

# CUSTOMER EXPERIENCE

## Measuring customer satisfaction

# Learning from the best

Retailers with customer-centricity embedded in their DNA are making giant leaps when it comes to service. But how are they measuring customer satisfaction to make sure they are getting it right and driving value? **Jon Severs** investigates

It is easy to be dismissive about customer satisfaction data and the predictive power it purports to have. Humans are fickle, so how much can really be known about someone from a few data entries?

A lot. And those companies putting the tracking of customer experience at the heart of their business are reaping the rewards. They are doing so thanks to developments not just in what technology is capable of monitoring, but in how that data is analysed and reviewed. As chief executive and co-founder of Hotel Chocolat Angus Thirlwell says, customer satisfaction tracking and how to use it is now “far from a dark art”.

Some would have thought it would have got harder. Customers are now migratory, shifting between an increasing number of retail platforms. Trying to gain proper sight of a customer journey should be complicated. But some believe it is not.

“Technology makes it easier than it’s ever been to have a view of customer behaviour and sentiment across channels,” says River Island ecommerce development manager Helen Colclough. “Previously this would all be offline and anecdotal but we now get unprecedented access to customers’ views of us, whether through social media, customer surveys, online reviews or their behaviour on site.”

Certainly, technology solutions for customer experience management are plentiful. They are also variable in scope and aim.

Hotel Chocolat, for example, has both in-store and online tools. “We use Google Analytics to

track users and customers across our digital channels. Our Tasting Club membership card and a recent loyalty scheme trial allow us to track customers in store and we can identify these users online,” says Thirlwell.

“We partner with a third party to collate in-store customer satisfaction and will be looking to work with an independent ratings and reviews partner in the new year to capture online, product and possibly in-store customer satisfaction. Outside of our own systems we use social listening tools to measure sentiment and comments about the brand.”

All this data has a big impact. For example, Tasting Club information is being used to determine products that will feature within the core Hotel Chocolat range. That has obvious benefits in terms of sales and profits as well as customer satisfaction.

Fashion retailer Boden has also benefited from improved customer satisfaction tracking, says global brand director Penny Herriman. She says it takes Net Promoter Scores “very seriously”, tracking them weekly, and using Qubit (monthly customer satisfaction about website experience); tracking of retention rates; continuous personalised testing using Monetate; and a panel of 15,000 customers globally who participate in online surveys, discussions and focus groups.

Feedback has resulted in speeding up its US website and shipping internationally. “We saw weaker retention data and lower NPS scores, but reversed this by improving our service proposition,” says Herriman.

While these examples show a high level of



Boden's Penny Herriman says improved customer satisfaction tracking has benefited the company

customer satisfaction monitoring, Ankush Mattu, partner at consultancy Kurt Salmon, is sceptical of how far retailers have really understood the necessary scope for customer experience tracking.

“The starting point for gaining insight is for retailers to have a 360° view of their customers. This requires drawing data from in-store, online and across brands, including product personalisation and targeted promotions,” he says. “However, most retailers are not able to do this – nearly 90% are faced with issues relating to poor data quality, no single version of truth and a lack of a well-integrated back-end system.”

### Brains behind the tech

There must also be brains behind the tech for data to be effective, says Dixons Carphone chief marketing officer Julian Diment. “There aren’t many things you would want to measure that you cannot now measure – the question is more important to get right than the capability, though. ‘Why do you want to do this?’ not ‘can we do this?’ It can’t be data for data’s sake,” he says.

Diment says a customer can change from preferring one channel to another with their very next purchase. So intelligent analysis is needed as well as data, or real-time solutions,

**“The starting point for gaining insight is to have a 360° view of customers”**

**Ankush Mattu, Kurt Salmon**



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## The online to store transfer



**Pin Point is used at Dixons Carphone**

"Consumers want the convenience of online experiences in stores now," says Start JG chief executive Kevin Gill – and all-important customer satisfaction means retailers have to deliver on that. "By implementing digital tools to promote offers, allow catalogue exploration and even purchase items, stores can now provide the same kinds of features that ecommerce sites do," says Gill.

Medallia general manager John Abraham agrees, giving the example of how employees in a store in London's West End can now easily see only the transactions and feedback that are relevant to their store, along with appropriate reports and benchmarks to put their feedback in the context of other locations.

Pushing the boundaries of in-store technology is Dixons Carphone, which uses a tool called Pin Point.

"This is a tablet-based customer experience where the store operative works hand in hand with the customer and takes them through a number of questions to determine what is the right phone for that customer and what is the right tariff," says chief marketing officer Julian Diment.

"That gives us a lot of information on what customers are asking for and what they are buying and real-time data we can use to understand which tariffs, networks, handsets sell better. We can then personalise offerings to customers and make sure we continue to learn to make that customer experience and that recommendation better."



**Thirlwell: looking to work with an independent ratings and reviews partner**

## "We use Google Analytics to track users and customers across our digital channels"

**Angus Thirlwell, Hotel Chocolat**

rather than making an assumption based on a previous purchase. Dixons Carphone has around 100 customer metrics.

Looking ahead, this intelligence-based response becomes even more crucial. The sheer scale of the data now available to retailers means personalisation of offer is a reality. Thirlwell says it is definitely something Hotel Chocolat is looking at for 2016.

"This continues to be a hot topic in ecommerce, especially for retailers as they look to stand out from the crowd and build brand loyalty," says Webhelp UK chief customer solutions officer Helen Murray. "Take Shop Direct. When visiting the site, shoppers with a purchasing history are immediately presented with the latest offers, picked based on previous

selections. This is enabled by a team of specialists using complex algorithms to predict customer buying behaviour and can be further supported by qualitative research."

The danger is that rather than attracting customers retailers scare them by knowing too much. Sensitive personalisation as the next stage of customer engagement will be tricky.

But those retailers already ahead on customer satisfaction are gaining an advantage and will push to gain more by using more data in a more integrated way. There are dangers, but retailers already have robust systems for ensuring they are mitigated. As Diment says, if retailers are asking the right questions then the tech is there to find the answers that will have a direct impact on success.

  
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