

Strategies for the New Economy

By Mike St. Angelo

Know your customers

The closer you are to your customers - the more you're seeking their feedback and answering their questions - the more likely they are to turn to you when they need the products or services you offer. Customers should see you as a company they have a relationship with – a company that cares about their needs, appreciates their hardships, and wants to know what they think. When there are difficult times in the economy, customers would much rather buy from a business that they have a good relationship with than from one they don't.

These are difficult times. Resources are walking (or being pushed) out the door every day and corporations are trying to find a way to survive. You can't depend on the banks to help you make payroll with short term loans, and unless you are a very big corporation that has a very long line of subcontractors (i.e. automobile manufacturers), you are not going to get a bailout from the government. It's tough out there. We are seeing strategies that cut people and most of these focus on the most experienced (highest paid) employees; people that you really can't afford to lose. When these people are let go, your customers REALLY get worried about your viability..... and the downward spiral begins. The loss of consumer confidence that you hear so much about on the daily news can become very personal, and they are not only talking about retail consumers; the same is true for customers/clients of business to business companies. The confidence in your company can erode because of your current business strategies, such as reducing your workforce and not having your client's favorite people available.

We are seeing strategies that cut the bling such as corporate jets, corporate retreats, and more importantly, training, business travel and trade shows. For a long time these were an integral part of getting business done. When this stops, you can't sell effectively, your sales go down..... and the downward spiral continues.

And, the downward spiral will claim your products, facilities and business processes all as victims of your survival strategies.

Workforce reduction and the elimination of bling leads to an erosion of policies, disciplines and behaviors. Attitudes change, new ideas become quiescent and your processes begin to develop flaws. And the worst part of this downward spiral is that you don't see it coming.

You don't know what you don't know.

Every executive knows dozens of stories of lost opportunity and sudden defeat due to things they just didn't know. What you should know is that you are in for a slow, painful decline if your resources erode out from under you or if your customers lose confidence in you and your company. The quicker you find the flaws in your processes the quicker you can stop the downward spiral. Most companies cannot characterize their processes and detect problem areas in a meaningful way quickly. There is a large gap between knowing that something is wrong and knowing why it is wrong.

Customer Loyalty

Did you know that during economic times like this, Customer Loyalty, more than perhaps any other single factor, can stop the decline in confidence? It is what keeps customers coming back.....or drives them away! So, how do you measure customer loyalty and more importantly, how do you relate it to your business processes?

Surveys allow companies to understand their "Current Reality" as it pertains to their business processes if, in fact, they are done properly, take into consideration the business attributes that are necessary to success and analyze the results in a way that relates directly to your business drivers.

It's critical to get inside and stay inside the hearts and minds of your customers. You are uniquely suited to win in this environment if you stay connected to your customers. By getting immediate feedback, you not only gain critical information to help you adapt quickly to changes in customers' perceptions about your business, but you also can stay one step ahead of your competition.

Knowing you're customer's perceptions and attitudes towards your business allows you to perform a variety of remedial activities:

- You can implement new solutions that bring you closer to you're customers' needs and desires.
- You can address identified gaps against specific customer perceptions.
- You can identify strengths that can be used for strategic advantage against the competition.
- You can baseline against internal standards or benchmark against identified trends.

Is a customer satisfaction survey and the report that aggregates the information enough to solve you're problems and let you know what is really going on? After you pour through the many pages of raw data will you be able to relate the gaps in customer perceptions to your business processes? Will you be able to pinpoint where you should invest first to get the largest change in attitudes and perceptions?

It is a hard job to analyze the reams of data generated from some customer satisfaction surveys. What is needed is a program that displays the query results in a lucid and insightful manner that quantifies the data for easy benchmarking; but there is more.

What is Drip Intelligence?

Don't wait to do an annual survey to find out which key indicators are affecting your business this month or this quarter.

In this kind of economy, it's more important to be getting a constant flow of customer feedback. It's called "drip intelligence" and it gives you customer feedback on a regular (continuous) basis. If you ask the right questions, the feedback you'll get will be easily actionable, timely, and will give you a leg up against your competition.

Here are some things to look for. In this economy you need a Customer Satisfaction Program that:

- Collects and displays information on a continuous basis
- Displays information on a respondent type basis (know the demographics of your respondents)
- Relates the information to different attributes of your business process
- Prioritizes information for remedial activity (know where the quickest return on your remediation investment lies)
- Prioritize according to attributes you select (realize that there are different ways to look at your company and have a Customer Satisfaction Program that synchronizes the application of resources with what best fits fixing the attributes that drive business health and are most important to you)
- Offers unlimited views of the information
- Provides instant aggregation of opinions
- Has a benchmarking capability
- Presents results with statistical significance
- Has the ability to include and display a variety of respondents responses (Vendors & Mystery Shoppers)
- Has the data collected instantly available to management for continuous monitoring.

A Customer Satisfaction Program that has these features can help you react quicker to changes in customer needs, perceptions, and behaviors which will give you a huge advantage to stay vital and stand out ahead of the competition in this economy. You can survive (even thrive in) a recession if you have the ability to be very nimble. Your program should have the ability to roll the information gathered into true business intelligence that provides on-line **real time** insight into your organization.

Your Customer Satisfaction Program must be a cost effective web based product that customers use to tell you, in quantitative and behavioral terms, exactly what is driving their buying behavior, while providing you with continuous insight into your organization and prioritizing areas for improvement. Only then will you have a chance to stop the downward spiral and put your company in a position to survive these difficult times.

About the Author

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