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Why Customer Satisfaction Surveys Backfire

BY JOHN TSCHOHL

Do you really think customers want to fill out a customer satisfaction survey? How many times have you riffled through a survey just to get the freebie that comes with it? Well, guess what? Most people are probably doing the same thing and all the information they thought was so important is now — invalid. A complete waste of time and money.

Customer satisfaction surveys are everywhere....

In the United States every organization is following-the-leader with customer satisfaction surveys. The latest fad is to initiate surveys with your customers with every transaction 100 percent of the time. Very few customers fill out the survey and if they do, it depends on what the freebie is at the end.

In many firms like Delta airlines every single time I call I get asked to take a survey. And, they don't just ask once. Approximately 40 percent of my time is wasted, on the phone listening to their survey request and having to repeat "no" to their surveys at least twice if not more.

Customer satisfaction surveys are everywhere; in fact, we tend to be bombarded with e-mail or online survey offers from companies who want to know our opinions about their products, services, etc. Have you ever called up your credit card company or bank and were asked to stay on the line after your call is complete in order to take a customer satisfaction survey? How many times do you actually stay on the line to take that survey? If you're like the vast majority of people, you hang up as soon as the call is complete and get on with your life.

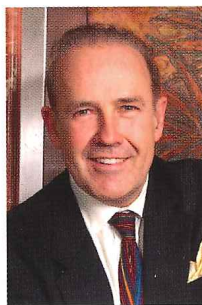
Firms in the United States like to copy everyone else. Remember when it was a cool thing to save money and outsource your call center to India? This was one of the most stupid business decisions companies made, that is unless they had too many customers or wanted to reduce their customer base or the value of their business. When Michael Dell retired the first time, he put a financial person in as CEO. The first thing he did was dra-

matically reduce the customer experience and outsource to India. The \$1,000 I invested in Dell in May 2003 is now worth \$474. I think firms are going to the same destructive approach as outsourcing to India.

It is difficult to find any business in this country that is not surveying its customers. I think we have human resource people selling top management on it because *everyone else* is doing this.

Amazon, the customer service leader in the United States and the world, which grew 26 percent to \$107 billion in revenue last year, is not dumb enough to follow the trend. As Jeff Bezos, CEO of Amazon said, "If you want more of something reduce

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the friction. If you want less of something increase the friction."

Years ago many firms used customer comment cards. They stopped using them because customers knew the firms did not read them or do anything about the feedback. Around 1981, Target had customer comment cards where the results were really bad. They solved the problem by just changing the questions on the comment cards. When I was in college a D grade meant you did not pass. Most U.S. firms are happy with a C or D grade. If the survey results are not exactly good, they just change the survey.

If you want to survey your customers, survey one out of five or one out of 10. It will be more meaningful. The process being used today is increasing the friction with customers, increasing transaction times, upsetting customers and damaging your brand, your image, and your sales.

I suspect firms like JD Powers are driving this crazy focus on customer satisfaction surveys and Net Promoter Scores. Spend some of your money developing your leadership team and workforce to deliver superior customer service. It will be money better spent. Do not follow this trend because at some point in 2016, your customers will get so fed up they will defect. In the words of Jeff Bezos, "Reduce friction, don't increase it."

MANA welcomes your comments on this article. Write to us at mana@manaonline.org.