



TOOL

**PROFESSIONAL
FEEDBACK
SYSTEMS
GUIDANCE
AND WIN/WIN
PLAN**

Professional Feedback Systems Guidance and win/win plan

As feedback is such a vital area, and done so badly by the majority of organisations, here's a simple guide of principles and ideas to help you ensure your system has as great a chance of success as possible.

Don't believe that this will be easy: your people will naturally be afraid of feedback, and your customers will naturally be resistant to giving it to you (as they are so used to the dysfunctional nature of most feedback systems).



Remember, 'what gets measured gets done': ensure you have a measure of the amount, quality and responses to your feedback systems.

We do recommend considering getting professional help here: please contact us for guidance and advice on what would be most helpful for you: we have associates who we can put you in touch with, or we can guide you on how to find a suitable source of help on your own.

Whatever you do: be sure to follow the guidance below. Do not skimp and go for a cheap 'off the shelf' option.

Our feedback systems	
Intent	<ul style="list-style-type: none"> • The Intent of having a quality, professional, continual feedback system, so that our customer sees us as open, listening and attentive, and we genuinely hear what we're doing well, what we need to change and what changes are happening in the market, so we can take effective action before it becomes public knowledge, and stay sharp, customer obsessed and ahead of the game at all times.
Desired Results	<ul style="list-style-type: none"> • A system that: <ul style="list-style-type: none"> ○ ensures we pick up all the information we need to know because customers feel happy to talk to us, rather than about us to their friends. ○ adds value to the customer experience in its execution. ○ identifies what the customer really likes about us (so we can enthuse our people, keep doing it, and find ways to improve it inch by inch). ○ identifies what the customer doesn't like about us (so we can assess it, and change it if necessary, before it becomes something that affects customer loyalty and reputation). ○ identifies possible opportunities in the market, so we can develop and test them inch by inch and continually stay ahead of the game.

	<ul style="list-style-type: none"> • Something of high perceived quality and simple to execute • A continued obsessive direct and indirect focus on the customer, and our systems, driven by focus on the feedback process. • Most systems ask closed questions and receive feedback from under 10% of customers: we're aiming for open questions and looking for 1 piece of information from over 50% of customers: this is a 'go the extra inch' approach, not a sledgehammer to crack an nut!
Guidelines	<ul style="list-style-type: none"> • Our feedback should be relevant for our market. • Consider 'The Four Levels of Customer Relationships' (see below) and decide where your market lies. • Ensure your system is strongly systemised: <ul style="list-style-type: none"> ○ The customer needs to know up front that you'll be asking for brief feedback, that it'll be short (only 2 small questions), that you'll really listen (open questions), and why you'd welcome anything they can tell you (see the intent above). ○ The customer needs to know when and how they'll be asked, and how long it'll take ('less than 2 minutes' is always best!) ○ The process needs to be checked with the customer before it happens: 'can we ask you now?' • The 2 questions will always be some variant of: <ul style="list-style-type: none"> ○ What did you really like? ○ What didn't you? • And depending on the response to these, and the depth of the customer relationship, you'd want to also: <ul style="list-style-type: none"> ○ Get a score (remember: what gets measured gets done) ○ Get permission to build the relationship inch by inch ○ Perhaps understand a specific key issue, such as why they chose you over your competition • This all needs specific skills and very careful planning: every situation is unique, that's why we recommend 3rd party help in planning and quality controlling this process. • Never be tempted to ask more: this is an inch by inch process: far better to get a couple of key pieces of information from a large amount of customers, rather than more information out of a few (which will, by definition. be skewed, inaccurate and dangerous). • This is an ongoing inch by inch process: the value lies in the ease of response to the customer, the genuineness of the listening and the building of the relationship over the long term. The customer will tell you the most important things you need to know, as and when they're relevant to them: you can then act inch by inch. • Build in simple, inch by inch (this is very important... don't rush it, and don't try and take huge steps: the customer isn't interested in helping you develop your business, they're interested in their own interests, and you can only win them over inch by inch) follow up

	<p>steps : for guidance see below ‘There’s no such thing as ‘bad’ feedback’.</p>
<p>Resources</p>	<p>Your questions to be considered and agreed across the organisation include:</p> <ul style="list-style-type: none"> • How will we communicate this across the customer journey? • How will we resource this and make sure it’s the best it can be? • How will we ask for permission to follow all feedback up? • How will we do all this in a way that adds value to the customer experience (rather than detracts from it) and is upbeat and positive? • How will we build in systematic: <ul style="list-style-type: none"> ○ Catching people doing things well ○ Go the extra inch processes ○ Relationship building processes ○ Reputation building processes? ○ Referral building processes? ○ Direct response systems? ○ Indirect response systems? <p>Key point: make sure the resource doing the feedback is not instructed to solve any problems, or, even better, is not able to do this: <u>it’s vital to keep feedback as a separate listening and understanding process:</u> the response to the feedback is a separate process and needs to remain so, no matter what.</p> <p>First step is: the customer wants to be valued, listened to and understood. Then, and only then, should you move on and start to solve issues and build relationships: <u>the feedback process should only seek permission from the customer for follow up: the follow up process itself needs to be totally separate.</u></p> <p>When you have a great system running, then we’d suggest that you find a way to publish this transparently, so that customers can see what’s been said about you, how your responded and what you’ve done about it: this says more about you to future customers than any marketing or PR you may want to promote. To the customer, this is gold dust!</p> <p>This question, needs to be considered carefully, and the benefit from it maximised in conjunction with your web people: the customer feedback will be using the key words that are important to customers, and your response, likewise will be very attractive to search engines. This can be a major source of positive reputation and new customer generation, if handled effectively.</p>
<p>Accountability</p>	<p>Remember: what gets measured gets done: you need to ensure you’ve planned:</p>

	<ul style="list-style-type: none"> • How will you measure the customer opinion ‘score’ accurately (again, we suggest you seek professional help here: if the score isn’t right, then there’s little point in scoring at all!) • How will this be displayed? • How will you hold people accountable? • How will you ensure the accountability doesn’t get ‘lost’ in the day to day? • How will you follow up: internally and externally? • How will you publish the feedback, responses and follow up? • How will you maximise exposure and benefit (direct and indirect)? <p>We’d also strongly suggest that you build in a continuous review process of the whole system: what was right this year, may be old hat and boring by next year: make sure you diarise and execute at least annual reviews of the system.</p>
Consequences	<ul style="list-style-type: none"> • If this works well: how will we develop this further, and what could we REALLY do in the field of customer reputation, attraction and loyalty if we keep on going the extra inch with it? • What if we don’t do it properly: what would happen then, and what would we do about it? What will cheap, ineffective, or poorly thought through feedback systems say to the customer about our real motivation (in all things)? • If it doesn’t work as we expected? How will we know? How will we minimise damage? How will we change it quickly?
Notes:	

So, the ‘Slow Tip’ is:

- Forget ‘testimonials’
- Be courageous enough to proactively gather and publish all feedback transparently.
- Respond to all feedback effectively, and use it to learn, grow and build loyalty and reputation, both directly and indirectly.
- Plan this carefully (using the planner) and strongly consider professional help (this is an area where 3rd party objectivity really helps)

Action Point is:

As a manager: Use the tool informally (to ask questions of others who are planning or developing your feedback systems), or formally to plan the systems.

- The questions are not exhaustive: maybe start by thinking up other questions (remember to ensure they are 'open' questions!).
- Also remember that it may be hard to change existing mindsets and embedded systems: a good place to start is often to gather professional feedback using a new system and compare it to what your existing system is generating: this may take some time and effort to do properly.

As an individual: Use this tool to either set up your own system or constructively challenge (probably in small steps!) the existing one you're using (or being asked to use). Remember that it may be hard to change existing mindsets and embedded systems: a good place to start is often to gather your own feedback and share it, in small steps, with others to build influence and open up debate.

More information:

The 4 levels of customer relationships (and the relevant next steps for each level)

Gathering feedback is vital as we know, but it's how you respond to it that really matters. If you're not planning on responding to feedback then it's not worth getting it in the first place! (95% of organisations fall into this category at the moment, so you could set yourself seriously ahead of the game, by understanding this issue and getting it right: this is a MAJOR opportunity!)

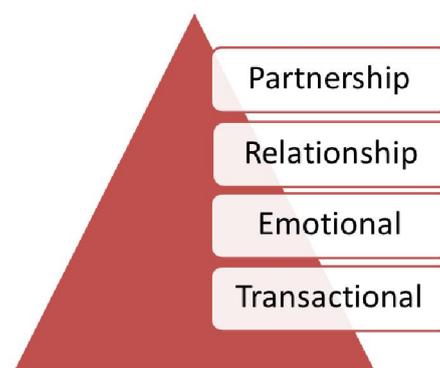
Feedback that you don't respond to proves to the customer that you don't really care (even if you do).

Not all customer relationships are the same: (remember, we mentioned this earlier). There are 4 main 'types' of customer relationship (as shown in the diagram).



Horses for Courses

Customer Relationship



What you should be trying to do with your customers is two things:

1. Know your relationship and apply the principles in the right way for that relationship
2. Move your customer up steps to cement the relationship and build true loyalty over time

Here's a basic explanation of the 4 different levels:

1. Transactional (for 'transactions'. Eg: basic purchases)
2. Emotional (for more 'emotional' purchases. Eg: leisure activities, upmarket purchases and fashion)
3. Relationship (for relationship purchases (like membership) and B2B situations)
4. Partnership (the Shangri-La to aim for in the world of the empowered customer, where your customer actively works to help you build your business ... which results in your business sky rocketing!)

Many organisations only focus on transactional, which is the bottom level on the triangle. That was fine during the Industrial Age but in today's **SR** world that's simply not going to cut it: You can't afford to have customers anything less than emotionally engaged in the world of the empowered customer, open reviews and social media.

The higher up the triangle you take your customer routinely, the more likely they are to:

- Buy again
- Buy larger amounts
- Cross purchase other goods and services
- Be fiercely loyal (even when your competitors are perhaps cheaper)
- Actively recommend you to others
- Give you lots of leeway when you get it wrong (and tell you quickly)

Let's look at the four levels and how feedback relates to each one.

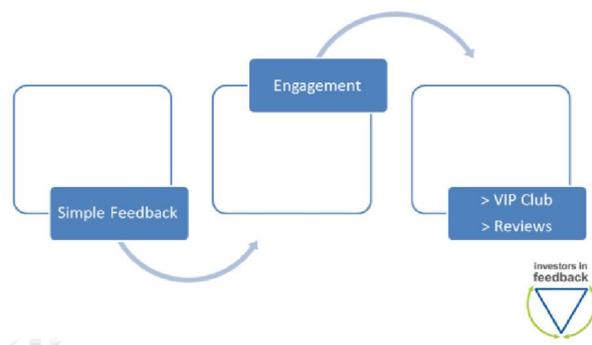
The Four Levels of Feedback

Transactional Feedback

Transactional feedback is best known as **product reviews**. If you have ever shopped on Ebay, you know that you are allowed to rate your transaction. This is 'transactional feedback'.

Transactional feedback can be gathered online with forms. For example, if you buy a new battery for your phone and you fill out a quick form to review that purchase.

Transactional feedback is best gathered and displayed online while asking for direct contact and/or resolution by email if there are any issues. Online reputation is the most powerful marketing tool for this type of customer relationship.



These customers can be 'moved up the triangle' : *please see the matrix at the end of this section for guidance of what to do to achieve this.*

Emotional Feedback

Emotional Feedback is from a much more emotionally involved purchase, often a discretionary one, and often one that has an impact on the customer's image or ego. So it has to be more interactive than transactional feedback (so an online form alone is not going to cut it). This type of feedback can be done by telephone but there are also text / customer response / letter systems for gathering it.

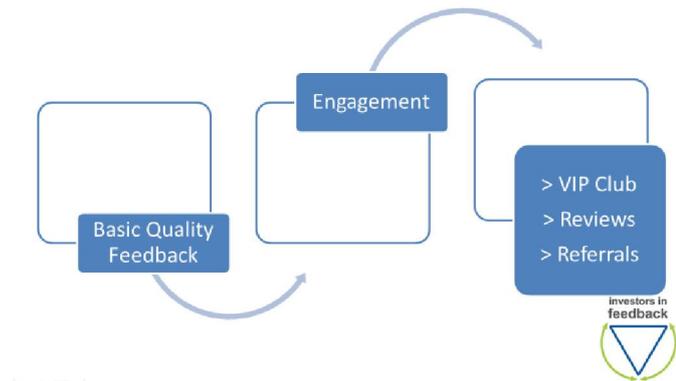
Example 1: if you own a holiday cottage then you could send out two separate text messages.

Text 1: When the customer arrives, a text message welcomes them while serving as a friendly reminder of the housekeeper's phone number. You would also inform the customer that she will be receiving a text when she leaves that will ask for feedback (and why it is so helpful and what you'll do with it).

Text 2: When they leave, you send a text asking her for feedback.

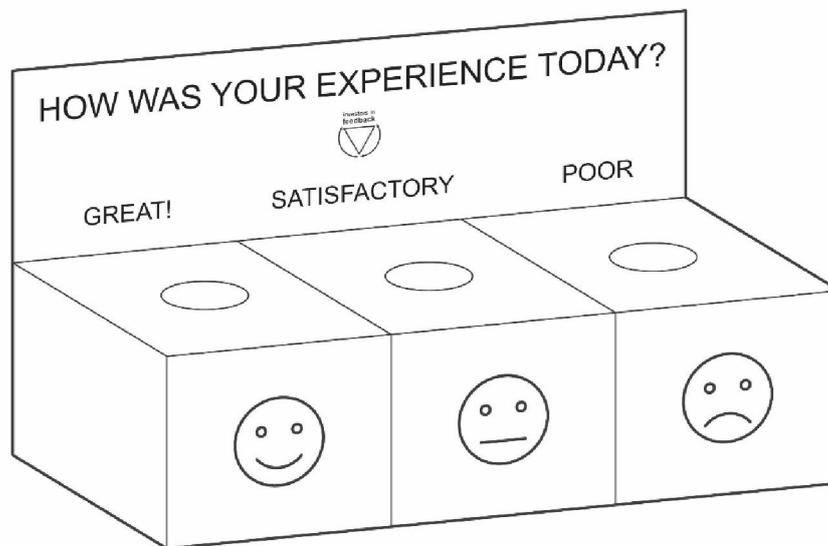
Example 2: if you're running a Hotel, you could call every customer within 24 hours of leaving, by phone (using the system outlined above) for genuine feedback (and this works like a dream!)

Example 3: A pub could gather feedback by presenting diners with poker chips (coloured to identify the individual responsible for their experience), explain the system (and why it's so important and what they do with the feedback), and ask



the diner to put the chip in a box at the end of their visit. The box would be marked: 'How was your experience today?' And the choice of slots would be: 'Great', 'Satisfactory', and 'Poor'. This could be accompanied by an exhortation / uniforms / table cards saying something like 'if we're anything other than excellent, please let us know personally before you leave, as we want to make sure you have a great time with us'. I know this sounds a bit cheesy ... but in today's hyper competitive market, you need to get it right (and poor online reviews will cost you a LOT of custom and money).

These customers can be 'moved up the triangle' : *please see the matrix at the end of this section for guidance of what to do to achieve this.*



Relationship Feedback

This is the next step up from emotional feedback. It's based on a longer-term relationship of mutual trust. We suggest this is best done by phone. The wonderful thing about phone calls is that:

- ✓ You're distant enough to not make them feel uncomfortable
- ✓ You can listen to their tone of voice and other 'body language' signals. So much more information can be satisfactorily conveyed.



So many businesses have massive resources invested into phone systems that are designed to get new customers; yet few of them are investing money into building their relationships with existing customers.

Fools.

In fact, it's not even expensive to set up a phone system for this purpose. You can **spend half-an-hour per day on this and get some truly amazing results.**

The absolute worst thing that could happen is that you are forced to leave them a message. In that case, you can simply leave them the information needed to contact you. **Just by GENUINELY attempting to make the connection you are showing your customers that you really do care.**

Getting all this right gives your organisation a huge edge over the competition.

But you must be GENUINE!

We operate this same phone system to gather feedback for customers as well as gathering it for ourselves.

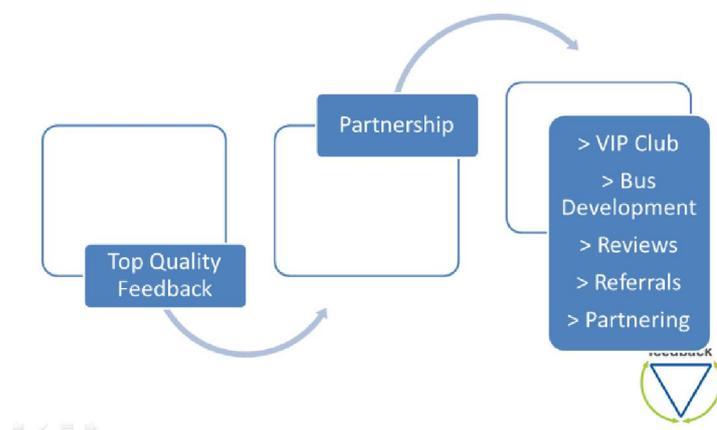
The most common feedback that we get from customers is, **"Wow! Thanks for calling ... These people obviously really do care."**

They are blown away because we have a system set up that is genuinely interested in their feedback and is not trying to sell them anything. They are also blown away because so few others are doing it, and certainly not doing it properly!

Divert marketing budget from finding new customers and put it into setting up a great feedback system. It will make your life so much easier, your results so much better (and your customers will absolutely love it).

You can THEN reap the rewards of systematic referrals and easier selling through enhanced reputation.

These customers can be 'moved up the triangle': *please see the matrix at the end of this section for guidance of what to do to achieve this.*



Partnership Feedback

Partnership Feedback is identical to relationship feedback with only one difference – it's all business-to-business. You have to use the phone system to gather this type of feedback.

'Partnership' is also the word we'd use to describe the 'nirvana relationship' that fiercely loyal customers have to top brands and suppliers. They are partners because they have a win/win symbiotic relationship.

These 'partners' can actively help each other by:

- Giving proactive feedback
- Helping each other succeed
- Sharing information on marketplaces and competitor activity
- Cross promoting
- Working together on projects
- Etc

Feedback gathering in these situations has to be handled very carefully and has to be put together in a bespoke way, depending on the relationship and situation.

It should always be done by a high quality 3rd party, and should be very discreet and enhancing to the 'partnership'. We have worked with many Organisations in these circumstances, so please contact us if you'd like some help or advice in this area (our contact details can be found at the end of the book).

Proactively Moving Customers Up the Triangle

Here's a matrix to guide you.

Relation ship	Move to	Make Feedback Easy	Respond to all Feedback	Proactively Take Issues	Create VIP Customer Offers	Create VIP Groups	Create Specialist Buying	Offer Complementary	Partner with	Be Upfront and Proactive in	Look for Issues before they	Gather Online Reviews from	Proactively gather Feedback	Work as a Win/Win
Partner ship	Partner ship				X	X	X	X	X	X	X		X	X
Relation ship	Partner ship	X	X	X	X	X	X	X	X	X	X		X	
Emotio nal	Relatio nship	X	X	X	X	X		X		X	X	X		
Transac tional	Emotio nal	X	X	X	X			X		X		X		

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There's no such thing as 'bad' feedback

A lot of people and articles talk about 'bad' feedback, but in reality there is no such thing as 'bad' feedback. There is only feedback handled badly! The key to making feedback work and pay huge dividends for you lies in how you react and respond to it:



You can't lose



- ✓ If the feedback is **'Great'**: You can put in systems and permission to cross sell, up-sell, get referrals and build your reputation.
- ✓ If the feedback is **'Satisfactory'**: You can get permission to contact them to build the relationship which gives you the opportunity to turn it into 'great' (because, as explained above, 'Satisfied' customers aren't good enough).
- ✓ If the feedback is **'Poor'**: You can put your crisis management process into operation and blow their socks off. Sometimes **poor feedback handled excellently presents the greatest opportunity to build reputation, referrals, and loyalty**. However, 'poor' feedback should be treated as an emergency and you have to act immediately on it (obviously!)

Slow Tip: Blow their socks off response

- *Start thinking about 'blow their socks off' responses to feedback that will significantly enhance the relationship and make them feel genuinely listened to and valued*

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