closer to me." Seals and Crofts probably didn't intend to, but they have given us a critical principle in the quest for stronger customer relationships – listen and respond!

At a fundamental level, "getting closer" is all about being heard – on both sides of the relationship. ArchPoint's multi-step Voice of the Customer process helps your company listen more closely to customers – important throughout the year, but especially during strategic planning. There is a positive flipside to listening to your customers -- they're more likely to pay attention to your message. Simply stated, you are asking them to help you improve. Experience has proven that they appreciate being asked for their feedback and take a more vested interest in your success.

Regularly, we work with clients through a planning process that would be enhanced with the right customer validation. We are not saying that customers are always right, or always know what the future holds, but what we are saying, is that their input into our perspective is critical. They represent the voice of the marketplace, and without that point of view, planning processes are too internally focused. Somehow, we have to bring other perspectives into our planning process. Otherwise, we're only looking in the rear-view mirror at how products have performed historically and missing out on future trends in the market place.

A good VOC process includes both views – feedback on how a company has done historically and perspective from customers on what the future holds. Our VOC process starts by creating a baseline of your company's performance from your customers' perspective. We include both a rear-view (how have our products and services performed historically with our customers versus my competition?) and a forward-view (getting perspective from customers as to what they're seeing as future trends in the marketplace), and we do it on a rolling 12 month basis to keep the data fresh.

The ArchPoint Loyalty Factor is one of the first steps in ArchPoint's VOC process. Simply put, the ArchPoint Loyalty Factor asks clients two questions:

- 1) On a scale of one to 10, with 10 being best, how likely are you to recommend this organization to a friend or colleague?
- 2) Why did you give that score?

The ArchPoint Loyalty Factor uses these two questions to provide consistent information and feedback to our clients who realize the wisdom and benefit of staying in touch with their customers.

We have found that our client's customers really don't want to do a five-page survey. Our clients have told us that it's tough to ask customers to do a long questionnaire. Our experience is that most customers are willing to answer a few questions, especially if it's over the phone. We believe that is part of the beauty of the ArchPoint Loyalty Factor. It's not difficult to execute and the information is powerful. When customers expound on why they gave a certain score, it really tells us what delights them and what needs to be changed.

To orchestrate the ArchPoint Loyalty Factor, we work with our clients to develop a statistically relevant sample size. We can do the survey across different levels in the customers, from the executive suite to a specific service event. Once collected, we sort the information and provide a Pareto chart of the top reasons for a high score and also the top reasons for a low score. In the monthly update, we provide a Verbatim Sheet, giving clients specific quotes from the surveys (though the customer remains anonymous), which allows for more detailed insights into the scores. More importantly, the verbatim comments really tell the story. Repetition in the comments quickly highlights the issues and what changes are necessary to make the biggest difference for our customers.

The information the ArchPoint Loyalty Factor produces provides invaluable feedback to what matters most an organization's customers. From our perspective, integrating customer feedback into both our strategic and operating plans is critical to serving the marketplace better and winning more.