



# Customer Satisfaction vs. Loyalty

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Improve service effectiveness

by

understanding & managing your client's expectations.

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This document describes a process which will help you

- improve your understanding of your clients needs and expectations.
- Define actions to make your service more effective and help the client
- Establish realistic expectations
- Understand the true value of the service
- Remember and respect the service and the people who deliver the service.

A service is an activity that is intangible, is not stored and does not result in ownership. A service is consumed at the point of delivery. The client may be charged for the service, or it may be given for free. It may be formal (IT support, legal advice) or informal (Emotional support, helping other team members)

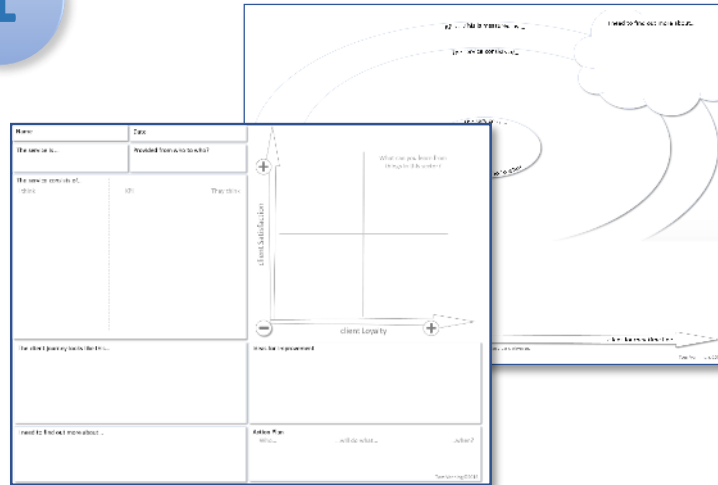
You can also use this document to better understand a client's relationship with a product or brand. Simply replace the work *service* with *product* or *brand*.

This concept was adapted from the book "*Market-Led Strategic Change*" by Nigel F. Piercy, 2002, Butterworth-Heinemann (First published 1991 HarperCollins Publisher).

Pleaser note... I've designed this as an A3 sized document so that you can print the templates to use during meetings, brainstorming sessions and interviews.

# The process

1



## ***Understand the service***

Fill in one of the following templates.

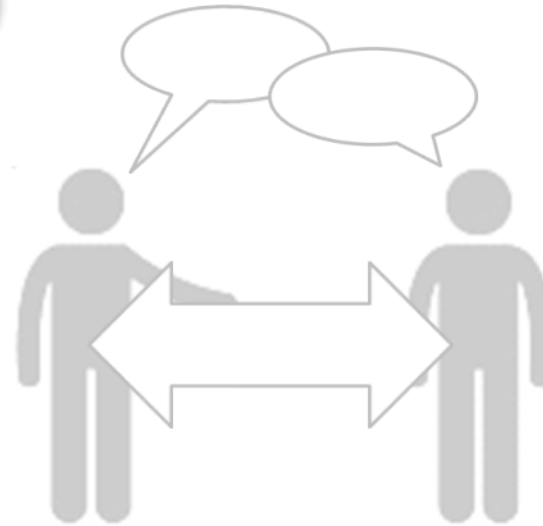
This will deepen your understanding of the service you provide and prepare you for the customer interviews.

You can use the templates to facilitate a team meeting designed to align a service delivery team's behaviour and values.

Either use the template as is, or take each element as the heading on a flipchart or pinboard.

Use colour codes to capture your ideas.

2



## ***Conduct client interviews***

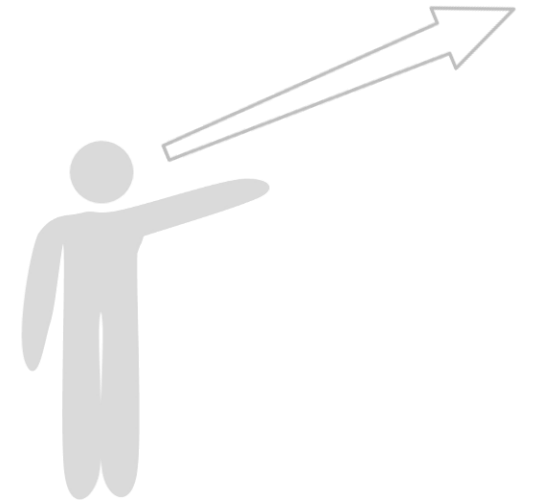
Conduct client interviews based on your deeper understanding of your service.

During these interviews; compare your opinion to your client's, check your reality, uncover blind spots, and shape your client's expectations.

It's a great opportunity to have an informal chat with your client about your relationship, needs and values.

You, or the team, should conduct these interviews... Use the opportunity to learn and build relationships.

3



## ***Improve the service***

Update the templates and agree on what you need to do to improve the service quality and effectiveness.

Then act!

Repeat this process at regular intervals. How big an interval depends on the service.

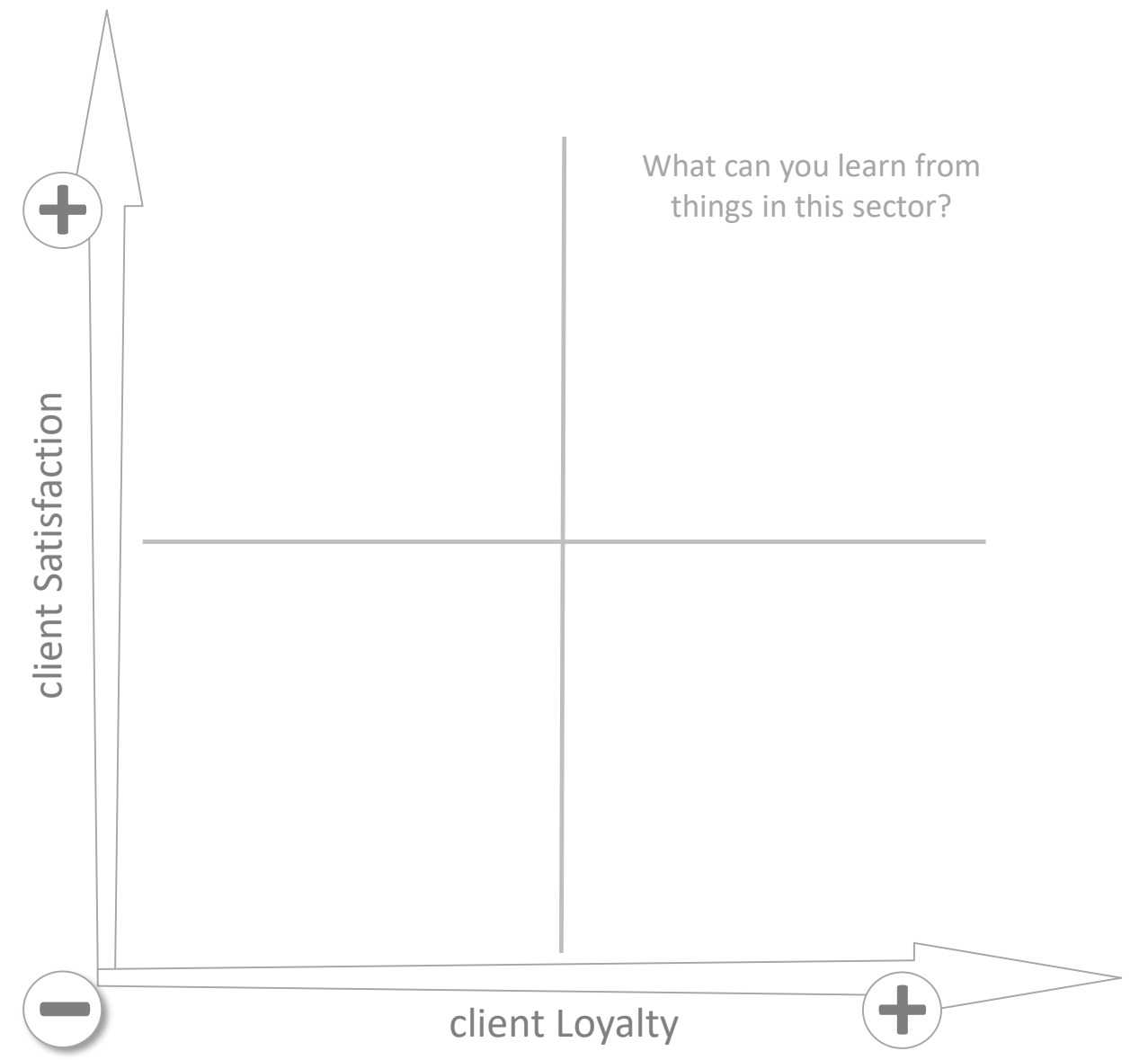


Name Date

The service is ... Provided from who to who?

The service consists of...

I think	KPI <small>What is your measurement of success?</small>	The customer thinks



The client journey looks like this...

Ideas for improvement

I need to find out more about...

Action Plan

Who....	...will do what...	...when?

Name	Date
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The service is ... Name, or briefly describe, the service you would like to investigate.	Provided from who to who? Who are the stakeholders? People, depts., groups, etc. who give & receive the service. Draw a diagram & reference it here.
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**The service consists of...**

I think	KPI	They think
This area is for your opinion....	What is your measurement of success? And ....	The client's opinion

What elements make up the service? List both tangible and intangible things.

Tangible elements of the service could be listed in the service description, have tangible KPIs and targets, may be described in someone's job role, and will be observable or physical.

The intangible elements are uniquely human; empathy, socialising, caring etc. All of these elements will show in how the service is delivered and why people think it is important.

Successful service delivery always includes both tangible and intangible elements.

For each of these elements ask yourself what's the KPI? How do you measure the element, or know when you are successful? Ideally KPIs will be tangible. However don't worry if some intangible aspects of the service have intangible KPIs... the point is to dig deeper into your understanding of the service. Answering the KPI question always deepens your understanding.

Use all these details as discussion starters between the service giver and receiver. Being clear about these elements, for all service stakeholders, helps create effective, harmonious services.

**The customer journey looks like this...**

The customer journey is the timeline of service delivery.

It starts before the client even knows they need the service because as the client realises they need the service, who should they think of? The service provider. The client then prepares to use the service, engages for the first time and interacts with the service provider. This kicks off a number of internal processes. The client is continually assessing the service. Eventually the client will finish using the service and assess the final results... which effects the likelihood of them using the service again... How likely they are to use the service again is customer loyalty.

Write a chronological list or draw a time line here.

**I need to find out more about...**

While you are answering the above questions, thinking about the details of the service, KPIs and the client journey, you will realise there are lots of things you don't know about the service, client needs and perceptions, and what other stakeholders do or think.

List these things here. At a later date you can find them out, and deepen your knowledge of the service, which will help improve the service quality and effectiveness.

Customer satisfaction is emotional. It may be very short term.



**Ideas for improvement**

Throughout this service brainstorming process and client interviews you will get ideas of how to improve the service.

Capture all ideas and suggestions. Do not filter or qualify them. Some of the best solutions originate from the craziest ideas, others come from combinations of many suggestions, and some occur through continuous improvement.

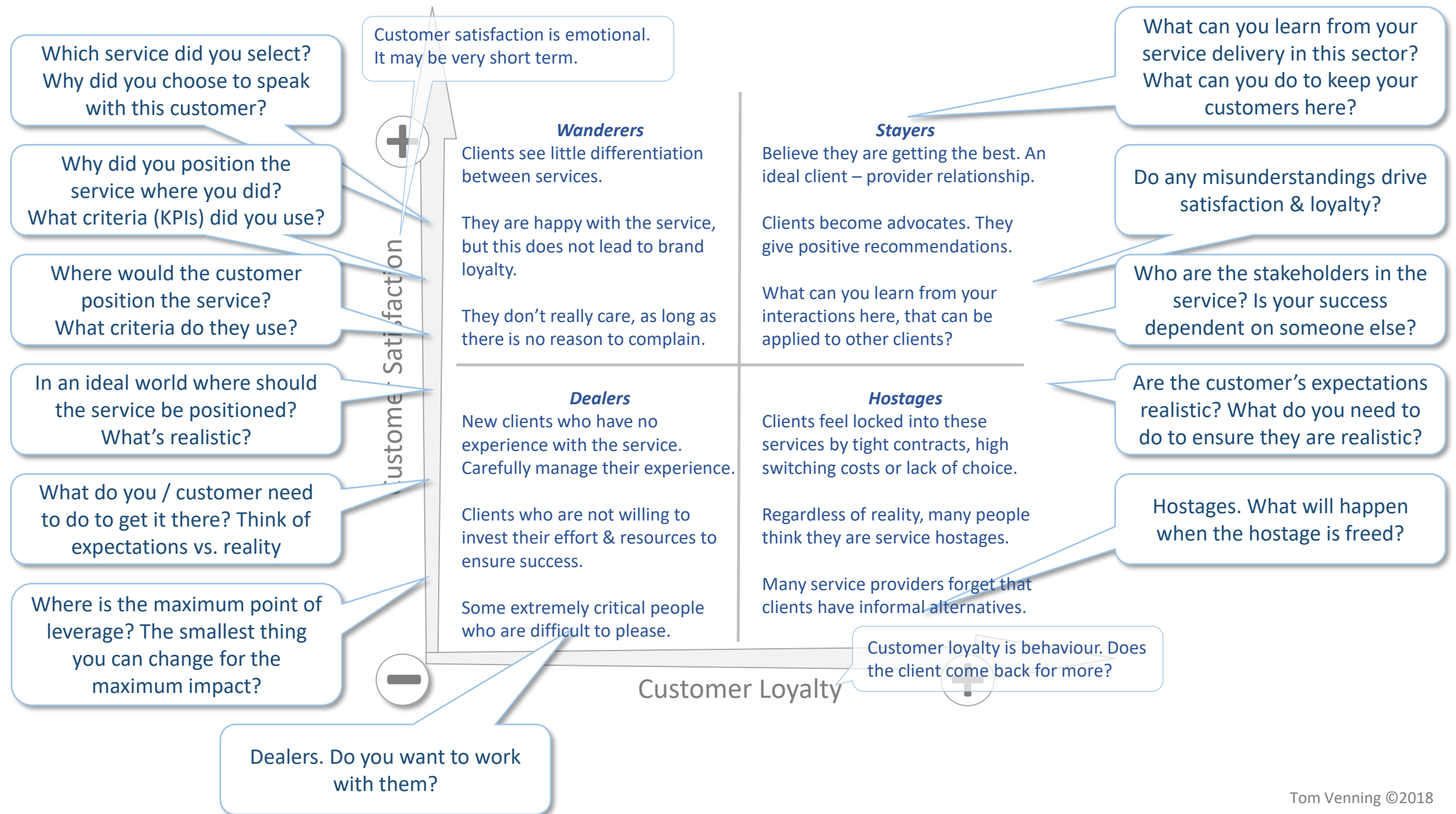
You can qualify, group and cull ideas at a later date.

**Action Plan**

Who...	...will do what...	...when?
Capture short and medium term actions here.		
What is the maximum point of leverage? The smallest action with the biggest impact?		
Act immediately! You should have at least one thing you can do within the next 24 hours.		

# Questions you could ask during the client interview

Use the satisfaction / Loyalty grid to interview the customer.



I need to find out more about...

KPIs ....This is measured by ...

The service consists of...

This template captures the same information as these fields in the previous template.

It is for people who prefer to work with mind maps and drawings instead of lists.

The service is ...

Provided from w

Name		Date	
The service is ...		Provided from who to who?	
The service consists of...		KPI	They think
I think			
The client journey looks like this...		Ideas for Improvement	
I need to find out more about...		Action Plan	
	Who...	...will do what...	...when?

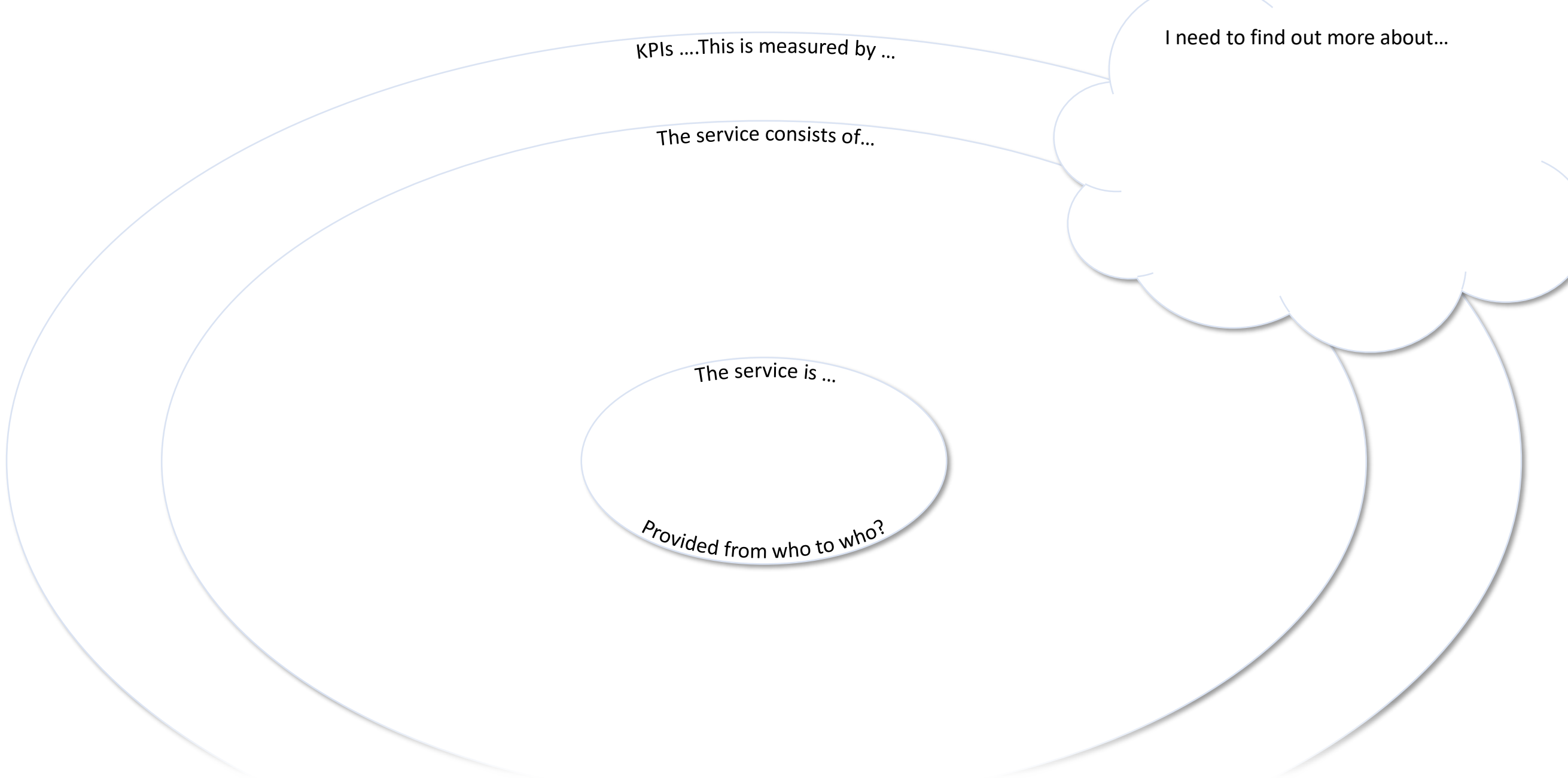
client Satisfaction (+)

client Loyalty (-)

What can you learn from things in this sector?

Tom Venning © 2018







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