



A Customer Satisfaction Assessment? “We’re not ready for it yet!”

Introduction

Some small or medium sized companies as well as divisions of larger organizations who consider a customer satisfaction assessment (CSA) program say, “We’re not ready for it yet!” These organizations often have a relatively small number of customers. They believe “they are close to their customers, and they will probably need a formal CSA program when they can no longer easily touch base with each customer.” It is unclear when this point will occur. This short paper suggests that a small or medium sized company or organization early in its growth and development can benefit from a cost-effective, Internet-based customer satisfaction assessment (CSA) program.

Why do CSA studies?

Organizations conduct independent and objective CSA studies of their key customers for several reasons:

- They have or want to develop a customer-focused culture.
- They want to make sure they understand their strengths and weaknesses versus the competition.
- They want to know that they are meeting or exceeding customer expectations in criteria important to their customers
- They want some objective way of determining what problems to fix.
- Their quality system or quality standards require it.
- They want to invest their resources in areas important to customers.

These reasons are valid for small or medium sized companies as well as divisions of larger organizations.

Customer-Focused Culture

There is little argument today about the benefits of having a customer-focused culture to an organization’s current and future success. The development of a customer-focused culture starts at the very beginning and is very difficult and expensive to develop if an organization’s culture has been established without it.



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Many small and medium sized organizations feel that because they have a relatively small number of customers they, almost by definition, understand their customers and are customer-focused. However, the understanding of the customer in this situation tends to be very project and account focused, i.e. sales focused. This leads to an almost complete orientation to tactical and operational issues at the expense of strategic and long-term issues. And because the dialogue with the customer tends to be around the account and sale, it usually doesn’t explore and uncover problem areas that the customer has not explicitly identified. It is often anecdotal in nature.

Starting an independent and objective CSA study early in an organization’s life helps establish a customer-focused culture and provides customer-based strategic information to help guide the investment of the organization’s scarce resources in strategic areas important to customers as well as the company’s future.

Understanding the Competition

It is crucial to a small or medium sized organization’s future to understand the competition and how customers view them and the competition. It is fairly easy to understand a competitor’s current products. It is not so straightforward to understand

- Customers’ view of the competition
- Their current use of the competitors’ products
- Their plans to use the competitors’ products in the future
- How the organization’s products compare to the competitors’ products in criteria most important to customers.

This kind of information does not typically come out of operational and anecdotal communications with the customer. Not having valid, customer-based information in this area can doom the future plans of a small or medium sized company as well as a division of a larger organization.



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Meeting and Exceeding Customer Expectations

It is easy for a small or medium sized organization to determine a customer’s program or project needs. These tend to be very product and service specific, and they are often documented in a purchase specification. They are usually in the comfort zone of the supplier.

However, it is not so easy to determine what factors are important to customers for a successful supplier relationship or what their expectations are for a product or service over the long term. Determining what the important supplier and product issues are and how well the company is meeting or exceeding customer expectations in these areas are best determined using an independent and objective method. These findings are very important to small or medium sized organizations.

Fixing Problems

Fixing problems in an operational, tactical environment is easy. Often the customer with the loudest complaint gets serviced first, then the next loudest, etc. This is reinforced by the size of the order and account. This usually works until it comes to developing, enhancing, or fixing an organization’s business systems and strategies. Then, the absence of customer-based, factual information can cause an organization to make key decisions subjectively based on anecdotal information rather than objective findings from a CSA.

Quality Systems and Standards

Some small or medium sized organizations serve industries that have stringent quality requirements in their procurement processes. This drives procurement audits by new prospects as well as existing customers. In some industries there are quality system standards like ISO 9000 that suppliers are required to meet.

Because of strategic quality initiatives or customer demands, many small or medium sized organizations are adopting a quality system that is driven by customers. An independent and



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objective CSA study as part of a quality and management system helps companies satisfy these strategic and customer imperatives.

Investing Resources

Whether it is getting ahead of the competition, meeting customer expectations, or fixing problems, every business decision ultimately comes down to investing scarce resources. In a small or medium sized organization, there is little room for error in allocating resources. It is crucial to have insight into the views of a company’s key customers, so that scarce resources are invested where they count, in areas most important to customers. The availability of objective customer-oriented information from a CSA aids effective management decision-making.

What are the Benefits?

An independent and objective CSA study provides a wide range of benefits:

- Assurance that the organization meets or exceeds the expectations of key customers
- Confidence that they are better than or equal to their competition based on criteria important to customers
- The ability to take cost-effective corrective actions to enhance products, services, and market position based on objective customer findings
- The ability to refine business and product strategies based on changing customer needs, requirements, and expectations
- Satisfaction of a quality system’s requirements for customer benchmarking

Time and Money

At the end of the day, the real issue with an organization that considers a customer satisfaction assessment study isn’t “we’re not ready for it yet!” or even “we don’t need it yet!” The real issues are time and secondarily money.

But these are the real benefits of an independent and objective CSA study. Besides providing needed customer information, a formal study relieves a small or medium sized organization’s staff from the burden of developing and conducting a state-of-the-art customer study. And the



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small or medium sized organization gets the added benefit of years of industry experience as the CSA study results are summarized and analyzed.

At the end it comes down to money. An Internet-based customer satisfaction assessment (CSA) program is very cost effective compared to traditional methods because it is based on WEB technology and therefore has significantly reduced costs in the area of data collection.

To find out more about how to start a Customer Satisfaction Assessment program for your organization, contact Six 9s Associates, Inc. at +480.488.7936 or contact@six-9s.com.

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