

# Customers Rock!™

How Businesses Can Make Sure Their  
Customer Experiences *Rock*



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Highlights and conversation from the blog *Customers Rock!*™  
([www.customersrock.net](http://www.customersrock.net)) by Becky Carroll

*Written in appreciation of my blog readers on December 7, 2007. I have included reader reactions to these posts in order to spark continued conversation, as well as to acknowledge how smart my readers are! Feel free to read these “related conversations” or skip on to the next article – but I promise you will find value in the interactions.*

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This eBook is available for free at <http://www.customersrock.net>.

In return, please consider subscribing to my blog by clicking here:  
<http://feeds.feedburner.com/CustomersRock>. That way, I can keep you updated on all my latest thinking about customers, companies, and the customer experience.

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## How to Take Care of Existing Customers



Business is tough to juggle sometimes. We have to focus on two main areas when it comes to our customers: bringing new customers in *and* taking care of existing customers. The old idiom, “A bird in the hand is worth two in the bush,” comes to mind here. I like this definition from the New Dictionary of Cultural Literacy (Third Edition, 2002).

*The things we already have are more valuable than  
the things we only hope to get.*

From my experience, many companies spend most of their time and budget focusing on the sale to *new* customers and end up neglecting their *existing* ones. This works in the short-term, but eventually these companies find themselves losing more customers out the back door than they bring in the front door.

### **Example**

Here is a hypothetical example. Company A, a business-to-business manufacturer, is growing rapidly and has had a big year-end push on getting new customers to purchase their product. During their latest promotion, Company A saw a lot of interest in their product and was able to acquire several new business customers. As the

promotion drew to a close, the focus remained on bringing in those last few customers who had expressed interest but weren't yet "in the fold". Company A succeeded in beating their promotion goals by bringing in additional business for the year.

Was Company A successful? Yes, with their goal of bringing in new customers. Were they successful in taking care of existing customers? Yes. They didn't lose sight of those that had already purchased before and during this big push because Company A has a team of people that focuses on *keeping and growing existing business*.

### Five Tips

Here are a few tips for companies to ensure they aren't letting go of the "bird in the hand" while pursuing those in the bush:

- **Be sure to thank customers when they buy from you.** Whether products or services, you want customers to know you appreciate their business! If possible, a personal thank-you card is best when you have a small or targeted group of customers.
- **Recognize a return customer.** If a customer has purchased from you before, acknowledge that in your thank-you note. A customer doesn't feel valued when they get a note saying "Thanks for trying us." when they have been buying from you for 5 years!
- **Properly welcome a new customer.** This could be a customer who is new to you altogether, or they may be new to this part of your company. Best practice organizations provide "welcome

kits” to help customers navigate the system or get started. It could be as simple as the name of their account manager along with that person’s phone number. The kit is usually sent after the “thank you” note goes out.

- **Follow up with existing customers on a regular basis.** This could be an email or note to customers (especially useful if you have a lot of customers, as many consumer-focused companies do) or a quick phone call to see how things are going. Use whichever interaction approach your customer prefers. *NOTE: This is not a sales call!* The best way to turn off existing customers is to constantly pressure them for business ([see Seth Godin’s post on Spam for examples of how not to do it](#), especially his Dell example).
- **Look for ways to improve the relationship.** Let your customers know you truly value their relationship with you by asking them how it could be made better. Needs change. Budgets shrink and grow. By keeping in touch with your customers and understanding their needs and preferences, you will be aware of these changes and can react to meet those new needs.

Taking care of existing customers can’t be left to random chance. It also can’t be left only to great customer service personnel who react when there is a problem. Taking care of customers needs to be an ongoing, proactive part of the business. This will take time and budget. But it’s worth it: just ask [Harley-Davidson!](#) They were the subject of [one of my first blog posts at Customers Rock!](#), and they have legendary customer loyalty. They are truly a great Customers Rock! company. (Picture credit: [Erika Aoyama](#), November 16, 2002)

## Related Conversation... (some great stories, ideas, and a corporate response)

1. [Matt Haverkamp](#) Says:

My wife and I recently went down to Nevis in the Caribbean. We split our time between a small Inn in the mountains and the Four Seasons on the beach. The Four Seasons was great - but you were a room number. At the Inn, you were treated as family and they were sad to see you leave.

One day while we were at the Four Seasons, my wife ran into the owner of the Inn. He was playing with his twin girls at the Four Seasons play ground. He recognized her, called her out by name (we had only been at the Inn for 4 days mind you), asked how we were and wanted to make sure we were being taken care of.

I was blown away. We will we go back to the Inn - without a doubt. Will we hit the Four Seasons again, maybe.

2. [Becky Carroll](#) Says:

Matt, great example of a customer interaction concept I have discussed before, the personal touch. When a business takes the time to get to know their customers and develop a relationship, it makes all the difference in the world. People and relationships

are a true competitive differentiator. They also make it harder for a customer to say goodbye!

I look forward to hearing about your next visit to the Inn to see how they remember you. I'll bet they do!

4. [Lewis Green](#) Says:

Becky, good solid advice. I believe that every business should reach out to every customer at least quarterly, even if just to say thank you.

5. [Becky Carroll](#) Says:

Thanks, Lewis. I like your idea of a quarterly outreach. Every company should indeed have an ongoing plan of communications for its existing customers, not just its "marcom outreach" plan.

6. [Brandon](#) Says:

I could not agree more. Taking care of an existing customer is very practical from a business sense as they will continue to patronize your business and in turn, your revenue will continue. I have seen, experienced and also been on both sides of the coin - service providers ignoring the current customer and service providers focusing on the current customer. Great post, thanks!

7. [Bill](#) Says:

Becky,

Great reminder. I've had bosses that did not have a healthy balance - usually they focused too much on the "hunt" and as soon as the contract was signed, they lost interest and moved on to the next big sale. Maybe I should forward them your post...

8. [Becky Carroll](#) Says:

Brandon, thank you for chiming in! Too many companies forget about the existing customers. I want to emphasize that this goes beyond just making sure customer service is taking care of customers; it needs to be part of the DNA of the whole organization! Thanks for your insight, and come back soon.

Bill, please do forward them my post! 😊 One of the goals here at Customers Rock!™ is to spread the word about how to improve the customer's experience. The experience is a poor one if they are forgotten after the contract is signed. Of course, there will always be those people who love the thrill of the "hunt" - and they are great salespeople. The rest of the organization needs to align behind a great strategy to retain and grow those customers brought in by sales. Thanks, Bill!

9. [darren](#) Says:

Matt, I enjoyed reading about your experience with the Four Seasons with your latest vacation. We had a similar experience in Isla Mujeres, with a twist. The resort we stayed at was great (paid attention to the 'little things' - big in my books), but the TIMESHARE company associated with the hotel completely turned us off and really left a bad taste in our mouths.

So, like you, will we be back, probably...will we be staying where we did... probably not!

10. [RichardatDELL](#) Says:

Hi Becky,  
Thanks for letting us know your views about the importance of appreciating customers, and how we had it wrong at Dell. We hear you — and others—after Seth's post. Not only are we listening, we acted and are making changes. So wanted to thank you for the feedback. More here:

<http://direct2dell.com/one2one/archive/2007/11/09/33107.aspx>

Thanks again.

11. [Becky Carroll](#) Says:

Darren, isn't it amazing how little things do make such a big difference! They could be "good" little things, such as what your resort did for you, or they could be "bad" little things, such as the way the timeshare company behaved. Too bad the resort can't get your business without having to deal with the timeshare company; they have let their distributor/marketers ruin a good thing.

Great blog, Darren. Keep up the good work!

12. [Becky Carroll](#) Says:

Richard at DELL, thank you so much for taking the time to respond, both to my post as well as to the concerns about the way customers were approached in that particular interaction. It is great to see you participating so actively in the blogosphere; you are definitely an example for other companies to follow!

Letting customers know you hear them and responding indicates a Customers Rock!™ attitude, and for that, I salute you and Dell.

## Customer or client?



I am a weekly guest on the [Big Biz Show](#), a nationally syndicated radio program. This past weekend, Sully, one of the show's hosts (along with Russ) was asked this question by his daughter while they were watching a Merrill Lynch commercial:

*What is the difference between a client and a customer?*

We discussed this on the air. Our take, and the opinion of several listeners who called in, is that the word “client” implies a longer-term relationship. The word “customer” seems more transactional, a one-time activity. Some callers suggested that “client” is used more often in a service business, such as a law firm or a hairstylist.

A similar discussion on [customer vs client](#) was had over at the Duct Tape Marketing blog. Here is a little bit of John Jantsch's take on this:

*...the origin of the word customer is the Latin - consuetudinem, coming from one's habit or custom - or, someone's customary practice do something repeatedly. The root of client is the Latin cliens, more closely related to the idea of a follower.*

*I don't know about you, but I know I want my customers to know, like, trust, call and refer me repeatedly. I want them to grow accustomed to my blog. I want it to be their custom to think of me whenever they need a practical marketing tip. So, customer it is for me.*

Most callers into the radio show felt the word “customer” had negative connotations. They wouldn't want to be a customer; they would rather be a client or a guest (this latter term is what [Disney](#) uses for all of their visitors). When did “customer” become a bad word? Has the poor reputation of some customer service departments rubbed off?

There is another angle here as well. Perhaps there needs to be a different word altogether for someone who not only buys from us, regularly and repeatedly, but who also actively *engages* with us. For example, the difference between a radio listener and someone who calls in, or the difference between a reader of a blog and a commenter. This is someone who joins in on the conversation; a person who is actually seeking out a relationship with a company. We could call them “joiners”.

All right, your turn! What do you think: customer or client? Or do you have a better word? What would you prefer to be called by a company with which you do business? (Photo credit: [3pod](#))

## Related Conversation...(thoughts on Business to Business, Business to Consumer, and creating advocates)

1. [Karin H.](#) Says:

Hi Becky

I had the same discussion recently with our business adviser (mentor even). As a retailer, we are used to the word customers, as in 'they give us their custom'. Point of view of Richard C, our ['company doctor'](#): customers like to feel important, so calling them clients gives them - the client - more the feeling they - the client - are important to you.

Being Dutch from origin, that language makes it easier for all: everyone who buys from someone is called a 'klant'. In the English dictionary, I found four translations for it: customer, client, patron and even 'punter'.

So, there you go. (We've started to call our 'klanten' clients by the way - much nicer ring to it.)

Karin H. (Keep It Simple Sweetheart, specially in business)

2. [Lewis Green](#) Says:

Becky,

I think of customers as those served within B2C and clients as those served within B2B. Much of that is because I think of a customer as someone who goes to a business to buy something, whereas a client goes to a business both to buy things and to get advice. I don't think many customers ask for advice any longer, as they can access the same information as a sales staff. However, clients receive specialized products and services that often require inside knowledge to understand their value and the "what's in it for the client."

3. [Doug Meacham](#) Says:

Hi Becky,

Lewis' take on the issue works well when the "client" is a business, but when you get in to B2C, there isn't any real right or wrong. Ask anyone who performs personal services (lawyer, hairdresser, etc. but clearly B2C) they will typically refer to customers as "clients".

In retail, plenty of customers ask for advice (how does this look on me, what size TV should I buy), but they are typically not referred to as “clients”.

4. *Doug* Says:

Becky, I wrote a post about this a while back. Here were my thoughts on the subject:

<http://www.serviceuntitled.com/client-vs-customer/2007/05/07/>

5. *Doug Fleener* Says:

Hi Becky. As they say on the radio....“long time reader, first time poster here.” Love the blog and your thoughts on making the customer’s experience rock.

I’ll agree with the other comments that I’ve always approached it as a client is someone who buys advice or services, and a customer is someone that purchases a product. Then again Peter Drucker said, “The purpose of a business is to create and keep a customer.”

In the long run what’s more important is to move them from being a customer or a client to becoming an advocate. Clients and customers do business – advocates create business. And

what's the best way to create an advocate? That's easy.....deliver an experience that rocks!

Forget customer service, it's all about the experience.

6. [Becky Carroll](#) Says:

Karin, thank you for the Dutch perspective! Keeping it simple is key to this as well, and using the word client shouldn't upset anyone.

Lewis, I appreciate your thoughts on this one. Client does seem to imply a longer relationship, but perhaps for only some types of businesses?

Doug M, I agree that there isn't really any right or wrong on this one. How about seeing what the "customer" wants to be called?  


Doug H, thanks for sharing your post on this topic; it is a good one!

Doug F (wow, I have never had this many Doug's comment!), glad you decided to chime in. Thank you for the compliments! I love and completely agree with your statement: "In the long run what's more important is to move them from being a customer

or a client to becoming an advocate." Delivering an experience that rocks is indeed key. You rock, Doug!

7. *Gilda* Says:

I can't stand it when folks at the bank, retail store, etc. start calling me a "client" or a "guest". To me it smacks of a marketing ploy rather than any sincere desire to serve me.

In fact, I find it insulting - like I won't recognize marketing manipulation and will overlook cruddy merchandise or indifferent service or high prices just because I'm so thrilled that the clerk at the local MegaMart calls me a "guest".

Signed,  
A Customer and Proud of It

8. [Becky Carroll](#) Says:

Gilda, your comments give a very good perspective. Retailers, are you listening? One cannot assume a customer is ready to move to the next "level" of relationship just by changing what you call them. And using those terms without really backing it up by other actions is indeed insincere, only paying lip service to customer centricity. If this were a company where you had an excellent relationship and had strong customer loyalty, would it change how you feel about being called "client" or "guest"?

## Tips for Listening and Learning



Today, I offer practical tips for listening to your customers and learning something about them. I started blogging about this at the beginning of the year and gave [four tips](#) on ideas to help your organization listen to customers. They are summarized below:

- **Read actual customer comments.** Be sure to look at *verbatim comments*.
- **Talk to your customers.** Face to face is ideal! (more on this below)
- **Hook up with your customer service organization.** They are often a central point of contact and a great source of customer information. Grab a headset, plug in, and have a listen.
- **Check out the blogosphere and customer forums.** What are customers saying about you?

Here are a few other methods of listening to customers.

- **See how customers use your product or service.** Spending time watching customers use your product in its “natural setting” is a fantastic way to learn about customer needs. Be sure to ask your customers what works and what could be better! A great example of this type of ethnography study was in a New York

Times [article](#) in their Magazine section. This (lengthy) article discusses how Toyota spent time with real customers while designing the Tundra truck. I love this excerpt because it shows the power of talking with customers face to face, as well as the passionate interest in understanding customers:

*In August 2002, Obu and his team began visiting different regions of the U.S.; they went to logging camps, horse farms, factories and construction sites to meet with truck owners. By asking them face to face about their needs, Obu and Schrage sought to understand preferences for towing capacity and power; by silently observing them at work, they learned things about the ideal placement of the gear shifter, for instance, or that the door handle and radio knobs should be extra large, because pickup owners often wear work gloves all day.*

(Thanks to [Return Customer](#) where I first heard about this article, then to [Shmula](#) with some great links to other ethnography sources, and then, from the comments on the Shmula post, to [ChittahChattah](#) which was the impetus for the above bullet in my post. I love the way I can find such great resources from blogs. Thanks, guys!)

- **Close the loop after an interaction.** Take the time to ask customers about their experience. Did it meet their expectations? Exceed them? Fall short? This can be done with a short web survey or a quick phone call (depending on the nature of the business). It is also a good time to ask what could be done differently next time. Although this is a very simple way of understanding customers, it is amazing how few companies

actually do this. Companies that close the loop with their customers are stand-outs; even if the experience wasn't good, asking can help a customer vent and get some mental relief.

For the best results, customer listening activities should take place on a regularly scheduled basis. How often they are scheduled will depend on your role in the organization and how ready your organization is to take action on what is heard. That last part is critical, so let me say it another way.

*Take decisive action based on the results of listening to customers.* Don't let their feedback be wasted! Use what you learn from listening to customers as a critical piece of data to put alongside your other research findings as you make decisions on products, services, and experiences.

Finally, loop back with your customers to let them know you heard them. Ideally, it will be the beginning of a long, two-way conversation with your existing customers, building relationships as you go forward.

(Photo credit: [Paha L](#))

## Related Conversation... (including a look into life at major multi-channel clothing retailers)

### 1. [Kevin Hillstrom](#) Says:

My last three apparel companies had different practices.

At Lands' End, professionals had to help out in the warehouse, or on the phones, during the holiday season and during bad weather. You learn a lot about customers doing that.

At Eddie Bauer, we didn't have any requirements.

At Nordstrom, we had to physically work in stores, or take orders over the phone, during major sale events.

At Lands' End and Nordstrom, we learned a lot about customers, by actually spending some time being close to the customer. Both brands are well known for their appreciation of the customer; both brands require professionals to have some interaction with the customer.

### 2. [Becky Carroll](#) Says:

Thanks, Kevin, for sharing your wealth of information, gleaned from working for great companies! Interesting the difference in customer focus when companies are proactively engaging their

employees with customers vs not. Nothing can replace actual customer interaction! Like the quote from my post on the movie *Big*, you can't see this kind of stuff in a marketing report. You have to see it with your own eyes and hear it with your own ears.

3. [CK](#) Says:

Love that you emphasize "verbatim" and a "natural setting". So key. The graphic is just perfect. Becky, thanks for pointing me to these pivotal posts...I shall point more to them for sure.

4. [Becky Carroll](#) Says:

Thanks, CK! Glad to have you here. If we can learn more about the way our customers actually operate, we can begin to see ways we can help them complete their tasks.

When I worked for HP, we had a program where we would video tape a customer's business for a day. The tapes would then be analyzed for places where HP could make the customer's job easier.

## Stories and the Personal Touch



My inspiration today comes from the [Marketing Profs:Daily Fix](#) blog. Two posts in particular caught my eye, and I saw them as related to each other. They are both about how being personal makes a huge impact on our emotions.

In the [first](#), [Andrea Learned](#) shares how the [Wall Street Journal](#) is using stories in their new [Journeys](#) ad campaign. Andrea also shares three elements of the ad campaign that any brand could use as they look to connect with their customers: celebrities as regular people (hey, the NHL is doing that one, too!), simple but compelling design, and a feeling of being genuine. Andrea notes the following,

*I have found it fascinating to observe as brands have started to mine their existing content, customer base, blogs, YouTube and employee files for new and interesting angles on their work, products or services.*

I have also noticed that quite a few companies are mining their customers for stories lately. Not just the SuperBowl ads, but real customer stories to put in their own communications. [Lands' End](#) has

been doing it for years in their catalogs. [Disney](#) does it as part of their DisneyInsider e-newsletter to season passholders. [ProFlowers](#) recently started soliciting stories to include in their newsletters. Of course, one of the kings of customer stories is [Jones Soda](#) (thanks, [Jordan!](#)) with their customers sending in pictures that they put on the actual soda bottles in stores.

In the [second](#) related post today, [Tim Jackson](#) shares about his recent trip to Taiwan to visit with his factory and old, new, and potential vendor partners. He was impressed by the way these people showed him they cared about earning his business through personal interaction and relationship building. (I am sure it meant a lot to them, as well, that Tim made the long trip from California!) Tim says,

*...all the money in the world thrown into expensive advertising can easily be defeated by “the personal touch.” Getting involved with your customers on a personal level will almost always yield positive results, especially if you take the time to listen to what they are saying to you and you learn what their needs are.*

Tim has hit the nail on the head here. Showing customers you really care is gold. It can't easily be faked, because, just like Fools Gold, you can always see it is just a little bit too shiny. Building business by building relationships may seem like the old-fashioned way of doing things to some, but perhaps it is the key that many are missing today. As Tim mentioned in the comments to his post (and I have mentioned before), the little things can make all the difference in cementing these relationships.

That is what is in common with these two posts. It is all about being personal. We are always fascinated with stories about the personal lives of others. And who doesn't feel good after talking about themselves for awhile? One of the methods I learned many years ago for ensuring someone feels good about a conversation is to help them talk more about themselves. They walk away feeling like they were actually heard by someone else.

Many customers want to be treated personally and want to be heard. Social media is beginning to allow that conversation to take place. Now is the time, as marketers, we need to step in and get that conversation going. Let our customers talk about themselves for awhile. And to borrow a line from Tim, "It might not produce an immediate result, but it might just pay off in ways you never expected."

I predict that those companies who are willing to invest in the conversation *will* find it pays off in the end.

(Photo credit: [nosheep](#))

## Related Conversation... (musings from around the world, little things making a big difference, and a few comments on a car company)

1. [Tim Jackson](#) Says:

I am so totally flattered that I get to be mentioned as inspiration and also in the same post as Andrea Learned (she's so smart).

Thanks for the very kind mention Becky- really do appreciate it.

Yes, I am a big believer in small- small details that make a big difference. It might not seem like much to you, but your customers will remember it for a long time. Get the little things right and they will add up to be much bigger than any one BIG thing alone. Thanks again... I'm flattered.

2. [Gavin Heaton](#) Says:

Tim and Andrea are both inspirational as you point out. They really add a warmth and personal sense of the world into their blogging and show us how the conversations can turn into something more meaningful. And as Tim points out above ... it's not really about a single big idea, but a lot of small ones that build and grow with your customer relationships.

3. [Tim Jackson](#) Says:

Gosh Gavin, you're going to make me blush all over again. Thank you very much for the compliment.

Yes, little things combined make up one big thing. It's like my Saturn experience; sure, there were big things, but it was the combination of all the little things that made the experience unacceptable. Get this; they mailed me a survey asking me how my recent experience with their service department was! Can you believe it? They clearly sent it out as part of a regular follow-up with customers who have visited the dealership. Clearly they didn't actually look at my account history. Clearly Saturn Corporate/ GM has no idea who I am still- not record of my history. That, my friends, is the official nail in the coffin lid for Saturn and me. And, yes, I'm mailing that survey in with lots more than they ever wanted to receive. The final line of the survey is titled "additional comments" ... I just wrote "see attached documents". Maybe now somebody will actually follow through... but I really doubt it.

4. [Gavin Heaton](#) Says:

Ha! I love that Saturn sent you a survey. Reminds me of a business idea that a friend of mine had ... it was called "Latitude". It was about pushing ideas as far as they could go ... and was quite random (and never likely to work as a business).

But their tag line was “More than you bargained for”. Glad you had a Latitude Moment!

5. [Becky Carroll](#) Says:

Thank you, Tim and Gavin, for your ideas! I am always intrigued by what you gentlemen have to say. As you both pointed out, small things can add up to something BIG. Whether it is a positive small thing or “the straw that broke the camel’s back”, every customer interaction adds up. It is like putting all those interactions into your customer’s emotional account. You can make withdrawals or deposits with each customer touch. Get overdrawn, and you lose a customer!

6. [Tim Jackson](#) Says:

Becky- Thank you for your very kind words. I am sincerely flattered. Gavin- It has been way more than a “latitude moment”... that’s for sure. Saturn continues to baffle me with their lack of understanding.

7. [Becky Carroll](#) Says:

Tim, you are welcome. As for Saturn, those companies that get it have tremendous competitive advantage over those that don’t.

# Measuring Customers



In my [post on the coffee house case study](#), I steered ABC Coffee Company towards its existing customers. But which of its existing customers are loyal? How do they know?

There are quite a few different metrics being discussed for customer loyalty. Each consulting firm seems to have their favorite. I would like to open up the conversation and, over time, discuss what is being used in today's successful businesses to measure the health of the customer base.

## **Today's topic: Customer Satisfaction**

When I worked for [HP](#), we used to look at an index of three scores: customer satisfaction, willingness to repurchase, and willingness to recommend. While this index isn't perfect, it does give executives a good understanding of the health of the customer base. (I believe HP is now using the [NetPromoter](#) (NPS) score.)

Customer satisfaction is the entry point. Unless we can understand and address customer dissatisfiers, we can't even begin to think about

asking a customer to purchase again. What does satisfaction really mean to a customer?

For some, it might mean they got everything they purchased, the way they want it, and they can go about their business. For others, they may not be satisfied until they feel that the company has gone “above and beyond” for them. Some companies even push their customers to state that they are “completely satisfied” (those companies are obviously measuring their personnel on the scores in the “top two boxes”!).

I was in and out of Enterprise Rent-A-Car several times last summer as my car’s air conditioning was being repaired. I found my answer to “completely satisfied” varying depending on which car they had put me in for that visit, how clean the car was, and how long I had to wait. The one time they upgraded my car, I *definitely* felt completely satisfied!

Satisfaction has many drivers. Rather than just asking a customer if they are satisfied, it is more valuable to try and understand what makes them feel that way (or not). This could be as simple as asking them to share what they liked or didn’t like about that transaction or experience. When doing the asking, companies have to be prepared for the ranting of dissatisfied customers - not only to take in the information, but to actually take action on it. Action should be both immediate (fix this issue) as well as long-term (can we avoid this problem in the future?).

What about a customer who is “hostage” to a company? In other words, what about a customer who has no other options for that service (ex: the only cable company that serves a remote area)? Does

this customer's satisfaction lead to their loyalty, or will they jump ship when someone else finally enters the marketplace?

When looking at customer satisfaction, it should be used as only one measure of customer loyalty. The context, as well as the drivers, need to be reviewed during the assessment. As I stated up front, customer satisfaction levels are a baseline. Building loyal customers that will repurchase from you and recommend your business requires attention be paid to customers beyond their satisfaction level.

Let's open up the dialogue. Is satisfaction enough? How do you measure it? I look forward to the discussion!

(Photo credit: [dogbone](#))

## Related Conversation...

1. [Paul Schwartz](#) Says:

I agree with Becky that you need to first understand the drivers of satisfaction and then go from there. I have never been a big fan of a single measure of customer satisfaction. Many customers will say they are satisfied just before they switch to a competitor. There are very few companies who can correlate a single measure of satisfaction with financial performance. To test if any satisfaction metric is any good, ask yourself "does the result tell me what I should change to improve my performance?" If it doesn't, then that metric is not very helpful.

I have been using NPS recently, but I'm not sure it is "the Ultimate Question." You need to add the follow-up to it, by asking why they would or would not recommend, in order to get richer information. I think you need to dive deeper and have the ability to connect an attitude (such as satisfaction, or referral) to a behavior (what did they actually purchase, how much, how often, do they really refer ...).

2. [Lewis Green](#) Says:

I love this: “What about a customer who is “hostage” to a company? In other words, what about a customer who has no other options for that service (ex: the only cable company that serves a remote area)? Does this customer’s satisfaction lead to their loyalty, or will they jump ship when someone else finally enters the marketplace?”

The same question can be asked about customers who purchase on price. Neither lack of choice nor price develop loyal customers.

3. [Becky Carroll](#) Says:

Paul, thank you for sharing the metric you are using with your clients, NPS (or NetPromoter Score). I agree with you that any metric taken by itself does not tell the whole story.

Understanding the drivers behind the behaviors, as well as the customer needs met (or not) by the product or service goes a lot farther towards being able to predict future business success!

Lewis, good addition on the price-centered customers. When another offer comes along at a cheaper price, they are gone. They may come and go, but they won’t stick. We need to take the relationship beyond price in order to truly develop loyalty.

4. [Professor Bill Bleuel](#) Says:

This is a very complex topic. I have been working in this area for about 25 years. My first point is that satisfaction is a passive state and has a very small loyalty component. My second point is that dissatisfiers are not the negative of a satisfier. Most people do not detect the dissatisfiers. Dissatisfiers are more critical than satisfiers because when a dissatisfier occurs, the customer usually defects. Satisfiers may not build loyalty, but dissatisfiers cause defections.

One concern that I have was documented in the Pepperdine GBR (business magazine) in a brief note titled the measurement trap.

I hope you will continue to write - this topic is probably one of the most misunderstood aspects of understanding customers.

5. [sylvia martinez](#) Says:

I take my car to an Acura dealership for service and dread getting the same stupid phone call survey afterwards. They ask inane canned question,s and you can only answer on their numeric scale even when the question doesn't make sense. If you duck the call, they keep calling back. I always think, "I just spent x hundred dollars I didn't want to, and all you do is bug me?"

It's obvious that they are trying to keep quality up, but my time is valuable. I just answer "excellent" to everything because it gets me off the phone faster and I like the dealership. So most likely they aren't measuring what they think they are measuring.

Now the service people start to prep you for the call as you leave, probably because they get rewarded for good ratings and punished for bad ones. More time wasted. Maybe they should actually talk to me instead.

Last month I had to take my car to an independent service center, and the owner sent a handwritten note thanking me for my business. OK, maybe I'm a sucker, but contrasted to a stupid impersonal phone call, it was nice. I'll probably go back.

6. [Becky Carroll](#) Says:

Dr. Bleuel, thank you very much for your insight! I especially like this statement: "Satisfiers may not build loyalty but dissatisfiers cause defections." So many companies forget that just having satisfied customers doesn't mean much (even if they are 'completely satisfied'). There are just too many other factors that impact true loyalty. Taking away the main dissatisfiers is critical, and to me, this is a major reason why it is so important to look at the customer experience.

7. [Becky Carroll](#) Says:

Sylvia, you are looking at this from a customer perspective, and this is what companies need to consider as they put their "incentives" together for sales and service. Behaviors that are only geared to getting a "top 2 box" score on satisfaction don't look or sound very sincere to customers, and as you point out, they can be downright irritating!

Interesting how the personal touch made such a difference for you with the independent service center. You are not a sucker at all; you just want someone to let you know they care (I am guessing here)!

Thanks so much for joining in the conversation!