

## Do You Have Happy Customers?

Last month, I wrote about recipes for success and recipes for disaster. The first one. I wrote, results in happy customers, and the second one probably results in the exact opposite. That raises this question: How do you know that you have happy customers?

The answer is really pretty simple. *You ask them!* You do not assume that they're happy with the quality or service that they're getting from you. It's a little crude, perhaps, but it's often true that to *assume* makes an ass out of *u* and *me*.

### Methodology

OK, so how do you go about asking them. I put that question to a group of printers and got some interesting answers.

"We send a comment card out with every order," one printer told me. "We've been doing that since 1985."

"How many responses do you get?" I asked.

"I don't really know," he answered. "Five or six a month would be a good guess."

"How many orders do you produce each month?" I asked next.

"Again, I don't really know. We average around \$60,000 per month, and I would guess our average order is somewhere around \$250. What would that be?"

The answer—assuming that both the volume and average order figures are accurate—would be approximately 240 orders per month, which means that 5-6 responses would represent a 2-3% response rate. Do you really think it's wise to base your perception of customer satisfaction on a 2-3% statistical sample? Beyond that...

"Who do the 5-6 responses come from, your best customers or new or more occasional customers?"

"Let me take a look. I have the cards from this year here, and I only recognize a few names, so I'd have to say they're not my top customers."

I'd have to say that sounds like one of those recipes for disaster—or at the very least, a customer satisfaction measurement program that's not doing what it's intended to do. I hope you'll agree that you need more than a comment card program to ensure that your critical customer relationships are in good enough shape.

### Modern Variation

Another one of the printers I spoke to uses a modern variation of the comment card strategy. "We send an e-mail out after every order, with a link to a Survey Monkey page. We ask them to rate our performance against several criteria, and it works really well."

Again, I asked about the response rate, and again, the printer could only give me a rough estimate—which indicated a 4-5% response rate, with most of those responses coming from *other-than* his top customers. So I submit to you that the modern version of comment cards may generate twice the response rate, but it's still not a large enough statistical sample, and it still doesn't tell you what you need to know about your most important customers.

By the way, before I go any farther with today's main issue, let me just say that things like this are measurable, and you should measure them! Response rates and demographics and average order size are *necessary knowledge*. The more you know about your business, the more likely it is that you'll be able to improve it. Sadly, too many printers are really just along for the ride!

### Better Strategy

If I were you, I would *take the temperature* of my customer relationships on a regular basis. It's probably too much to ask about their satisfaction with every order—in fact, that's one of the reasons for such low response with comment cards—but it should certainly be easy enough to ask your "A" customers to quantify their level of satisfaction with you every month, and your "B" customers once every quarter. Actually, I'd like to see you talking to your "C" customers on a quarterly basis too, but that might not provide enough of a return on investment on terms of the time it would take to accomplish. So how about this, let's add your "B+" customers to the every-month list, and your "C+" customers to the quarterly list—with the "+" indicating next-level growth potential, or any other reason a particular customer might be more important to you than their current sales volume indicates.

Now here comes the most important part of this strategy. *Don't send me any forms to fill out!* Meet with me personally, or call me on the phone, or send me a direct e-mail, and ask me just one question: "*What's the temperature of our relationship these days?*"

## **Establish The Strategy**

I hope you're thinking that you can't just hit them with that question out of the blue! You're 100% right, you have to put it in context! So here's what you say to establish this strategy: *"Your satisfaction is really important to me—to the whole company, in fact—so I would like to get in touch with you every month (or every quarter) and ask you to tell me the temperature of our relationship. We'll use 98.6 degrees as the baseline, so if everything's fine, that's what I hope you'll tell me. And if things are better than fine; for example, if you want to recognize that we've been exceptional in terms of quality and/or service, you could tell me 102 degrees or maybe even 104 degrees. Most importantly, though, if everything's less than fine, you can give me a number that indicates just how big a problem we have, and then I can get started at solving it and building your level of customer satisfaction back up to where we both want it to be."*

The bottom line here is one question and one answer, and that answer tells you where you may need to go next. If the temperature is high, say *"thank you, I appreciate your business, and you can expect me to ask you again in a month (or 3 months)—but if anything changes between now and then, please tell me right away!"* If the temperature is below 98.6 degrees, identify the problem and get started on the solution.

If you're consistent with this strategy, you'll accomplish three things. First, you'll communicate the value you place on the relationship. People like to do business with people who appreciate their business! Second, you'll catch small problems while they're still small, before they have a chance to grow and fester and destroy a relationship. Third, you'll catch any big problems while they're still relatively fresh, which gives you the greatest likelihood of resolving them and salvaging the relationship.

Knowledge is power. As noted earlier, the more you know about your business, the more likely it is that you'll be able to improve it. And the more you know about your customers—specifically, what they really think of you—the less likely it is that you'll lose them!