

A case study on using Re-contact Relationship Research

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The client and the problem

A business to business software company wanted to closely and independently track how it was performing in the eyes of their clients.

Its client base was typical of a business to business company- relatively small in number compared to a consumer goods company, but with quite a large number of individual people they deal with (they call the individuals “customers” and the companies “clients”).

They found their past research approach did not work very well for them for several reasons:

- There was hardly any cross over in the samples taken between surveys, so all they got were averages. Managers were frustrated because they wanted to know how the scores of specific customers changed from one survey to the other.
- There was only one respondent for each client. This meant that the opinions of different customers within one client organisation were not properly gauged.
- If the averages went up or down between surveys, there was no explanation for why that was
- Customers complained about how long it took to complete the 30+ question survey and how no notice seemed to be taken of previous comments they made in earlier surveys. All in all, they felt it was poor return for the effort and taxed the relationship rather than enhanced it.

Introducing the Re-contact Relationship Research Approach:

The software company introduced a new approach for their research, which addressed these problems.

The re-contact methodology carried out in an on-line questionnaire requires only two questions to be asked, taking the customer less than 5 minutes.

A subtle, but revolutionary function of the re-contact approach identifies customers who have participated in a previous survey. The customer responding to the on-line questions has to do two things:

- First, score the software company out of ten overall (let’s say the score was 8 out of 10)
- The questionnaire then searches out their answer to this identical question in the previous survey and says “your answer to this question last time we asked you was x (let’s say they scored 5 out of 10 last time), can you please briefly describe what, if anything, has happened to affect your opinion?”
- Second, the customer compares the scores between the two surveys and writes down the reason for their changes in scores, if any (the score could be higher, lower or the same as last time).

The results- Hugely boosted quality of relationship information

The unique re-contact methodology hugely boosted the software company's knowledge of what was happening in its relationships with customers.

They found that their traditional practice of comparing average scores from one survey to another obscured what was really going on. The two sets of results displayed below show how the traditional approach reveals little and how the re-contact approach reveals deep insights into what is actually going on in the customer base (these are real numbers).

Results from comparing average scores using the traditional survey approach:

Average customer satisfaction score survey late 2007 = 7.0 out of 10

Average customer satisfaction score from survey early 2008 = 7.0 out of 10

Conclusion and decision about action to be taken: nothing has changed- we seem to be doing OK. No action required.

Results from using the re-contact relationship approach:

The average score for 2007 was 7.0 and for 2008 it was also 7.0. However it is wrong to think that is OK because:

- *only 52% of our customers scored us the same as last time*
- *28% scored us significantly worse*
- *20% scored us significantly better*

Conclusion and decision about action to be taken: the average score (above) means nothing, because almost half of our customers think we are either doing much better or much worse than last time. A deeper examination of the reasons for the changes given to us by each customer tells us exactly what is going on.

Examples of reasons for why customers think we are much worse:

- *"Changes were made to functionality without consultation which caused great disruption to end users. The application has been very buggy" (scored 9 last time and 6 this time)*
- *"It seems as if xxxx has become money orientated rather than service orientated. If a question is asked then xxx want money" (scored 7 last time and 4 this time)*
- *"The UK organisation now seems to have a much lower profile than was previously the case. We are now starting to feel less like a "vanguard" and more like an outpost" (scored 10 last time and 8 this time)*

Examples of reasons for why customers think we are much better:

- *“Less outages, more enhancements, continued excellent support from Joe Blogs” (scored 5 last time and 7 this time)*
- *“Quick response and support on advice, changes and enhancements that were required” ” (scored 5 last time and 10 this time)*
- *More focussed on our needs rather than xxxx needs. Also our site has become more mature in our knowledge & skills in xxxx (scored 5 last time and 8 this time)*
- *Customer service has continued to improve on what was already a high level (scored 5 last time and 9 this time)*

Action to be taken: Focus immediate relationship management efforts on the customers who have scored us significantly worse than last time. Starting point will be to address the specific issues raised in the re-contact survey. Then look at the systemic issues uncovered when we analyse all the results together, especially the “critical incidents” mentioned in the survey by disgruntled customers. Next priority is to focus on the customers who scored us worse, but not significantly so (12% of customers). Finally look at the lessons to be learnt from customers who have scored us much higher with a view to replicating some of the best practice relationship management techniques across the company.

And a final word from the software company client themselves:

“We have recently conducted the first re-contact survey and the fact that we can see what the drivers have been for changes in the scores of participants enables us to know what is working, what needs to be focused on and what the drivers of behaviour are. It’s very insightful.” - Head of Marketing, Sales and Channel Management