

Customer Satisfaction Survey Analysis and Report

For

ABC Company

October 2002

Prepared by



Optimal Connections, LLC
Bringing You Closer to Your Customers

Sample

NOTE: This Sample Report includes ONLY the Table of Contents, Executive Summary, and one sample chart – there is much more in the complete report !

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1. Executive Summary

Overview of This Survey

In October of 2002, ABC Company commissioned Optimal Connections, a market research firm, a to do an independent survey of its customers. The key objectives for the study included measuring customer satisfaction and expectations with respect to overall company performance, products, services, training and support. Work began on survey planning and design after an agreement was reached in early October between ABC Company and Optimal Connections.

The survey questionnaire was based on a standard industry template provided by Optimal Connections, but modified according to ABC Company's exact specifications. Optimal Connections worked with ABC Company management over a period of several days in October to design the survey to meet ABC Company's needs, helping to ensure that the results obtained would answer the questions they were most interested in. The final questionnaire was comprised of 29 questions, categorized around the following topics:

- ❑ About the Company
- ❑ About ABC Company's Products
- ❑ About Support
- ❑ About Services
- ❑ About Choosing and Using ABC Company's Products
- ❑ About Future Plans
- ❑ Respondent Demographics

Once compiled, the questionnaire was translated into HTML, emblazoned with The Optimal Connections and ABC Company Logos, and uploaded to Optimal Connections web site for distribution. A tailored email was drafted and reviewed with ABC Company management, after which the survey was launched via email on October 21, 2002 to the customer population. The survey was administered and data collected over a period of six business days (Oct 22 to Oct 29) during which one email reminder notice was sent. As a special incentive, the survey invitation offered respondents the chance at winning a Handspring PDA if they completed the on-line survey (the survey incentive is to be announced and awarded in early November).

The survey was concluded on October 29, 2002, and results were tabulated by Optimal Connections, LLC between close of business Oct 29 to October 31. Analysis of survey results was conducted by Optimal Connections consultants between Oct 31 and Nov 1, along with preparation of this report and a supporting PowerPoint presentation.

Sixty-one companies were surveyed, including 135 individual contacts. Of the total number of companies surveyed, 30 – or about 50% - responded. Of the 135 customer contacts, 32 – or 24% - responded. This represents an excellent response rate, both from a company perspective, as well as an individual contact perspective. Respondents were also fairly evenly distributed across the companies responding, with only two companies reporting with more than one contact.

Respondents were given the option of sharing or not sharing their company name with the results they provided. In these cases, we will not be providing ABC Company with the identity of the company or individual in conjunction with the data they provided (although we will factor their scores into the overall results).

Deliverables to be provided to ABC Company to include:

- ❑ This comprehensive report – in soft copy, as well as in the form of four (4) hard copy binders
- ❑ A PowerPoint summary presentation
- ❑ Conference call to ABC Company management to review the results of the study, and make specific recommendations

Key Findings and Recommendations

1. Although overall performance was rated very highly, there still may be opportunities for improvement in the areas of “ease of doing business” and “responsiveness to customers”. In both of these key areas, a small minority of respondents were less than satisfied.
2. In the area of product, it may be wise to review pricing to ensure parity is in place with the marketplace and competitors. Pricing was mentioned twice (“pricing”, “get cheaper”) in the open ended responses on how can the company do better. And although most indicated they were happy with the value they were receiving, a small percentage of respondents indicated that they did not feel they were receiving enough value for price paid. So although pricing does not appear to be an issue now, ABC may want to take some proactive action to review this area to ensure it stays on target.

3. Over 93% of customers surveyed indicated that ABC's technical support to them was either Very Good or Excellent. Since Support was also listed by respondents as the number one factor for continuing to do business with ABC, the company should continue to maintain its investment in this area. By doing so, ABC will enjoy a high degree of customer loyalty, and benefit from the results – customer retention, continuing support program renewals, additional product purchases, and customer referencability.
4. By a large margin, the key reason customers choose ABC products is functionality -- followed by support.
5. ABC may wish to review their support offerings to determine if there is an opportunity to add additional offerings, or build in more flexibility to meet certain client needs. A need for more flexibility was mentioned, as well as the option of phone support only for help desk subscriptions.
6. Learning services along with training documentation should be looked into, as about 10% of the respondents felt that ABC was only doing a Fair job in the area of training quality.
7. XYZ Company was listed by most respondents as ABC's key competitor. The company should continue to maintain competitive research and analysis activities in connection with XYZ Company, to ensure ABC products, service and support are well positioned.
8. The company should consider the rankings received regarding future purchase intentions, as these may be indicators for R&D investment and future product offerings by the company.

Overall Performance

When asked to evaluate ABC's overall performance, respondents rated ABC an average score of 4.1 out of a possible 5 – giving ABC an overall Very Good rating. In fact, all respondents rated ABC Good or better. Since we do not have previous scores with which to compare, we are not able to provide any information comparing this survey with previous results – but clearly customers are quite pleased with ABC's overall performance.

“Ease of doing business” is critical in today's competitive marketplace, and so it should be no surprise that respondents gave this question a fairly high score in terms of importance: 3.7 on a scale of 5. In terms of satisfaction, respondents rated ABC as an overachiever in this area - with a mean of 4.3. An astonishing 68% of respondents (count of 22) felt that ABC was doing an Excellent job of making it easy to do business with them! While this is quite an achievement, ABC management may still have an opportunity

to hone relationships with some client in this area: a few respondents - 12.6% - rated ABC's performance on ease of doing business less than Good.

“Responsiveness to customers” is also a strong indicator of overall performance, and respondents rated this a mean of 4.2 out of 5 in terms of Importance. The good news is that ABC's performance is dead on with expectations, with a mean score of 4.2 in terms of Satisfaction. Once again, however, there seems to be some opportunity for improvement: a few respondents – 12.9% - rate ABC's performance as less than Good on the issue of responsiveness.

How can ABC Company do better as a company? Respondents offered a number of suggestions (see report below for details), but the most significant points expressed were: 1) more flexibility in support offerings, 2) improved pricing, 3) more programming resources so as not to over load existing talent, 4) time zone allowances, and 5) better documentation.

Product Ratings

An overwhelming majority – 60.7% - of respondents felt that the overall quality and reliability of ABC products was Very Good. By almost the same number - 51.7% - respondents felt that ABC products were Very Good in helping them meet business objectives (over 90% considered ABC either Good, Very Good or Excellent in terms of helping them meet business objectives). So in sum, ABC seems to be doing quite well in terms of product quality, reliability and functionality.

On the subject of pricing, 42.9% of respondents felt that the value obtained for the price paid was Very Good. However, 35.7% indicated the value received was only Good, and some – 7.2% - felt it was less than Good. It may be a good idea to survey competitor pricing in the near future to ensure that value for price paid remains high.

Technical Support

The vast majority of respondents – 93.3% - felt that the quality of ABC technical support was either Very Good or Excellent. Access to support seems to be in good shape as well, as all respondents rated this as either Good or better (with 46.7% indicating Excellent access to support). ABC's support programs appear to be on target as well, as over 73% of respondents felt that support programs met their needs. In terms of specific suggestions, respondents mentioned a desire for improved flexibility in support offerings, including a request for a phone only support program.

Given that respondents also indicated that the most important factor for “continuing to do business with ABC” was Support, it will continue to pay ABC significant dividends to maintain this high rating – to maintain a high degree of loyalty, and ensure maximum support maintenance subscriptions. ABC might also consider leveraging this as a strength against competitors.

Service and Training

Respondents were asked about how they valued the new ABC Newsletter, and the vast majority of respondents – 87.5% - felt the Newsletter to be of Good value or better. In terms of improving the Newsletter, useful suggestions included 1) having something about all products in each issue, 2) including points about upcoming products, and 3) a request to keep it short.

In the area of Training, most respondents indicated that ABC was doing a Good or better job (total of 89.2%). However, it’s important to note that 10.7% of the respondents felt that ABC was only doing a Fair job in the area of training quality. This may represent an opportunity to examine existing training services to determine if and to what extent there is an opportunity to improve in this area.

In terms of professional Services, a majority of respondents rated the quality of ABC’s services to be Very Good or Excellent (85.2%). All respondents rated ABC’s services as Good or better! Relative to the pricing of services, a majority of respondents felt that they are getting real service value for price paid (96.6%). Only one respondent felt that the value received was Fair for the price paid (3.4%).

Additional suggestions for improvement included a comment that ‘formal user documentation for training purposes’ be provided as a part of standard deliverables.

Sales and Marketing

Nearly half of respondents – 44.8% - consider Functionality as the major factor for selecting ABC’s products over competitor products. Second to Functionality was Support (17.2%), followed by Other (13.8%). Clearly Functionality, followed by continuing Support, should continue to be a priority for the company.

In terms of why they continue to do business with ABC, nearly the same number of respondents – 41.9% - indicated that Support was their primary reason. Reliability (16.1%), followed by Quality (12.9%) were the other major factors given.

As to who they considered to be ABC's major competitors, the overwhelming majority – 82% - chose XYZ Company, a subsidiary of XYZ Company, or one of its product families.

About Future Plans

Respondents were asked about purchase intentions over the next year, and were given a menu of products from which to choose. Although there was a good distribution of responses across the entire menu of selections provided, a few selections stood out as being preferred choices for purchase over the next year. Here they are, in order of preference:

1. Barcoding solutions- 7 responses, with 35% of respondents
2. Web based Configurator and Integration Software, with 6 responses each and 30% of respondents
3. CRM and Forms Management solutions, with 5 responses each and 25%

2. Using This Report

Introduction

This survey was designed to provide ABC Company management with valuable feedback from customers on how they feel the company is performing. Depending on your area of responsibility, you will also be able to take advantage of specific feedback in the areas of Sales and Marketing, Product, Customer Services, Training, Customer Support and Future Intentions of customers.

How to Get the Most from Your Survey Results

The results of the survey are intended to be used by various managers as both a tool, and a potential springboard for action. Using the survey results, managers can:

- ❑ Leverage strengths to the advantage of the company and in the face of competition
- ❑ Identify areas of weakness or opportunity, and plan strategies for how best to address these areas
- ❑ Become cognizant of specific recommendations from customers in the areas of overall company performance, training, services, support, and future investment

The results can best be leveraged by ensuring that copies of the report are circulated to:

- ❑ Executive management
- ❑ Marketing Management
- ❑ Research & Development management
- ❑ Customer Services management
- ❑ Training and Education services management
- ❑ Customer Support Management

What various managers can learn from the study is summarized below.

What Executives Management Can Learn from this Survey

- ❑ How easy do customers find doing business with you?
- ❑ How responsive are your employees to customers?
- ❑ How effective is your company at helping customers meet their business objectives?
- ❑ What customers think of your overall performance?
- ❑ What are some of the key things your company can do to improve your overall performance?
- ❑ What elements are priorities for investment or management attention?
- ❑ Which items are you doing well at, and thus do not warrant further investment?

What Sales & Marketing Can Learn from this Survey

- ❑ Is your pricing on target – do customers feel they are getting value for price paid?
- ❑ What are the key reasons customers select your products, vs. those of competitors?
- ❑ What are the key reasons customers continue to do business with you?
- ❑ Who do customers consider to be your main competitors?
- ❑ What are the future purchase intentions of clients?
- ❑ In which product or service areas should you invest for the future?
- ❑ Is your marketing communications process on track?
- ❑ How can you improve marketing communications?

What R&D Can Learn from this Survey

- ❑ Customer are customer opinions about product quality and reliability?
- ❑ How effective was product functionality in helping customers meet objectives?
- ❑ Do customers perceive that value is being delivered relative to price paid?
- ❑ Are their opportunities to improve documentation?

What Customer Services and Training Can Learn from the Survey

- ❑ How do customers feel about the quality of training?

- ❑ How do customers rate the quality of services delivered?
- ❑ Is service pricing on track with customer expectations?
- ❑ What are some key steps you can take to improve your services to customers?

What Customer Support Can Learn from the Survey

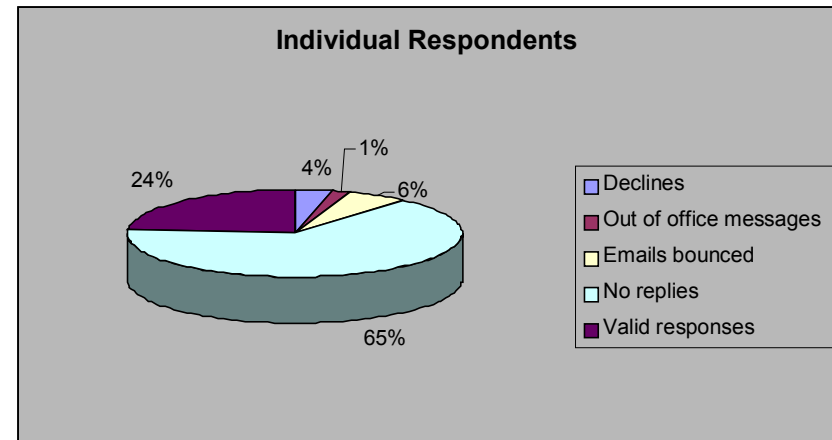
- ❑ How effective are support programs at meeting customer needs?
- ❑ How do customers rate the quality of technical support overall?
- ❑ Do customer feel they have easy access to support, or are there issues in this area?
- ❑ What key steps can you take to improve support?

3. Demographics of Respondents

Summary Information

Individual Contacts Responding:

| | |
|---|------------|
| Number of surveys sent to contacts: | 135 |
| Number of declines: | 5 |
| Number of out of office messages: | 2 |
| Number of emails bounced (not reachable): | 8 |
| Number of no replies: | 88 |
| Total number of valid responses: | 32 |
| Response percentage, individual contacts: | 24% |



Individual Companies Responding:

| | |
|---------------------------------------|------------|
| Total number of companies surveyed: | 61 |
| Total number of companies responding: | 30 |
| Response percentage, companies: | 50% |

