

## Asking the Right People the Right Questions to Get Actionable Customer Feedback Data

The Outcomes:

- Data that enables “Right” Actions
- Actions that enable Suppliers to Keep and Grow Customers
- Customer Collaboration that Produces Joint WINs



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# Presenter: Dennis J. Chapman Sr.

Dennis J. Chapman is founder, President and CEO of The Chapman Group, a sales effectiveness consulting firm that specializes in optimizing sales performance. Dennis brings over 25+ years of executive experience in sales business management ; helping clients overachieve their goals.



Dennis has developed sales, strategic account management and ROI Selling methodologies, processes and tools that have produced significant and sustainable revenue results for his clients. Clients have included Baxter Laboratories, Allstate, Dell Computer, US Postal Service, Express Scripts, Hercules Chemical, Ashland, PAREXEL, GE Healthcare and GE Water Treatments and many others.

Before establishing The Chapman Group in 1988, Dennis' professional career included positions with:

- Xerox, ROLM/IBM and as Vice President of Sales and Marketing in the high-tech reseller industry.

## Thought Leadership contributions

- Dennis speaks on sales and sales management processes to MBA candidates at Loyola College in Baltimore, Maryland, and to major corporations across the country.. Dennis has also served as a panelist on the John's Hopkins MBA program.
- Dennis has been published on the topics of sales, sales leadership, strategic account management and sales performance metrics in many national publications such as CRM Magazine, Velocity Magazine and Selling Power
- Dennis currently serves on the Board of Directors of SAMA (Strategic Account Management Association – global association).

## Today's Webinar Session (40 min./ then Q&A)

### *Transitioning “Right” Customer Facts (Insights) from “Right” People into Action Planning*

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- Facts about Customers that compel us to ask questions
- Market Drivers
- Asking the Right People (the Who) for Feedback
- A Voice of Customer Feedback Program – The Questions
- The WIIFM for Accounts and Strategic Supplier
- Q & A

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## Facts Point Way to “Getting Feedback“ taking ACTION” and being Customer-Centric!

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We expect our suppliers to make it their business to understand our business – they can't solve our problems if they don't understand them.'

Strategic Account Management Association (SAMA), Trends Study 2007

Customer satisfaction increasing – 63% now saying that customer satisfaction is increasing at a higher rate than in 2009 through customer-centric SAM approach.

Strategic Account Management Association (SAMA), Trends Study 2012

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- Eastman Kodak
  - Digital Equipment

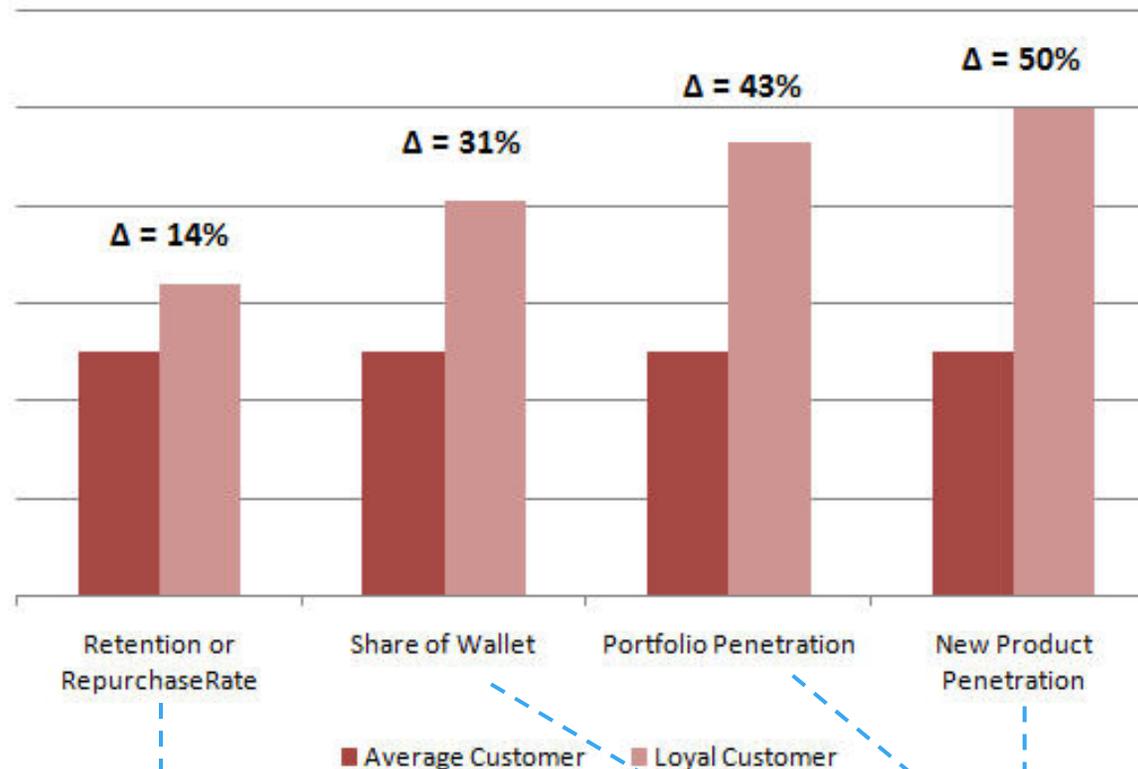
# Facts About Customers that Compel us to Ask Questions

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- 70% of defecting customers have declared themselves satisfied or highly satisfied on their previous satisfaction survey...
- Every customer's expectations and needs vary

# Fact: Loyalty Impacts Revenue!

## *Average Customer vs. Loyal Customer\**



Loyal customers renew contracts and repurchase more frequently than average customers...

... and reward their suppliers by spending more on existing and new product offerings

*Except in a few rare instances, a complete and extraordinary customer experience is the key to securing Customer loyalty and generating superior long-term financial performance.*

*- Harvard Business Review*

\* Redefining Customer Loyalty; Corporate Executive Board

# Market Drivers / Challenges Alignment to and Solutions for

*Are you "Relevant" - Viewed as a High Impact Supplier?*



# The Pillar for Optimizing Customer Loyalty...

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## *Customer-Centricity*

*Know the Customer - Think like a Customer –  
Be Relevant to the Customer!*

# Measuring the Customer Experience

## *“Customer Experience Management” - CEM*

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*To create more loyal and committed customers a supplier must first learn how their customer defines the current state of their experience with you as a supplier – the benchmark (their current **Loyalty Index**).*

*Suppliers then need to assess this feedback and take appropriate action(s)*

# Creating the Desired Customer Relationship

*The Ultimate Goal = Loyal and Committed Customers*



## Loyal and Committed

- Collaborative and *transparent* relationship
- *High mutual dependencies* (people/products-services/organization)
- High-Wide-Deep relationships
- Realized economic impact and value

## Loyal

- Collaborative relationship
- Select dependencies either; people/products-services/organization
- High-Wide-Deep relationships
- Realized value-adds

## Satisfied

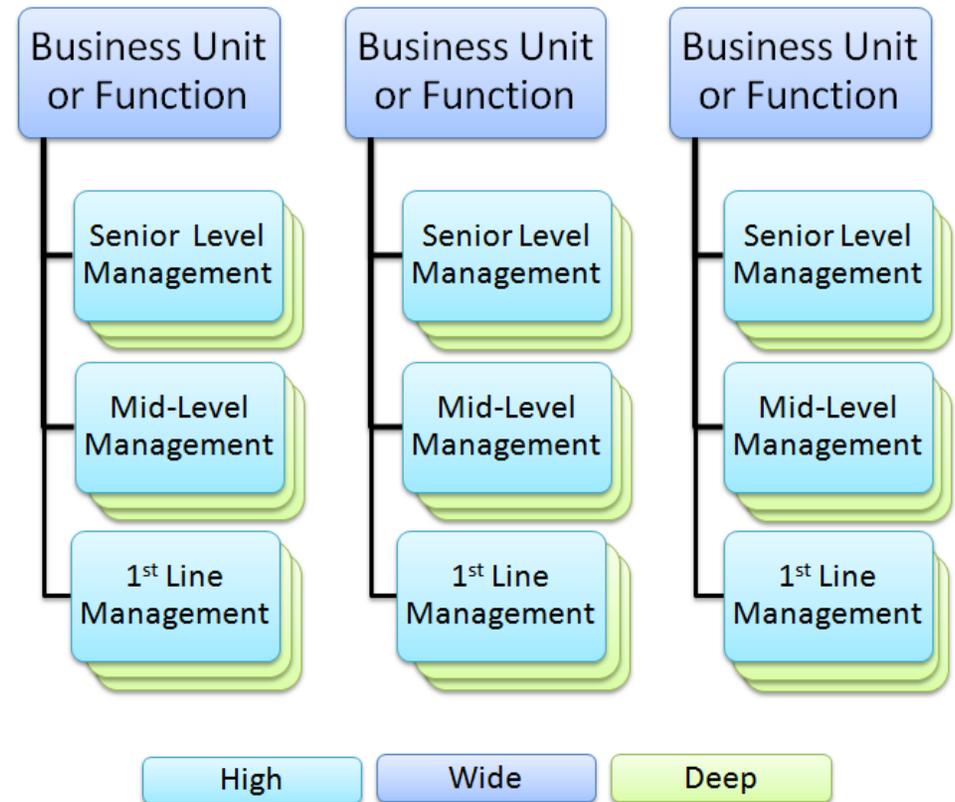
- On an "as-needed" basis relationship
- Orientation toward people and products-services of supplier
- Primarily user and operational relationships
- Perceived value of people / product/service level – the deliverable

## Dissatisfied and Not Committed

- On an "as-needed" basis relationship
- Lack of real dependency (people/products-services/organization)
- Primarily user, operational and procurement relationship
- Servicing requirements not aligned to price-cost benefit ratio

## Principle 1: Ask The Right People; High – Wide - Deep

- The 3 x 3 x 3 approach - high, wide and deep across all management levels and functions with whom *your organization works with on a day to day, month to month, and/or year to year basis.*
- This validates Customer relationships from *multiple relationship management views* (Executive Leadership, Operations, Finance, etc.)

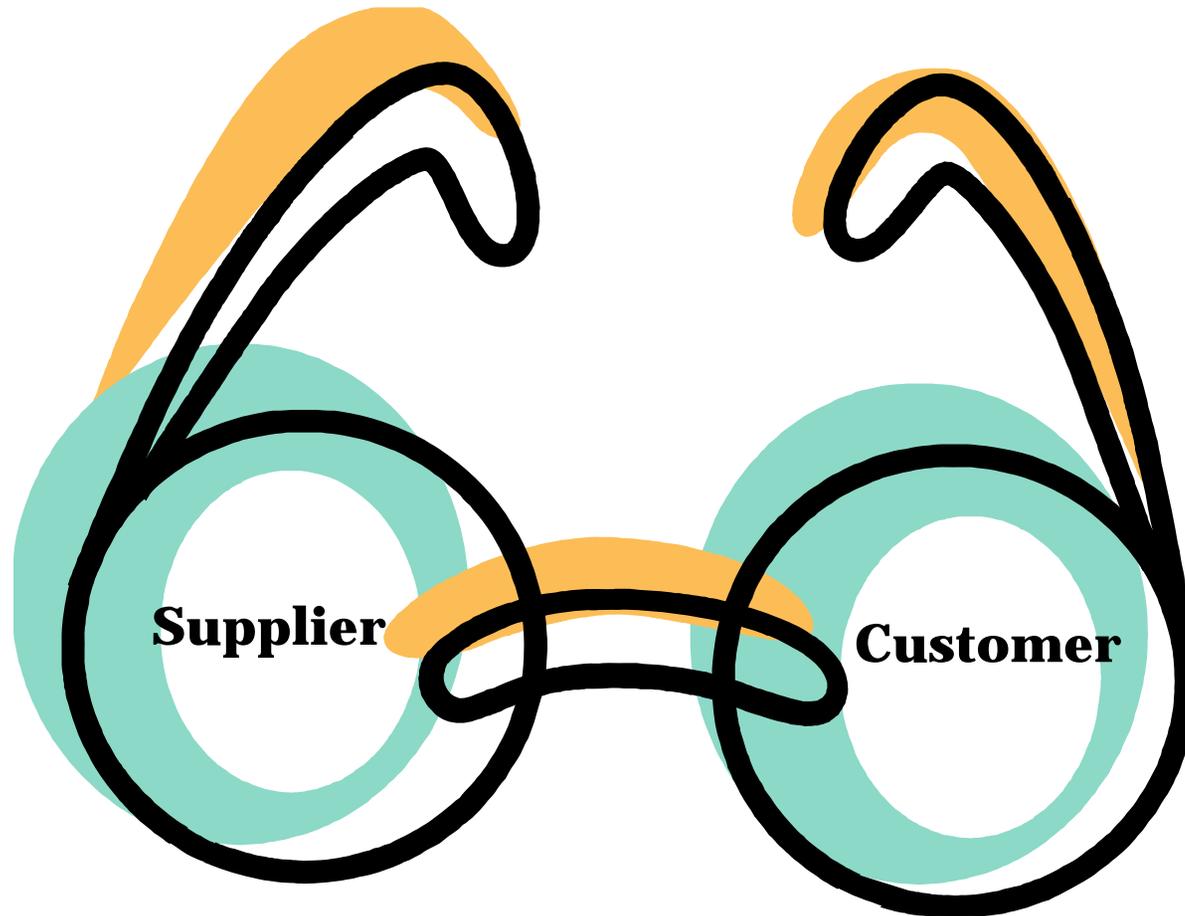


# Who to Ask?



**Principle 2:**  
**Develop Questions with an Outward In vs. Inward Consideration**

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### Principle 3:

Ask Questions that Provide Answers that are *Relevant* and Can be *Quantified* Creating a *Loyalty / Commitment* Index

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- You can't manage what you can't measure
  - Metrics must be aligned with the company's strategic plan and must be SMART - Specific, Measurable, Achievable, Realistic and Timely
- You can't measure what you can't describe
  - Clarity and specificity

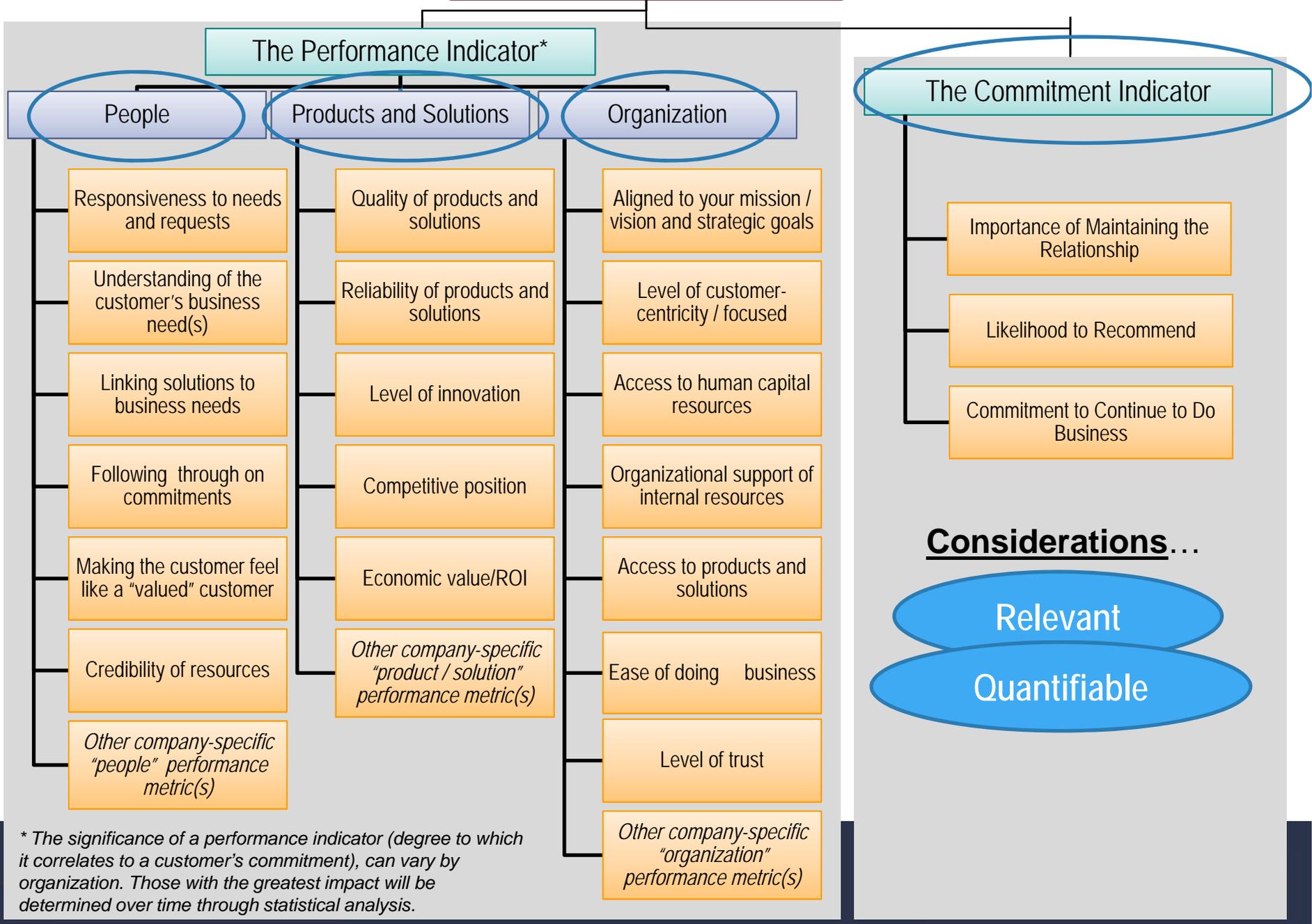


# The Loyalty/Commitment Index

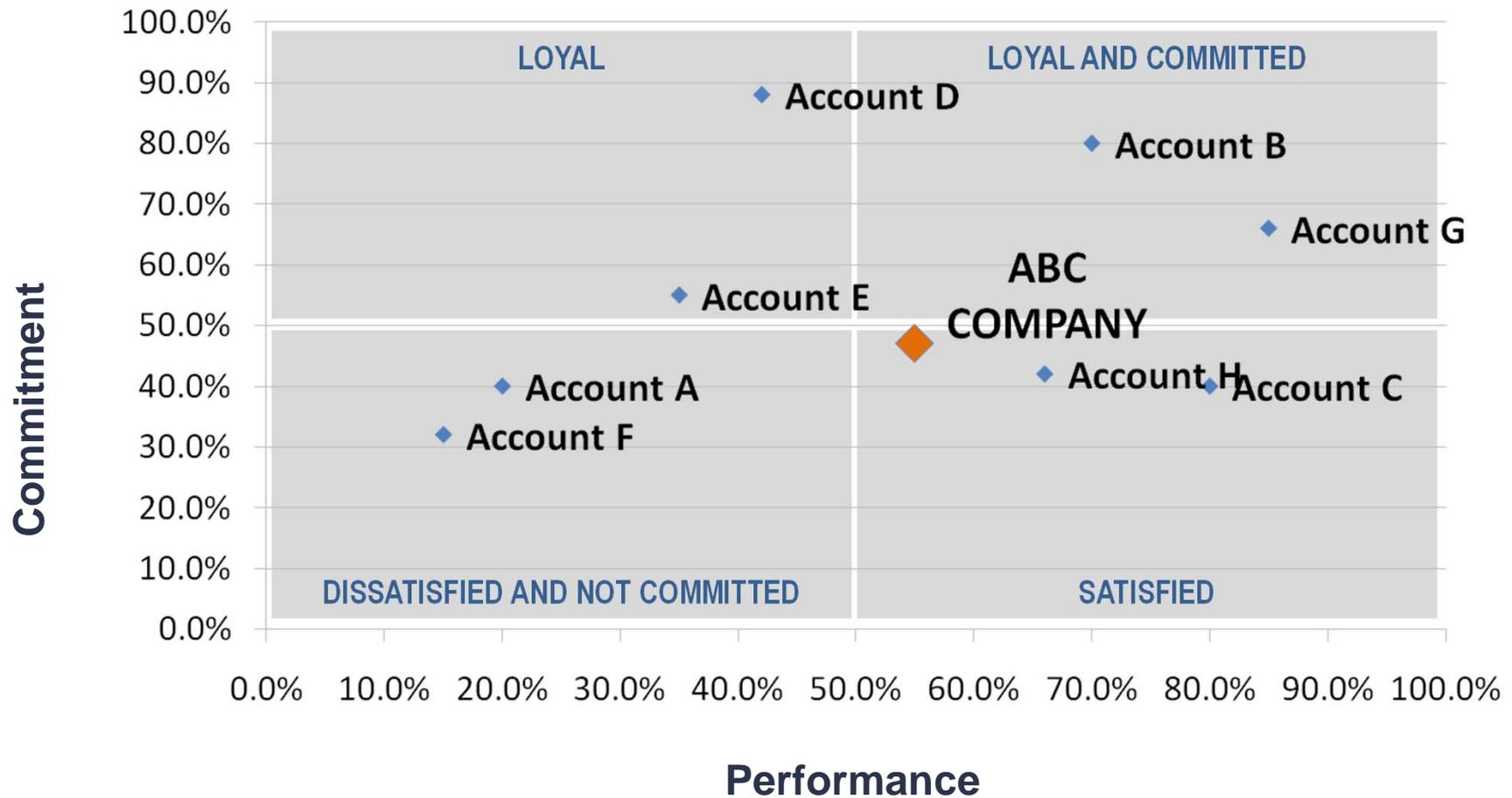
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- A consolidated measurement of both the performance of a supplier relative to expectations (satisfaction or dissatisfaction) and the customers commitment to continue to do business with a supplier (customer attitudes / behaviors).
  - A rating on a scale of 0-100
  - Loyalty/Commitment Index = Benchmark... *this is not a pass / fail!*

# THE LOYALTY INDEX



# Plotting Relationship Status



# Sample Survey Questions

## People

How Effectively does your account manager:

- Respond to your needs and requests?
- Follow through on commitments?
- Understand your current business needs?
- Understand your future business needs?
- Conduct meaningful business / account reviews?
- Make you feel like a valued customer?

Very Effectively  
Effectively  
Ineffectively  
Very Ineffectively  
Not enough experience to rate

Please rate you the overall effectiveness of your account manager.

Very Effectively  
Effectively  
Ineffectively  
Very Ineffectively  
Not enough experience to rate

## Organization

Please rate your level of agreement with each of the following statements:

- [Company] works in partnership with our organization.
- [Company] is customer-focused.
- [Company]'s products and solutions are accessible when needed.
- [Company]'s people are accessible when needed.

Strongly Agree  
Agree  
Disagree  
Strongly Disagree  
Don't Know

Please select the answer that best describes the ease of doing business with [Company]?

Very Easy  
Easy  
Difficult  
Very Difficult

### Products and Solutions/Services

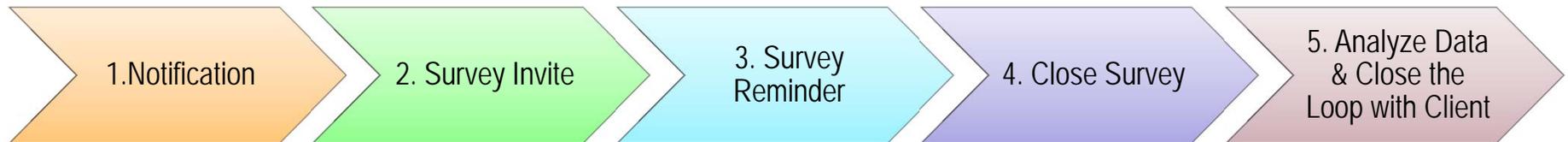
<p>How Effectively does [Company] provide:</p> <ul style="list-style-type: none"> <li>• Products and solutions that offer your organization economic value and/or a positive return on investment (ROI)?</li> <li>• Innovative products and solutions?</li> </ul>	<p>Very Effectively Effectively Ineffectively Very Ineffectively Not enough experience to rate</p>
<p>How satisfied are you with the overall quality of our products and solutions?</p>	<p>Very Satisfied Satisfied Dissatisfied Very Dissatisfied</p>
<p>Please select the answer that best describes our products and solutions compared with other suppliers of like offerings.</p>	<p>Above Average Average Below Average Don't Know</p>

### Commitment

<p>How likely are you to recommend [Company] (to a friend or colleague)?</p>	<p>Very Likely Likely Unlikely Very Unlikely</p>
<p>How likely are you to continue to do business with [Company]?</p>	<p>Very Likely Likely Unlikely Very Unlikely</p>
<p>How important is it for you to maintain your relationship with [Company]?</p>	<p>Very Important Important Unimportant Very Unimportant</p>

# How to Effectively Execute a Survey

- Frequency
  - A contact should be touched a minimum of once and ideally twice per year
  - Recommended to obtain data points at least semi-annually to enable trending and predict issues before they become significant issues!
- The Process / Approach



*Note: In some instances, a second reminder may be sent, after evaluating response rates and being cognizant of email frequency and/or survey fatigue*

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# Chapman Group Client Case Study

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- Account Needs:
  - Focus and better align the strategic account plan
    - More effective solution mapping (e.g. solution to need)
    - Cultural alignment; same goals/objectives
    - Long-term plan to address needs and challenges of account
  - Create more in-depth strategic account relationships
  - Influence the innovation (development and launch investment) of future product/services

# Client Case Study

## *Highs and Lows Section – Feedback Analysis*

Section	Top Question	%	Bottom Question	%
People	Making a personal connection with you?	87%	Matching solutions to business priorities?	74%
Products & Services	How do our products compare to those of other suppliers?	87%	How cost effective are our products and services?	58%
	How do our services compare to those of other suppliers?	87%		
Organization	How easy are we to deal with relative to other companies?	78%	How effectively do we provide value beyond price? (Business)	48%
Commitment	How likely would you be to recommend us to others?	69%	Have you ever recommended [Company] to a friend or business associate? (Business)	53%

# Key Discoveries – Customer Specific

## Example

High regard for the efforts of Account Managers

Satisfied with the Performance of products and solutions

Make them feel like a valued customer

Products and solutions are important to their organization

Customers looking for more innovative products and solutions

Improvement in ROI

Products need to deliver more value

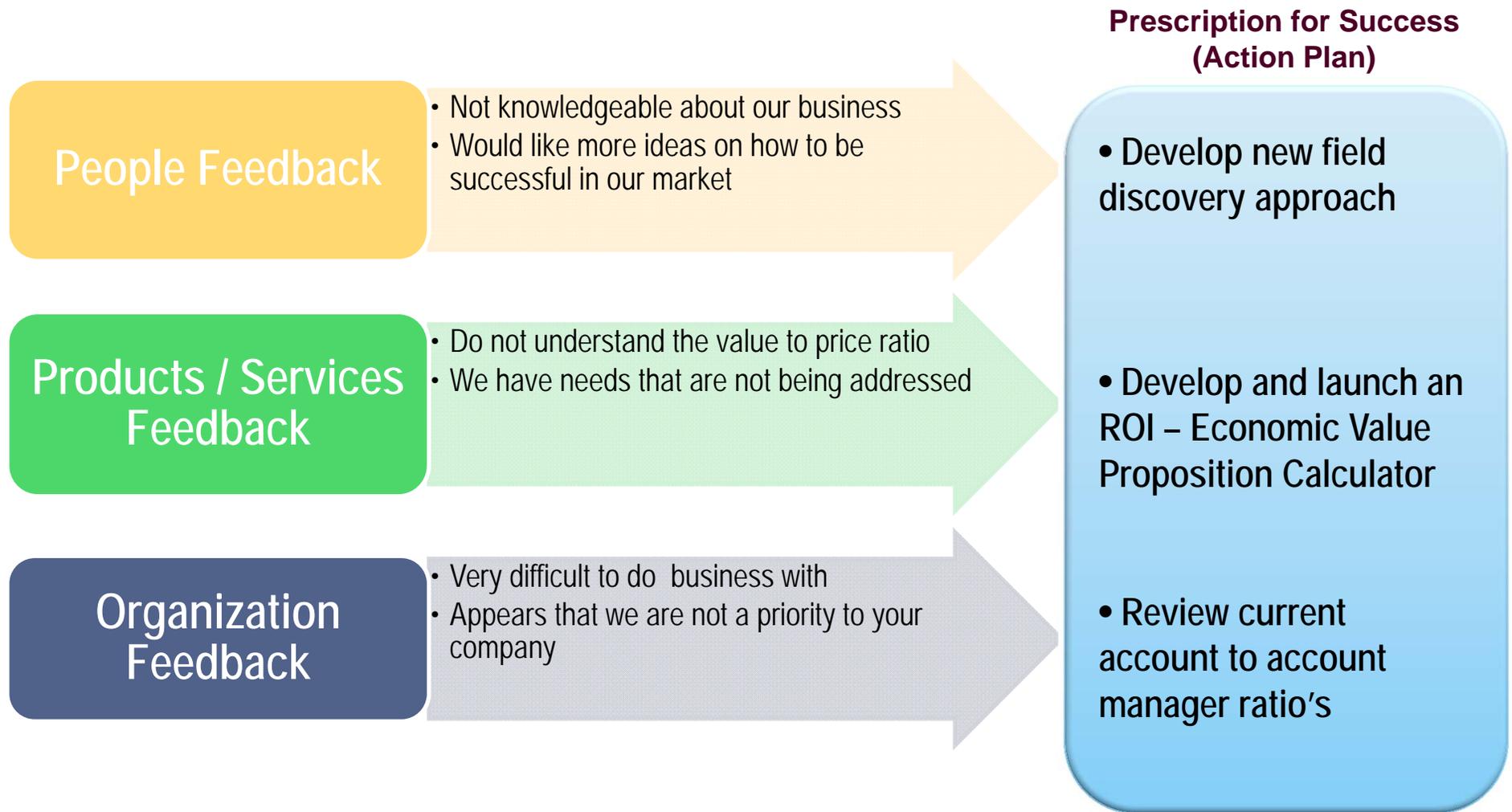
Have a better understanding of their (customer) business

More frequent interaction (reviews) with representatives.



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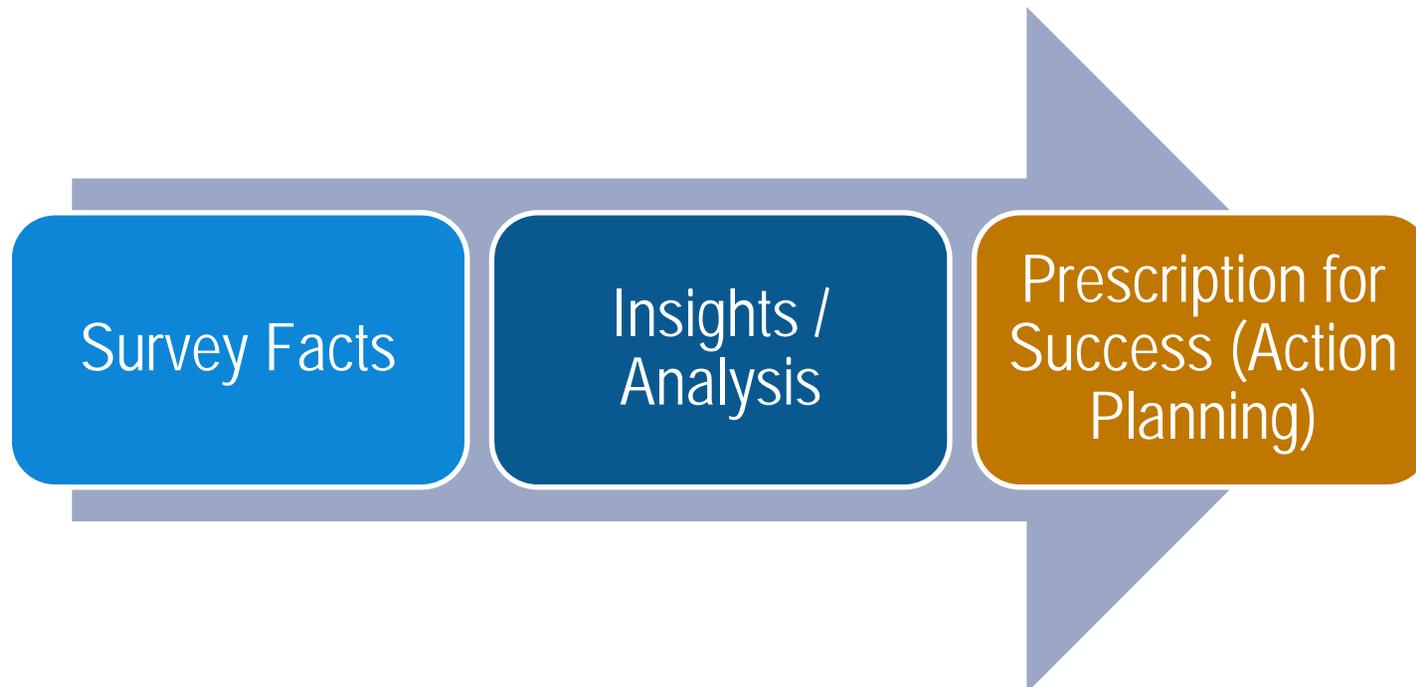
## Principle 4: Convert Knowledge (Facts) Into Insights then Action



# The Survey to Action Process

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- *Taking customer feedback to validate actions and increase customer commitment*



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## Principle 5:

# Engage the Customer in the Process - Close the Loop



# WIIFM?

## What's in it for us – Supplier and Customer!

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- Higher probability of the **retention and growth** of important account revenue / profit (wallet share)

*Gathering feedback can increase cross-sell and up-sell effectiveness by 15 to 20% (Gartner Research).*

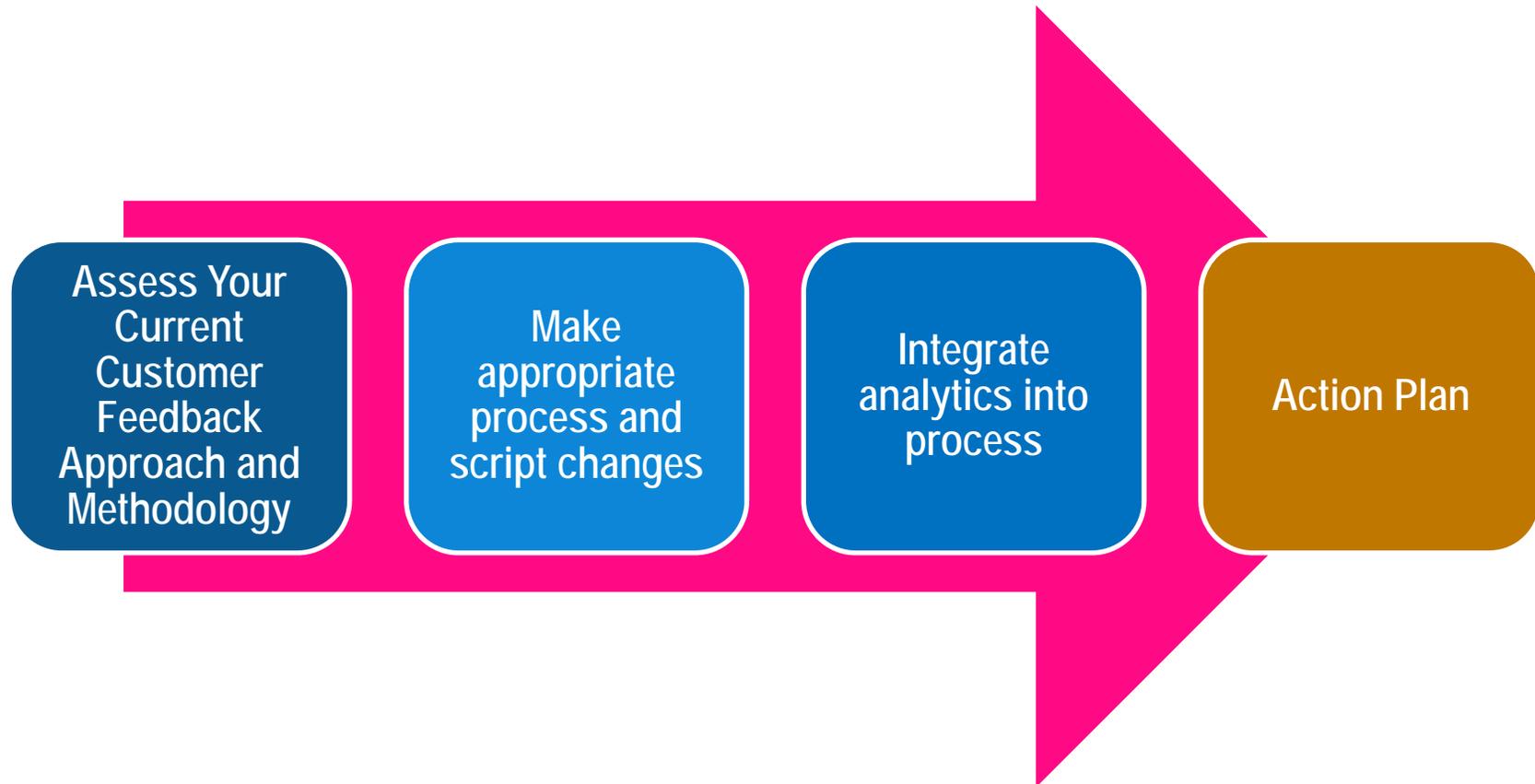
- In-depth and timely **customer data to influence and guide** business and account level strategy (i.e. develop innovative and strategic partnerships)
- Insights into the **buying preferences and strategic direction** of accounts
- Knowledge to support and **drive collaborative action planning** including economic value propositioning between supplier and account
- Knowledge to **maintain competitive advantage for all!**

# Turning Loyalty Measures into Key Influences for Planning and Decision Making

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- Utilize the loyalty metric as part of individual, team, and/or organizational KPIs (Key Performance Indicators)
  - Critical components (knowledge) to Joint Customer/Supplier Scorecard
- Incorporate the loyalty metric as part of core processes
  - Internal Account Reviews
  - Collaborative Action Planning / External Business Reviews
  - Executive Business Reviews

# *Your “Optimizing Customer Feedback Plan”*



# Summary Points – 5 Principles

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- Ask The Right People; High – Wide - Deep
- Develop Questions with an Outward In vs. Inward Consideration
- Ask Questions that Provide Answers that are **Relevant** and Can be **Quantified**
- Convert Knowledge (Facts) Into Insights then Action
- Engage the Customer in the Process - Close the Loop

# Open Discussion

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**Send Comments and Questions to: [info@chapmanhq.com](mailto:info@chapmanhq.com)**

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