

Love your customers!

**Discovering what your customers feel about you and how you can
delight them with quality experiences.**

Most organisations have a very extensive range of measures to analyse the effectiveness of their direct marketing campaigns and customer service operations, unfortunately most of those measures are internally focused.

The customer and what the customer feels about dealing with your organisation – can be very much neglected

Measuring what customers feel about an organisation or a particular experience they've had with a company is extremely difficult. In hard economic times more focus is given to reducing costs and raising productivity and revenue, rather than offering better service, which tends to increase costs. After all, it's much easier to measure internal processes and efficiency gains, than the emotional connection that tens of thousands may have towards an organisation. Or what that actually means to the bottom line

Recently SOCAP released their 2003 Consumer Emotions Study, which examined how consumers/customers felt about the organisations they dealt with and what impact this has on organisations. The report highlighted that: 1 in 40 consumers felt that the company they contacted trusted them; and 1 in 20 consumers expressed trust in the company they contacted.

According to Belinda Davoren, president of SOCAP, "The report highlighted that there were a total of 36 emotions commonly felt by consumers. Of these, the top 10 emotions expressed by consumers were satisfied, secure, impressed, pleased, contented, indifferent, happy, good, appreciative and reassured".

Satisfied was mentioned twice as often as the second most common emotion, and was mentioned even by the dissatisfied consumers. Davoren adds, "Very satisfied customers were also impressed, appreciative, reassured, delighted and felt other self-referent emotions. Self-referent emotions go to the heart of people's self identity or sense of self worth. Customers who felt positive self-referent emotions had strong emotional connections and loyalty to the brand".

Dr Michael Edwardson, from Psychologica, and Wayne Croker, from Evaluate, are the authors of the SOCAP report, highlight the importance of customer emotions in an organisations attempt to build loyalty and branding, by saying: "Customer satisfaction is one of those terms that is so ubiquitous that we rarely stop to consider what the word

actually means, especially when we can 'measure' it so easily with surveys and rating scales. The time has come to ask customers how they actually feel. For some reason there has been a disconnection between the emotional understanding and language of branding and the actual measurement and tracking of the customer experience.”

“Realigning the way marketing and service think about the customer experience would allow organisations to better meet the needs of their customers, by truly matching customers’ day-to-day experiences with the expectations created by advertising, sales and service promises and branding.”

In his role head of customer Relations for CBA Group, Charles Trkulja has heard customers express everything from anger and frustration to total delight and amazement about the service provided by his staff. When a customer experiences an emotion, they can feel it in relationship to an organisation, a brand, or a product. Dr Janelle Barlow, president of TMI USA, comments, “They can intensely love a product, hate a service, or feel jealousy about what a service provider does or achieves”.

A consumer/customer expects the organisation to have 'one view' of their experience with them. “However”, says Davoren, “in reality this is rarely the case, even if information is captured about the customer's interaction with the organisation it is highly unlikely that this information will be communicated across all business units”.

The key factor that will contribute to a particular consumer emotion is the interaction that the customer has had with the organisation. It is the 'front line' staff that can make or break the consumer's trust. 'Front line' staff must be empowered, and communicated to, to allow them to effectively and pro-actively deal with the organisation's customers on a day to day basis.

There are significant trade-offs between offering service and keeping costs down. Davoren, comments, “An organisation has to maintain profit margins and report to their shareholders. The key is to provide a profitable service to their targeted customers. It is impossible for any organisation to be all things to all customers, however the customers they do deal with, should 'trust' the organisation and experience good service in order to maintain these customers”. The organisation must understand their customers in order to identify what is an appropriate service level.

Assigning service levels and targets makes it easier to understand the bottom line impact that customer emotions have. According to Barlow the bottom line impact of emotions can be measured in a variety of ways. The key is for organisations to choose a methodology and then stick with it. She says, “One method could be to identify a specific group of customers and establish a base line of how those customers feel. Then they can inject something within the organisation (for example, great friendliness), and then once again measure customer reactions and then correlate this with bottom line figures”.

“It's not exact science, but if done over a long enough period of time, it is possible to begin to say that certain things are happening because of identified changes that were

made to the system”.

‘A company’s customer service is only as good as the last interaction a customer’s had with them’.

Trkulja believes the above statement is truer today than ever before. He says, “Previous studies have indicated that a customer whose complaint was well resolved ended up more loyal than the customer with no complaint. This new SOCAP study shows that a customer whose complaint was well resolved scored lower than the customer with no complaint. The challenge is for us to get it right the first time”.

According to Davoren an organisation can introduce the most elaborate customer strategy, however if it is not communicated to 'front line' staff then the perception and loyalty of the customer will not be changed, nor increased. The customer will only remember the interactions that they have personally had with the employees on the front line.

Trust is a key emotion that will create a bond between the customer and the organisation. Without trust, the loyalty of the customer can be easily moved to another organisation. If a customer/consumer trusts the organisation, then it is highly likely that they will create what is known as an 'apostle'. A customer who will tell others of how pleased they are with the organisation's service, products and staff, encouraging new customers to move their business to this particular organisation.

Trust is built on the fulfillment of promises made to customers. If your organisation fails to live up to its promises it makes in its marketing and sales promotions, regardless of how good or cheap the product you’ll never have the trust or loyalty of the customer. Trkulj, from the CBA group comments, “We have found that the emotions change for the worse the longer it takes to respond to a customer. That is why we are focused in responding as quickly as possible to all issues and complaints in particular. Clearly delivering beyond customers expectations is much appreciated and results in positive feedback and a deeper relationship”.

Key findings from the SOCAP report

- Nine organisations and 4,000 of their customers were involved in this Study and the findings competently reflect what Australian customers feel about Blue Chip Australian organisations.
- Customers were generally well satisfied with the organisations and were well inclined to re-purchase and recommend.
- The top 10 emotions expressed by customers were satisfied, secure, impressed, pleased, contented, indifferent, happy, good, appreciative and reassured. Satisfied was mentioned twice as often as the second most common emotion, and was mentioned even by the dissatisfied. Satisfaction is indistinctive.
- Only one customer in 20 expressed trust in the organisation and only one in 40 felt that the organisation trusted them.

- Committed loyalty was found only at the highest levels of satisfaction. Complete satisfaction is required if loyalty is to be assured.
- Very satisfied customers were also impressed, appreciative, reassured, delighted and other self-referent emotions. Self-referent emotions go to the heart of people's self-identity or sense of self-worth. Customers who felt positive self-referent emotions had strong emotional connections and loyalty to the brand.
- Conversely, very dissatisfied customers expressed negative high and low arousal emotions such as disappointment, anger and frustration and self-referent emotions such as feeling neglected and disgusted. These emotions are relationship destroyers.
- In the middle of the satisfaction scale are the indifferent emotions, or the dead zone of tolerance, where the future relationship could go either way, but will probably go nowhere.

Note that the top 10 emotions of the individual participants included indifference, emotionlessness and disappointment.

- There are emotions that are not experienced often that are powerfully attractive or repellent. They include feeling thrilled, empowered and fulfilled and also disgusted, insulted, and exasperated.
- 21% of customers had negative surprises – expectations that were not met. 61% of them contacted the organisation about their most negative surprise. The non-contactors indicated disappointment and disengagement. Disappointment is a very difficult emotion to detect or manage, and it eats away at satisfaction and loyalty.
- Only 14% of the contactors were completely satisfied with the organisation's response and their satisfaction and loyalty were restored.
- The majority were not satisfied and they expressed negative self-referent emotions that were powerfully destructive of the relationship – emotions like anger, annoyance, frustration, feeling cheated, disgusted and exasperated. Organisations need to be more emotionally intelligent when it comes to contact handling.
- There is no honeymoon period experienced by new customers.