



1to1 Magazine
03/31/2006
Issue: April 2006

Talk about being dealt a tough hand. Any company that wants to survey its customers is likely afraid to bet on success. The trepidation comes from the serious survey glut that could hinder response rates. Customers who do decide to respond are more likely than ever to bail on any survey too long or uninteresting. And questions about income and job title are highly likely to go unanswered. In fact, according to a recent survey of 60,000 consumers by Adjoined Consulting and SAP, only 14 percent said they would share this information with a company.

But don't fold just yet. There's an ace in the hole: Many companies are using new approaches to collect the type of customer feedback critical to any loyalty initiative or customer valuation model. These include longitudinal, open-ended only, and one-question surveys.

"We have seen a lot of companies that [don't put] much thought into the kind of questions they want to ask or the length of the survey," says Vivek Bhaskaran, CEO of survey company QuestionPro. "Both are important, and if you don't think these things through the customer will not participate. If they do participate, they definitely won't participate in the next one."

Bhaskaran advocates what he calls longitudinal surveys. The concept is akin to product lifecycle management. Longitudinal surveying keeps in mind that the customer will be asked to complete several different surveys over a period of time. It does not collect all necessary customer data points at the same time. The method prioritizes the data points the company wants to collect and plans a timeline for collecting. The thinking is that customers are more likely to complete a series of short surveys than one long survey. On the Internet, says Bhaskaran, the attention span of most customers has been so compressed that shorter, more frequent surveys actually work more effectively. In fact, QuestionPro research shows that shorter surveys can increase response rates by as much as 50 percent. Additionally, with longitudinal surveys a company has a better chance of obtaining key client details after it has proven itself trustworthy by first asking for more accessible information.

Sometimes survey information is better gained by letting customers be creative. That was the case for Safeway.com. The online grocery store had fallen prey to the practice of trying to hit a data home run every time it surveyed its customer base by asking for too many details. Preeti Nathan, Safeway.com's customer insight manager, led the company's efforts to improve its survey process by changing its approach. The new strategy was put to the test late last year when Safeway.com attempted to measure customer satisfaction with its home delivery service.

Nathan's goal was to obtain scores on overall satisfaction for seven key customer touchpoints, including the Web site interface, ordering process, and delivery. Instead of crafting a long, multiple-choice survey, Nathan worked with QuestionPro to create a shorter, open-ended survey designed to allow Nathan and her team to analyze the strengths and weaknesses of the Safeway.com customer experience. Questions include, "Is there anything about our Web site that you would like to improve?" and "Is there anything you'd like to say that wasn't covered elsewhere in this survey?" The open-ended survey format allows Safeway.com to follow up with respondents to get their opinion on new initiatives, site changes, promotions, and other marketing activity.

"The actual words customers use to describe their experiences add tremendous dimension to the quantitative data the surveys collect," Nathan says. "As a result, we're able to get better insights." For example, customer survey feedback led Safeway.com to improve its Web site search capabilities.

Many companies like to collect information on various topics when gathering customer feedback. But in some cases just one question will suffice. According to author and loyalty guru Fred Reichheld, if a company has only one question to ask, it should be "Would you recommend this company to a friend?" This question, which is rated on a scale of 1 to 10, gives companies insight in to factors that drive their customers' loyalty. Organizations can then use that information to follow up with customers on how to improve their loyalty initiatives and other aspects of the customer experience. Enterprise Rent-A-Car uses Reichheld's one-question survey to determine customer satisfaction and uses the scores to motivate its staff. Managers follow up with customers who give a poor score or complain about a negative experience.

Whether a survey is used to inform a loyalty program or get a handle on customer satisfaction, marketers need to ante up and to use these approaches to stay ahead in the game.

Copyright © 2006 Carlson Marketing, Inc. All rights reserved.
Peppers & Rogers Group, is a division of Carlson Marketing.