The 10 Big Mistakes People Make When Running Customer Surveys

If you want to understand what drives customer loyalty for your business and how to align your business to improve customer loyalty, Genroe offer a range of services to support you in customer loyalty marketing surveys and analysis.

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1  Introduction and Context

Any organisation that wants to build its business long term must to listen to and act on customer feedback. This need to capture customer feedback has driven many companies to develop and execute customer surveys.

The problem is that building a good survey and survey process is not nearly as simple as it seems and so we present some mistakes that we often see when organisations implement customer surveys.
2  **Mistake 1: Surveying too often**

Interestingly, customers really don’t mind taking a few minutes to provide their feedback when you ask them – so long as you don’t ask them too often. One cloud computing service we use, pops up a browser based survey every time we finish using it.

Being a good customer we filled it in the first 2 or 3 times, but enough is enough. Now we just ignore the request.

But how often is too often? You need to determine a time between surveys that makes sense for your industry: for some its once a month but for others it may be once year.

One useful approach is to watch the response rate for your surveys. If it starts to drop off you are probably starting to survey too often and need to back off a little.

If you need collect feedback for your organisation more often than the customer push back rate will allow, try surveying a rotating portion of your customers more often. Maybe you can survey 50% of your customers twice as often or 25% of your customers four times as often.
That way staff can get timely feedback on the changes that they are making without surveying each customer too often.
3 Mistake 2: Do nothing with the feedback

If you’re not going to change your business don’t bother doing customer surveys.

The only reason that you do customer surveys is to improve the business: revenue, market share, processes, etc. Collecting the data is just one step in the process but there are many others and you need to ensure that you do all of them to ensure that you extract the maximum value from the survey process:

- Identify, measure, and track the operational variables which drive satisfaction scores
- Create change management programs to improve the driving operational variables
- Link Customer survey scores with employee and management incentives
- Recognise employees who contribute to customer satisfaction
4 Mistake 3: Ask about Customer Satisfaction

This sounds counter intuitive, but you don’t need to ask about customer satisfaction in your customer feedback survey. It has been shown that customer satisfaction is a poor indicator of future customer loyalty.

There is nothing wrong with Customer Satisfaction as a measure. It’s just that the research that was done into Net Promoter Score ® (NPS) showed that Customer Satisfaction is often not the best indication of customer loyalty.

The issue is that plenty of satisfied customers defect from businesses every day. So, if customer loyalty is the goal, Customer Satisfaction just isn’t that useful.

On the other hand, the goal of the NPS research was to find a measure that measured future customer loyalty and therefore profitability.

So for your overall “goodness” rating for your survey you are much better to use Net Promoter Score (NPS). It has been shown to be well correlated to customer loyalty and company revenue.
This chart illustrates the frequency with which each of the different loyalty questions emerged as the top correlate to actual customer behaviour when testing these links across six different industries.¹

For more information see this post:
Why should I choose NPS® over Customer Satisfaction, or Customer Effort Score?

¹ Source: “The Power Behind a Single Number”, Satmetrix
Net Promoter, Net Promoter Score and NPS are registered trademarks of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.
5 Mistake 4: Report the information in a hard to understand way

When you get the results of your survey you need to make sure that the rest of the people in your organisation understand what it means. To do that you must present it in a clear and easy to understand way.

Many times survey information is shown in a confusing manner that prevents the viewer from getting a clear picture of what it is telling them. Look that the chart below for instance.

This is a real chart (Attribute names changed only) from a customer survey document that we reviewed. Does the one key piece of information that it is telling you stand out.

No? Of course not, it is very hard to see any sort of pattern because the wrong chart has been used.

Now look at the chart below. What a difference just changing the type of chart makes. From this chart it is clear that Attribute 2 is steadily increasing across the periods.
Choosing how you present the data is as important as collecting the data in the first place.

For more information see this post:
The Only Statistical Analyses You Need to Use On Customer Feedback Data
6 Mistake 5: Not doing enough statistical analysis

By their very nature, customer surveys tend to only capture the opinions of a portion of your entire customer base. Because of this fact you need to use statistics (average, mode, etc.) to summarise the information and understand how the entire customer base is performing.

The problem is that unless you analyse the data with some statistical precision you can make some very wrong interpretations.

For instance look at the chart on the right. It looks just like a chart from plenty of customer survey reports that we have reviewed.

The question you need to ask is “has there been a change in the attribute in the last period?” Many people would say, yes, it’s gone up but in fact from the information shown there is no way of knowing what has really happened.

The attribute may have gone up or you just may have, by chance, surveyed a group of people with a slightly higher opinion of the attribute than average.

You need to know not just whether a change occurred but whether a significant (in the statistical sense) change has occurred and that requires a moderate level of statistical analysis.

For more information see this post: 
Most People Don’t Understand Sample Size
7 **Mistake 6: Not asking your customers about important attributes**

In the customer loyalty survey process one of the keys is to make sure that your survey addresses all of the product and service attributes that are important to your customers. Seems simple and logical, but it’s not always as easy as it seems.

Getting a full and representative set of potentially important areas is critical in developing your survey. Remember that if you don’t include all of the areas that are important to your customer in your “big list”, then your survey will provide the wrong feedback. You will simply have the wrong information on what is important to your customers and any action you take on the basis of this information may be flawed.

There are three key sources of potentially important things.

**Staff**

By all means ask your staff what they think customers care about, but make sure that you also source some ideas from elsewhere.

**Desk research**

Look at all of the available information in your business and try to extract potentially important ideas from it. Think about all of the existing customer feedback processes, complaint data, market research, product development input, etc, that you have in the organisation, and get it out.

**Customers**

The most effective approach is to perform qualitative interviews of a representative sample of your customers. You can do this either face to face or over the telephone. Interviews will generally last between 30 and 60 minutes and, if done properly, will generate a range of feedback for the “potentially important” attribute process.

For more information see this post: [Determining what might be important to a customer](#)
8 Mistake 7: Asking too many questions

One organisation we spoke to recently asked nervously how many questions we recommended for their survey; “10-15” was our answer.

“Thank goodness” was their response as another organisation has recommended 40!

The urge to keep tacking more and more questions onto your survey is almost irresistible. However you must remember that your customer’s time is valuable and, even more importantly, if your survey goes on too long the accuracy of answers will get lower and lower the longer the survey progresses.

Just think about it yourself – how do you react after page 5 of the web survey comes up?

Yes, in some circumstances a 40 question survey is warranted but in reality your organisation you should be trying to find the 3 or 4 things that you need to focus on right now. Make sure that you focus on finding those 3 or 4 things.
9 **Mistake 8: Being misleading about how long it will take**

We’ve all had it happen: we receive a phone call or email survey request that will only take 10 minutes; 20 minutes later we’re still on the phone.

This has two impacts;

- You give less and less thought to each response as the survey goes on (especially after 10 minutes); and

- You get more and more dissatisfied with the brand as each minute passes.

Resist the urge to put an artificially low time in your published estimate of how long it will take. If you think the survey will take too long then don’t push down your estimate of the time it will take, reduce the number of questions.
10 Mistake 9: Asking your customers what is important

It is very difficult to know exactly, objectively, how important something is and then put a rating on it. So don’t ask your customers to do it. Rather, design the survey process properly and then let the data speak to you.

Instead of asking the respondent how important a service attribute is, use statistics to infer what is important to them.

The approach requires a “key outcome” measure. This is a customer attribute or attributes that you want to influence, say Net Promoter Score. If you can tie responses to customer data (revenue, revenue growth, gross margin, gross margin growth, etc) then that is very good as well.

In this approach you ask the respondent about the organisation’s performance in each attributes that you are investigating e.g.;

• “How responsive are Company X in returning your email”

Then you use statistical analysis to calculate the relationship between the attribute and the outcome.

Using this approach you can infer the underlying drivers of whatever outcome measure you are trying to achieve, without asking directly. This is a powerful approach because it can get at the importance level of a basket of key attributes at the unconscious level.

For more information see this post: How do you determine what is important to a customer?
11 Mistake 10: Poorly worded questions

With apologies to Shakespeare - what is in a word – actually quite a lot. When you create the wording for the survey you need to be very careful. Otherwise you may get a very distorted perception of what customers really think.

Common errors that we see include:

- **Asking about more than one attribute in the question**, e.g. “Please rate our customer service and responsiveness”. Customers will rate one or the other attribute but not both, and you won’t know which they are rating.

- **Pre-disposing the response**, e.g.: “How bad did you find the service on our customer support line”. Make the question neutral in its wording so you are not pushing the respondent in one way or another.
12 About Genroe

Headquartered in Sydney, Australia, Genroe has been a driving force in helping companies better understand and generate higher value from their existing customers since 2002. Banks, insurance companies, IT companies and others used Genroe’s wide customer management services and tools to maximize customer profitability and revenue potential.

Our core deliverables are in the area of customer feedback management and customer experience management.

12.1 Our Customer Experience Management Services

- Customer Experience Management implementation
- Customer Retention consulting
- Product and service bundling
- Trigger based marketing
- Customer Loyalty Program Health check
- Creating a customer centric culture

12.2 Our Customer Feedback Management services

- Customer feedback Services
- Net Promoter Score Practice
- B2B Customer Feedback
- Lost sale feedback and action plan

12.3 Customer Testimonials

To hear first-hand what our customer’s value most in our services you can review our extensive list of customer testimonials:

12.4 Contact Us

We run projects across Australia, New Zealand and South East Asia. Below are our contact details. Please feel free to contact us at any time.

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