



A Vocalabs White Paper

Agile Customer Feedback

A Dynamic, Responsive Approach to Customer Feedback

By Peter Leppik
President and CEO | Vocalabs



Principles of Agile Customer Feedback

1. Respect and listen to customers and they will want to give feedback.
2. Always be collecting feedback from customers.
3. Adapt the customer feedback process to evolving business needs.
4. Disseminate customer feedback in real time throughout the company.
5. Target surveys to customers who are likely to tell you something you don't know.

Introduction: What's Broken in Customer Feedback

Customer feedback programs are a powerful tool, and can satisfy the hunger most businesses have for deep and meaningful insight into their customers. Unfortunately, companies waste millions of dollars every year on surveys which annoy customers, fail to provide meaningful insights, and don't lead to any change in the business. We see the same problems over and over:

- **Inflexibility:** Business needs constantly evolve, but most customer surveys don't keep up. Some vendors are reluctant to allow changes from their standard questions.
- **Unfriendliness:** Customer surveys often don't leave a positive impression with the customer, and fail to communicate that the company takes the feedback seriously and will listen.
- **Low Response:** Customers get asked to take too many surveys, many of which are too long, irrelevant to the customer's needs, or don't seem important to the company. As a result, customers stop responding to surveys.
- **Not Actionable:** Customer surveys may be designed to measure customer's opinions, but don't provide enough data to understand why the customer feels that way and what to do about it.
- **Not Relevant:** Survey questions and reports may be designed to meet the needs of one group, but aren't helpful to others in the organization.

- **Stale Data:** By the time an operational team receives customer feedback data, it's too late to do anything about it.
- **Biased Surveys:** The process encourages a particular result—for example, by excluding customers who hung up before the end of a customer service call, or by being too easy to manipulate by the employees whose performance the survey is supposed to measure.
- **Poor Metrics:** Metrics are too high-level to be meaningful to front-line employees, not high-level enough for executives, not relevant to business needs, not tailored to the recipient, or create perverse incentives.
- **Flood of Verbatims:** Too much unstructured free-response feedback which takes too much time and effort to analyze.
- **No Credibility:** Obvious data quality problems are ignored, leaving the entire process suspect and making it easy to ignore negative feedback.
- **Not Persuasive:** Data indicating a specific problem which needs to be solved doesn't create a sense of urgency. As a result, nothing changes because projects get put on the back burner.

Agile Customer Feedback is our approach to designing and implementing a customer feedback process. We address these issues by rethinking the relationship between the customer, the company, and the customer survey. Rather than viewing the customer feedback process as a passive measurement tool, Agile seeks to make the survey a dynamic part of a process of continuous improvement.

What Is Agile Customer Feedback?

Agile Customer Feedback is our philosophy of how to design an effective customer feedback program, summarized in the Principles of Agile Customer Feedback.

Here are some things Agile is not:

- **Agile is not a specific survey methodology.** While we believe some survey methods are generally better than others, it's most important to choose a survey process to meet the specific needs and goals of the particular project.
- **Agile is not a specific survey question or questions.** There is no set of survey questions which is best for all business needs. It is more important to be flexible and responsive than to have the perfect survey question.
- **Agile is not a specific product or service.** At Vocalabs we happen to think our services are a cut above average, but there are many fine vendors whose products and services incorporate varying degrees of the Agile philosophy.
- **Agile is not a specific set of reports or tools.** A reporting platform can be Agile if it is capable of delivering customer feedback in real-time throughout the organization, in a format tailored to the needs of each individual recipient.
- **Agile is not all or nothing.** Different companies have different needs and different organizational imperatives. It is perfectly appropriate to adopt just those techniques which make sense in your organization.

The five Principles of Agile Customer Feedback lay out a vision for what a dynamic, responsive customer feedback process can be:

First Principle: Respect and listen to customers and they will want to give feedback

The customer is doing you a favor by taking the time to complete a survey.

Most people are happy to help but don't like doing favors which aren't appreciated. And most

Customers are doing you a favor by completing a survey.
Respect that.

customers don't like feeling that a company doesn't really pay attention to their feedback.

There are many ways companies communicate the message that they don't actually care what the customer has to say:

- Using an automated survey rather than have a person-to-person conversation
- Not respecting the customer's time
- Asking inane or irrelevant questions
- Not giving the customer the chance to offer open-ended feedback
- Not offering the customer a follow-up if he or she was dissatisfied
- Running a broken survey: web pages with errors, questions that obviously haven't been proofread, or a survey that won't accept the customer's input

Respecting and listening to the customer's feedback isn't just a nice idea. It leads to higher response rates and better quality feedback overall.

Second Principle: Always be collecting feedback from customers

A customer feedback process is, at its core, a systematic way of listening to what customers are trying to tell you. The details can vary and the process can evolve over time depending on the business needs, but there should always be some program in place.

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Making sure that customer feedback is an ongoing process is not difficult or expensive. It could be as simple as spreading an annual customer survey out over the course of the year instead of doing it all in one month. Having continuous feedback has several advantages:

- It provides an early warning if customer attitudes start to shift, potentially allowing problems to be solved before they become bigger and more expensive.
- It makes customer feedback an ongoing business processes, rather than something out of the ordinary.
- In a crisis, customer feedback can provide valuable insight. In this situation, an ongoing feedback program will always

Your business is constantly changing.

Your surveys should change with it.

be providing data, whereas an upcoming survey project could get delayed until after the crisis passes.

- It communicates that the voice of the customer is always important to the business.

Third Principle: Adapt the customer feedback process to evolving business needs

Very few companies exist in static environments. Businesses must cope with shifting competitive landscapes, new product cycles, bad weather and other disruptions, changing customer expectations, and the consequences of their own decisions.

In the face of this, many customer feedback programs are surprisingly inflexible. It can take months or years to change the questions on a customer survey. Creating new reports can involve hiring outside consultants and thousands of dollars in expense. And changing which customers are targeted for a survey may be too difficult to attempt.

Rigid feedback processes do a real disservice and waste considerable time and money. Instead, a customer feedback program should be dynamic, with the ability to change on the fly as new needs arise and other needs become less important. This will allow companies to:

- Begin collecting customer feedback on a particular issue as needed, and stop collecting feedback when the issue is no longer relevant.
- Send highly targeted reports to the people who most need to see data on a particular topic.
- Target customers who can give the company particular insight into the problems of the day.

Fourth Principle: Disseminate customer feedback in real time throughout the company

In order to be useful, customer feedback needs to get into the hands of the people who can do something about it, at a time when they can use it, and in a form which makes sense.

In most companies, people throughout the organization have an impact on the customer experience. From the front-line salesperson who interacts directly with a customer to the

Companies waste a lot of money surveying too many satisfied customers.

Target customers who can tell you what you're doing wrong.

senior executive who decides how to allocate spending, they all need to make decisions about how to treat customers.

Each of these individuals has unique needs, and needs to get feedback data differently. In general, the lower in the organization, the greater the need for immediate and highly granular feedback.

Each role in the organization should have reports uniquely tailored to its needs. Evolve these reports as needs change, and check to make sure the reporting is still useful: people often find that the data they thought they wanted isn't the data they need in practice.

Fifth Principle: Target surveys to customers who are likely to tell you something you don't know

Useful feedback rarely comes from the customer who is perfectly satisfied.

Rather, the most useful feedback comes from customers who have had problems, who can offer suggestions, or who are dissatisfied but want to help the company improve.

Many companies spend a lot of money collecting feedback from satisfied customers, rather than actively targeting the customers who are most likely to provide useful feedback.

A broad random sample is useful for tracking overall trends, but if the goal is to find ideas for improvement, a random sample will waste a lot of effort and resources surveying too many satisfied customers.

For example, many call centers target a certain number of customer surveys per agent in order to use the feedback for agent training. This random sample yields relatively few surveys with useful training suggestions, since even bad customer service representatives will generally get more positive feedback than negative.

A more effective process is to collect fewer surveys overall, but get more feedback from those customers who probably had a bad experience. For example, target extra surveys for agents whose performance has been poor, customers who had particularly difficult transactions, or customer segments with generally poor satisfaction or loyalty. A subsample of randomly selected customers can also be included to help calibrate the survey and calculate metrics

This targeted approach does require doing extra math to calculate what the metrics would have been with a purely random sample, but the payoff for that small amount of effort is a much more cost-effective way to collect actionable feedback.

Becoming More Agile: Some Pretty Good Practices

With the principles of Agile Customer Feedback as a guide, many tools and techniques can make a customer feedback process more Agile. Every situation is different, and some techniques will make sense for a given projects, and others will not.

We call these “Pretty Good Practices.” Sometimes they may be the “Best,” and sometimes they won’t be appropriate. Being flexible and responsive is at the core of Agile, so choose the techniques which make sense for a each project.

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Real-time survey notifications

Every time a customer survey is completed, notify relevant employees about the new feedback. For example, front-line supervisors may get notified any time a survey is completed about one of their employees; and a service-recovery team is notified about customers who had a bad experience.

This brings immediate feedback to people who can act upon it. Getting information to the right team right away helps ensure the customer is properly taken care of. For front-line employees, each survey is a coaching opportunity to either reinforce positive behavior or discourage negative behavior.

In most companies, sending an e-mail with the survey information is perfect. E-mail doesn't require any new technology and most people are already paying attention to it.

The power of this technique is that it allows customer-facing employees to get their feedback right away, without having to wait for a summary report, and while the customer interaction is still as fresh as possible.

If someone is getting more than a handful of notifications per day, it's probably best to limit to the most urgent and send the rest as a summary. With too many notifications, people will either ignore them or become unproductive because of the interruptions.

Immediate Live interviews

Use a human interviewer to call customers immediately after a customer experience to collect customer feedback. The call should happen as quickly as is technically feasible and socially appropriate. For example, you can call a customer just a minute or two after he hangs up from

Immediate live interviews combine the depth of an interview with the speed of an automated survey.

calling customer service, but it might be better to wait an hour after a purchase in a bricks-and-mortar store so the customer isn't still in the store while answering questions.

Live interviewers can collect higher-quality, deeper feedback from customers than automated surveys, while conveying the message that you respect the customer's opinion and care what she has to say.

Making the survey immediate ensures that the customer still remembers the experience, and gets the feedback to the people who are best able to use it right away: the front-line managers and supervisors who can coach their employees while the experience is still fresh.

Dynamic survey questions

Construct the customer survey with room to add new questions as needed, and remove them when no longer relevant. These question slots are used to update the survey to address changing business needs.

An Agile Customer Feedback program needs to balance long-term data consistency with the goal of being responsive to short-term changes in the business needs. Dynamic survey questions address this tension by designating places in the customer survey where questions can be added or removed on demand. Other questions can be designated for long-term tracking of key metrics and rarely change.

We generally recommend placing the most important long-term metrics at the very beginning of a survey, where the data won't be influenced by other questions. Typically two or three slots near the end of a survey are sufficient for dynamic questions.

At any given time, these slots might be used to ask about short-term issues, evaluate new metrics for future use, address issues which only affect certain customers, or they might not be used at all.

Simply having this space available will help break the mindset that changing the customer survey is a big and difficult task, and move towards an attitude of evolving as the company's needs evolve.

Targeting feedback with analytics

In recent years, analytics software has become available to identify customers who are likely to have had a poor experience and predict their future buying behavior. Despite the power of these techniques, the software can't read the customer's mind and tell you why the customer has a negative opinion. But targeting these customers for more intensive customer feedback is a cost-effective way to understand the customer's perspective and how the company can improve, delivering more insights per dollar than either the software or the survey could on its own.

In many cases, companies which have invested heavily in customer analytics also run ongoing customer feedback programs. But the two processes are not interconnected.

For example, software may be able to identify which customers are likely to churn in the near future, or which calls to customer service probably had angry customers. This can be used to target in-depth customer surveys to discover what's driving customer churn, or why some customers are unhappy when they call.

Since you are specifically selecting customers you know are unhappy, a very high percentage of the customers you survey are likely to tell you something about why they are dissatisfied, frustrated, or disloyal. It's also likely

Using analytics software to target customer feedback is far more powerful than either technique alone.

that these same problems will be affecting your more satisfied and loyal customers to some degree, so fixing the problems will give a more general improvement.

Many companies are not well-served by their customer feedback programs. In a business world moving at Internet speed, surveys can't change to meet evolving business needs, can't deliver data when and where it is most needed, and don't seem relevant to either the customers taking the surveys or the people inside the company.

Agile Customer Feedback overcomes these problems by making the customer survey a dynamic part of a process of continuous improvement, rather than a passive measurement tool.

Agile Customer Feedback isn't a specific tool, methodology, or metric. It's not necessary to replace your existing processes to become more Agile. You can begin by simply asking yourself:

“How can I make my survey more relevant to the business, more respectful to the customer, and more responsive to changing needs?”

Learn more at www.vocalabs.com



About the Author

Peter U. Leppik is president and CEO of Vocalabs. He founded Vocal Laboratories Inc. in 2001 to apply scientific principles of data collection and analysis to the problem of improving the customer experience.

Leppik is a frequent industry speaker on the topic of measuring and improving customer service quality in call centers and automated speech environments. He is also coauthor of *Gourmet Customer Service: A Scientific Approach to Improving the Caller Experience*.



Your guide to better
customer feedback