



# Why your customer satisfaction surveys are not actionable

When is the last time your organization took a significant action as a direct result of a survey? We recently interviewed the vice president of customer insights for a major communications firm, who commented that his firm spends millions of dollars on surveys yet still lacks actionable information. In that company, like many, satisfaction surveys have acquired a reputation for being unactionable and frustrating.

Why do many research studies end up on the shelf gathering dust? How can market research directors help internal customers (e.g., chief customer experience officers) and vice presidents of customer insights to create actionable, integrated voice of the customer (VOC) solutions? If market research does not

help facilitate and fulfill the task of providing actionable solutions, the customer service or quality functions within the organization might execute a similar integrated analysis and the VOC function could be removed from market research along with the accompanying budget. We've seen this happen in pharmaceutical, communications and packaged goods companies.

Most surveys have little impact in the real world, for the following four reasons:

1. Surveys do not measure or report events that people either care about or can influence.
2. Surveys are presented in a vacuum so that other data describing the customer experience often contradicts it, giving

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everyone an excuse for inaction.

3. Surveys are poorly packaged so no one can quickly determine what the problem is and what should be done.
4. Surveys do not create an economic imperative to take action by showing the cost of inaction.

All four of these can be remedied, but to do so will require market research to go beyond its comfort zone and actually look at data from the operations and service part of the organization. Let's review each of the reasons:

1. **"The data is not relevant; it doesn't tell me what needs to be fixed."**

In most cases this means it is either

## snapshot

Your internal clients are busy. To give them the customer satisfaction data they need, the authors suggest, you must make the information relevant and easy to act upon and tie it to a specific economic consequence.

too general or too tactical, missing the actionable insight. Most surveys are usually about the relationship or about the transaction. The “relationship” surveys measure what happened over the past six months or year and focus on ratings over general dimensions of the relationship. The problem is that a customer often wants to give specifics on one aspect of the dimension, but then s/he is not given the opportunity. Relationship surveys often ask for general comments when a respondent really wants to tell you about “this one specific thing you do that bugs me.” In many cases, the issue may not even be top-of-mind or may be a policy that is an industry policy. Both the rating of a broad dimension and the open-ended approach do not evoke the specific issues. Companies miss the answers that are actionable.

The “transaction” surveys measure the tactical interactions: “How did Mary Lou the customer service rep handle your call?” In most cases, the transaction survey is conducted right after or within 24 hours of the call because the outcome of the transaction is often not obvious at that point. However, this impedes production of actionable insights that are bigger than the call but smaller than the relationship, i.e., “Mary Lou did fine, but your system never followed through on her promises of action.”

## **2. “The data you are providing is not telling me what I hear from other reliable sources.”**

Your internal customers are receiving two other ongoing flows of information about the customer experience. The first describes what your company has done for (e.g., on-time delivery) or to (e.g., missed delivery) customers via transactions by units like operations, sales and accounts receivable. The second flow is information from customer service and sales describing recent contacts, complaints and interactions. Nothing happens in a vacuum. Often operational data and survey data highlight a completely different set of issues than contact and complaint information from service. Operational data describes events of commission or omission while survey data reflects attitudinal data. The information from the customer contacts consists of a combination of both types of data. These

three somewhat contradicting data sets give another excuse for inaction.

## **3. “I can’t easily make sense out of this survey report. I will need to study it later when I have more time.”**

Most survey reports are poorly packaged, precluding the desire to move quickly to action. Part of this is because most research reports indicate findings with a list of problems or opportunities. These reports do not suggest a specific set of priorities within opportunities nor recommendations for specific actions. Because the internal customer, the strategic business unit (SBU) or the V.P. of customer experience cannot make an immediate determination of the problem and the appropriate resulting action, no action takes place. This often occurs because of internal boundaries and lack of effective communication channels between the market research department and the internal user over the data. The SBU does not understand the market research data; however, in order to move to action, the SBU has to take serious time to understand the data. Most managers do not readily have this time. Therefore, the prudent approach from a manager’s point of view is to put the report aside until there is enough time to review it in detail, but this hardly ever happens. Instead, it sits on the shelf along with other market research reports.

## **4. “I agree there is a significant problem but I have other issues right now. I’ll get to this next quarter.”**

Most reports do not create an economic imperative to take action from showing the cost of inaction. It is common for reports to highlight satisfaction measures, strengths and weaknesses, but what happens to the bottom line if no action is taken? The revenue impact of problems tends to be 10-20 times the cost of impact, but such impacts are seldom estimated in most satisfaction research reports.

### **More actionable**

So, how do you make your survey reports more actionable?

**Ask a direct question about what did**

**not work.** Do not hesitate to show the respondent a predefined list of things that could have gone wrong. This allows you to uncover as many as three times more problems. Understanding problems will result in actions. Furthermore, problems are events that be acted upon and can be prevented, making the report more obviously actionable.

**Integrate your survey data with other sources, including operational data and contact data.** If you place your research data within the context of the contact data and key data that describes what the company has done to the customers, it instantly becomes more relevant and less contradictory. Remember, your client receives these two other data streams regularly so your report will be compared to them. If you explain the context and any contradictions, you look smarter and your report will not be discounted. Integrating data results in actions.

**Suggest specific actions.** A standard management rule is: Do not give an executive a problem; give him a problem with a suggested solution. Talk to a couple of operating people from the SBU for at least the top two issues. Understand the context and suggest possible solutions, i.e., strawman solutions. By doing this, the executive will not start with a blank sheet of paper concerning action plans and fixes.

**Create an economic imperative to act now.** A few years ago, TARP highlighted an engine problem to an auto company that was causing \$50 million in potential damage to customer loyalty. The auto company agreed that it was an important issue but other items had higher priority. The minute TARP recast the data to say, “Each month you fail to take action will cost you \$4.6 million,” the auto company took action. If you can quantify the cost of inaction for a month, you will almost always precipitate action.

### **Cut through the clutter**

Your internal clients are busy, swamped with information from other sources and are primarily concerned about the bottom line. Unless your reports cut through the clutter with immediate, relevant information, they will continue to be ignored. The best course of action is to tell your clients what it will cost them not to take action. | Q