Figure 3.5d. SURVEY DESIGN AND PRACTICE: Business Survey Questionnaires

The two newspaper articles EM9350 and EM9351 reprinted in this Figure 3.5d were the eighth and ninth of ten articles of a four-page feature on *Total Quality Management* published in 1993 in the Business Section of *The Globe and Mail.*

EM9351: The Globe and Mail, October 26, 1993, page B28

TWO SOLITUDES / *Suppliers and customers are often at odds when it comes to consumer surveys*

Satisfaction can prove elusive

BY CAREY FRENCH
Special to The Globe and Mail

SUPPLIERS and customers too often speak different languages when it comes to measuring consumer satisfaction, two Toronto management consultants warn.

Ken Merbler, president of Proudfoot Canada, a unit of **Proudfoot PLC Co.**, says a retail industry survey conducted in the United States by his company identified a "definite gap" between the perception of "quality delivered" and "quality received."

The survey of 51 top executives of discount and department stores with annual sales of $10-million or more found that most respondents believed quality of service in their stores had improved markedly in the previous year.

"However, most of the more than 1,000 customers interviewed .... say the quality of service hasn't changed at all," the consultant said. Only 20 per cent of consumer respondents noticed any upgade in the level of service.

Mr. Merbler said a separate poll by the Angus Reid Group in Canada also spotlighted a communications gap between consumers and retailers.

In the survey of more than 1,500 Canadians, "91 per cent said it is very crucial for companies to build trust among employees and customers in these tough economic times. Yet most Canadians believe there hasn't been much progress in this area."

Only 28 per cent of those surveyed described companies as more believable than in the past. Another 21 per cent thought the business message to be less credible.

Customer satisfaction consultant Michael Hepworth, head of Hepworth & Associates Inc., said suppliers are being led astray by their own surveys that ask the wrong questions, often in the wrong way.

Thus, robot telephone-answering systems – the source of much loathing among frustrated callers – might take on a friendlier face if users were asked to rate, on a scale, the importance of being answered within three rings.

'Either people measure too frequently and can't react to the data quickly enough, or they measure only once a year, which is too infrequent to keep people's feet to the fire.'

"Importance scales provide you with absolute importance rather than relative importance," Mr. Hepworth said.

"If you talked to the customer, you'd find [a speedy response to a phone call] is not terribly important. They [might] say it's more important that the first person who picks up the phone is able to solve their problem."

While most companies have abandoned the "we know what our customers want" philosophy, "the statement is implicit in the way they design satisfaction questionnaires without first getting input from customers," Mr. Hepworth said. This leads to questions that focus strictly on the hard issues, like delivery and accuracy, rather than on the soft, or intangible, issues.

This might lead an airline to believe that its customers are more concerned with punctuality than clean washrooms. Customers rarely jump ship because of a late takeoff or arrival, he said.

"On international flights, dirty washrooms [occur] less frequently [than delays]. And yet they cause more damage" in terms of consumer dissatisfaction.

Another trap may be the frequency with which surveys are launched, Mr. Hepworth said.

"Either people measure too frequently and can't react to the data quickly enough, or they measure only once a year, which is too infrequent to keep people's feet to the fire."

1 Describe concisely the main *statistical* issue raised by the article EM9351 reprinted above.
- Which phrase in the first column of the article do you consider provides the best summary of this issue? Briefly justify your choice.
  - Identify two illustrations of this issue given in the article.

2 Outline, in point form, the important *statistical* issue(s) raised by the last paragraph of the article reprinted above; this is the paragraph highlighted in larger bold type at the top of the right-hand column.

3 Discuss critically the statement in the second-last paragraph of the left-hand column of the article EM9352 reprinted overleaf on page 3.36: *We only track things that we can do better – turnaround time, reliability, service, quality, etc.* in light of Mr. Hepworth's expression of concern, in the fifth-last paragraph of the article EM9351 reprinted above: ..... *questions that focus strictly on the hard issues, like delivery and accuracy, rather than on the soft, or intangible, issues.*

4 Outline the important *statistical* issue(s) raised by the *We found you can do a lot with a 10-minute survey if you design it properly.*

(*continued overleaf*)

EM9352: The Globe and Mail, October 26, 1993, page B28

Surveys help not-for-profit groups

Organizations find the very act of doing a study can improve client relations

BY GREG TOPOLSKI
Special to The Globe and Mail

Mr. Topolski is an Ottawa consultant.

Not-for-profit organizations are making greater use of customer service surveys to help them reach their markets.

And many of them are finding that such surveys are the easiest way to launch total quality management initiatives. When done well, they can yield more than just statistics – they can create a co-operative link between the organization and its clients.

The very act of doing the survey can improve customer satisfaction.

To the Student Federation of the University of Ottawa (annual budget $5.5-million), a survey delivered employee support and savings. The federation's survey of students regarding a campus retail outlet was "a real eye-opener," says Mike Aucoin, vice-president of finance. The student federation placed computers loaded with an on-screen questionnaire in high-traffic areas around campus. Students entered their answers directly into the data bank. Having customer satisfaction data and comments made it easier for Mr. Aucoin to gain support for needed changes.

The approach helped in other areas, too. "By getting our employees into it and focusing on what the students really wanted, we were able to halve the budget for our orientation week this year [saving $130,000]," he said. "And student satisfaction more than doubled."

Canada's Export Development Corp., a Crown corporation with more than $9.5-billion in annual business volume, tracks its success rate through a customer satisfaction index. The corporation's accountants like the CSI because it gives them a number to crunch at the end of the year.

"We only track things that we can do better – turnaround time, reliability, service, quality, etc." says Agatha Ronald, the project manager who designs and runs the system. "We want to help Canadian companies compete better in the global market," she says. EDC has found satisfaction measurements "very useful." Last year, business volume per employee at EDC increased 39 per cent to $18.6-million.

Political parties and organizations such as the United Nations Association of Canada, Amnesty International and Friends of Canadian Broadcasting use mail surveys for gathering informaion and more. By asking their supporters for their views and showing them that their opinion is wanted, they are more likely to send a donation back with the survey.

Surveys can also be a way of educating clients about what you can do for them. The Carleton County-Law Association is starting its total quality management initiative with a new survey that has been designed to educate Ottawa-area lawyers about CCLA services, and at the same time find out how lawyers feel about the association.

"We found you can do a lot with a 10-minute survey if you design it properly," says Karen MacLaurin, executive director of the CCLA.

QUESTIONS, QUESTIONS

Tips for doing a customer survey:

- Determine what the objectives of the survey are. What do you want to find out and who will you survey?
- Design the survey so that it is easy to fill out and won't take more than 10 minutes to complete.
- Start with simple questions to ease the respondent into the questionnaire.
- Where appropriate, stick to yes/no questions.
- Design your more important questions so that respondents can easily check off boxes using a five-point scale for rating: poor/satisfactory/good/very good/excellent.
- Break it down into no more than seven logical sections.
- Allow space for comments and prompt people to comment with a leading question.
- Remember to ask basic questions that determine who the respondent is and how often he or she purchases from your organization.
- Make it easy for people to return the questionnaire by including a self-addressed envelope or a fax number.
- Include a covering letter that explains the objective of the survey, ensures confidentiality (if appropriate) and encourages customers to respond. To increase the response rate, offer a prize, such as being entered into a draw for a free membership.
- Don't get caught up in the statistics; it's more important to know if it's 20 or 80 per cent who are satisfied than whether the survey is accurate to plus or minus 5 per cent.
- Pretest the questionnaire with a small group of representative respondents.

5 In the fourth paragraph of the article EM9352 reprinted above, the description of University of Ottawa's Student Federation survey states that: *The student federation placed computers loaded with an on-screen questionnaire in high-traffic areas around campus. Students entered their answers directly into the data bank.* List the *advantage(s)* (in what you consider to be order of *de*creasing importance) of this method of administering a survey questionnaire.

- List the *dis*advantage(s) of this method of questionnaire administration, again in order of decreasing importance.
- Indicate briefly the type(s) of situations in which this method of questionnaire administration is feasibe; also, give two examples of situations where it is *not* feasible.

6 Comment critically on the *statistical* issues raised by the second-last point marked with a bullet in the box in the right-hand column of the article EM9352 reprinted above: *Don't get caught up in the statistics; it's more important to know if it's 20 or 80 per cent who are satisfied than whether the survey is accurate to plus or minus 5 per cent.*

The two newspaper articles EM9351 and EM9352 reprinted in this Figure 3.5d are also used in Figure 8.8d of the STAT 220 Course Materials and in Figure 11.16 of the STAT 221 Course Materials.