Strategic Services Marketing
Prof. Kalpak Kulkarni

Department of Management Studies,

Indian Institute of Technology, Roorkee

Week – 03

Lecture - 15

Leveraging Customer Feedback for Continuous Improvement

Hello everyone. After understanding role of service failures and service recovery in services design. We can say that most significant part here is to understand and respond to customer feedback. So, in this session let's evaluate the significance of customer feedback for continuous improvement in services. As Charles Darwin quoted, it is not the strongest of the species that survive, nor the most intelligent ones, but the one most responsive to change. And that is where customer feedback is important when it comes to services.

The services provider should be able to respond to any type of feedback that is coming from the services consumers. So, what is customer feedback? Customer feedback refers to the valuable information and insights provided by your customers about their experiences with product, service or brand. It encompasses opinions, suggestions and criticisms shared by customers based on their interactions and transactions. Customer feedback plays a dynamic and pivotal role in shaping the success and growth of businesses or service providers.

It serves as a two-way communication channel fostering a direct connection between the service provider and its customers. Let's now have a look at the dynamic role of customer feedback in services. Feedback is important in multiple ways when it comes to services. Number one here is as an improvement catalyst. Feedback acts as a catalyst for continuous improvement guiding businesses or service providers in refining their offerings based on real customer experiences.

Secondly, designing customer-centric decision-making abilities with the service provider. Customer feedback empowers service provider to make customer-centric decisions by understanding preferences, expectations and pain points. Next, with respect to enhancing customer satisfaction, by addressing concerns and incorporating positive feedback, service providers can enhance overall customer satisfaction and loyalty.

Coming to competitive edge, utilizing customer feedback strategically can provide a services firm a competitive edge allowing them to stay ahead in the market. And finally, relationship building wherein actively seeking and responding to customer feedback builds trust, strengthens customer relationship and fosters a sense of collaboration.

Let's understand why it is important to have customer feedback when it comes to service development. First point here is enhancing customer satisfaction and loyalty. Customer feedback serves as a direct reflection of their satisfaction levels. Positive feedback highlights aspects of the service that customers appreciate contributing to positive customer experience. Whereas, addressing negative feedback ensures that customer concerns are acknowledged and resolved leading to increased satisfaction and loyalty.

For example, a hotel regularly collects feedback from guests. Positive comments about friendly staff and clean rooms contribute to enhanced satisfaction and the likelihood of guests returning. Secondly, identification of areas for improvements. Customer feedback act as valuable tool for pinpointing areas that require improvement or immediate attention. Identifying weaknesses or shortcomings allows service provider to proactively address issues, refine processes and elevate the quality of services.

For example, an e-commerce platform gathers feedback about the checkout process. If customers consistently report difficulties, the platform can streamline the process to enhance user experience. Next comes informing strategic business decisions. Customer feedback provides insights that inform strategic decision making. By understanding customer preferences, expectations and emerging trends, service providers or businesses can align their strengths or strategies to better meet market demands and stay ahead of competitors.

For example, an airline analyses customer feedback to identify preferences for in-flight services. This information influences strategic decisions such as menu offerings and entertainment choices to align with passenger expectations. The importance of these customer feedback for service development lies in its ability to enhance customer satisfaction, identify areas for improvement and inform strategic decisions. Service providers that actively leverage customer feedback are better positioned to adapt to evolving customer needs, foster loyalty and maintain a competitive edge in the market. Now let's understand what are the key objectives a service provider tends to achieve by addressing customer feedback.

First here is assessment and benchmarking of service quality and performance. The objective is to answer the question, how satisfied are our customers? This includes learning about how well a firm has performed in comparison to its main competitors or in comparison to the previous year or quarter or month. Whether investments in certain

service aspects have paid off in terms of customer satisfaction and where the firm wants to be the following year. Second objective deals with customer driven learning and improvements. Here the objective is to answer the questions like what makes our customer happy or unhappy and what are the strengths we want to cement and the weaknesses we need to improve on.

More specific or detailed information on processes and products is required to guide a firm's service improvement efforts. Third objective can be creating a customer oriented service culture. This objective is concerned with bringing the voice of the customer into an organization or service provider, focusing the organization on customer needs and customer satisfaction and rallying the entire organization toward a service quality culture. It includes fostering a culture of continuous improvement and change. We must understand that feedback tool selection is dependent on two things, types of major and collection tools and characteristics.

First let's understand types of majors. Service quality is a fundamental aspect that we want to take feedback from our customers. Service quality can be majored with two types of measurements. First are soft majors. This involves or this kind of majors provide direction, guidance and feedback to employees on how to achieve customer satisfaction and they can be quantified by measuring customer perceptions and beliefs.

Second type of majors for service quality are known as hard majors. Typically process activities and outcomes that can be counted, timed or measured for example uptime, service response times and failure rates and so on. These are some examples of hard majors. Then comes the question of choosing the right feedback collection tool. As documented by Wits and Lovelock, there are different types of collection tools that we can have.

This includes total market survey, annual survey on overall satisfaction, transactional survey, service feedback cards and messages, mystery shopping, unsolicited feedback, focus group discussions, service reviews and online reviews and discussions. Let's understand this customer feedback collection tools in detail one by one. First here is total market survey and annual satisfaction surveys. These type of tools typically measure satisfaction with all major customer service processes and products. The level of measurement is usually high with the objective of obtaining a global index or let's say indicator of overall service satisfaction for the entire firm and not just the specific process.

Overall indices such as these tell us how satisfied customers are, but not why they are happy or unhappy. There are limits to the number of questions that can be asked about each individual process or product. For instance, a typical retail bank with its multitude of customer service processes spanning from car loan amplifications and teller assisted

cash deposits to online banking may have 30, 50 such key processes. Due to the extensive range of processes, many surveys are constrained to include only one or two questions per process. For example, assessing satisfaction with ATM services.

This makes it difficult or challenging to address issues in more comprehensive detail. Next type of feedback collection tool are called as transactional surveys. Transactional surveys also called intercept surveys are typically conducted after customers have completed a specific transaction. For example, a bank the survey could encompass all essential attributes and facets related to ATM services only. Incorporating open ended questions like preferred aspects, least preferred aspects and even suggestions for improvement.

This type of feedback is more actionable and provides the firm with insights into the specific reasons behind customer satisfaction or dissatisfaction with the service. Then comes third type of tools which are called as service feedback cards and messages. These are powerful and inexpensive tools which involves providing customers the opportunity to use either of these like feedback cards, online forms, email, text messaging or even applications. For instance, a feedback card could be affixed to every housing loan approval letter or attached to each hospital invoice. These cards serve as a valuable indicators of process quality and provide specific feedback on aspects that are effective and areas may need improvement.

Next comes mystery shopping. Service businesses often use mystery shoppers to determine whether the frontline staff displays desired behaviors or not. Service retailers, car rental firms and hotels are among the industries making active use of mystery shoppers. Mystery shopping provides highly actionable and in-depth insights for coaching, training and even performance evaluation for the service employees. As an illustration, let's say the central reservation offices of an international hotel chain might engage a research agency to conduct a comprehensive monthly mystery shopping survey or mystery caller survey.

This survey aimed to evaluate proficiency of individual associates in the context of phone sales process. Specific actions such as appropriately presenting various products, engaging in upselling and even cross selling and successfully concluding the transaction are quantified. Additionally, the survey scrutinizes the quality of the phone interaction, assessing the dimension like a warm and friendly greeting and establishing a rapport with the caller. Next type of customer feedback collection tool involves unsolicited feedback systems. For example, this includes customer complaints, compliments and even suggestions.

So remember that service providers are not specifically or explicitly asking for this kind of feedback. These are additionally coming from the customers who are using or

consuming those services. Like feedback cards, unsolicited feedback is not a reliable measure of overall customer satisfaction, but it is a good source of ideas for improvement. If the main objective of collecting feedback is to get ideas on what to improve rather than for benchmarking and for assessing stuff, these are the best options. Next comes focus group discussions or FGDs and service reviews.

These tools give specific insights on potential service improvements and ideas. Focus groups are organized by key customer segments or user groups to drill down on the needs of these particular users. Service reviews on the other hand are in-depth, one-on-one interviews that are usually conducted once a year with the firm's most valuable customers to get their feedback. And then comes online reviews and discussions. User generated content and data can increasingly provide rich insights into the quality perceptions of a firm and its competitors.

They also show how these comparisons vary over time at an increasingly granular attribute and temporal level. For example, sentiment analysis of postings and automated text processing often allow real-time insights into changes in consumer perceptions. Selecting appropriate feedback tools from whatever we have discussed and gathering customer feedback becomes futile if the company or service provider cannot disseminate the information to the relevant stakeholders and initiate actions. Therefore, to foster continuous improvement in services and knowledge acquisition, a reporting system must be effectively communicate feedback and it analysis to frontline staff, process owners, branch or department managers, and even top management. So now let's understand how to map the reporting tools with respect to the levels of this management.

This particular figure provides an overview on the types of information that should go to different key stakeholders in the organization. It also illustrates how the different tools complement each other. For example, the top-level tools provide the benchmarking over time and against competition and the lower-level tools helps to identify which ratings go up or down and generate insights and ideas on how the service can be improved. Now let's discuss how to choose between which is the best tool to collect customer feedback.

This is based on three criteria. First, tailoring tools to business objectives. Number two, considering customer demographics and preferences. And thirdly, a service provider must try to balance quantitative and qualitative feedback. Let's discuss these criteria in detail. Number one, selecting a feedback tool should align with the specific objective and goals of the business or service provider.

Different tools cater to distinct purposes such as measuring overall satisfaction, identifying areas for improvement, or gauging specific aspects like product features or customer service. For example, if the primary goal is to enhance online customer experience, tools like website surveys or live chat feedback might be more relevant than

other tools. Secondly, understanding the demographic, profile, and preferences of the target audience. This is crucial when choosing a feedback tool. Various customer segments may respond differently to different types of surveys or feedback methods.

  For instance, younger audiences might prefer mobile app surveys, while older demographics might be more comfortable with traditional email surveys. Considering these preferences ensure that there is a higher response rate and more accurate insights as well. Finally, it's important to strike the balance between quantitative and qualitative feedback. Quantitative data such as numerical ratings or scores provides measurable insights into overall satisfaction levels. On the other hand, qualitative feedback obtained through let's say open-ended questions or FGDs or comments offers in-depth insights into the reasons behind the ratings.

  A well-balanced approach ensures a nuanced understanding of customer experiences, allowing   service providers to address both broad trends and specific issues as well. While implementing or using these feedback tools, service provider can face a lot of challenges and there are solutions to address those challenges as well. Let's discuss these in detail. The first challenge here is with respect to low response rate to the surveys or feedback tools.

  And the solution is incentivize. For example, encountering a low response rate is a common challenge in feedback collection. Customers may be hesitant to participate in surveys or provide their opinions, leading to incomplete or insufficient data. Now what the impact does this particular challenge have? Low response rates can result in skewed and unreliable insights, hindering the ability to make accurate assessment of customer experiences.   So what is the solution for this?   Solution is incentivizing feedback participation. Offering incentives such as discounts, loyalty points, or exclusive access can motivate customers to participate in feedback surveys.

  Incentives increase response rates, ensuring a more representative sample and comprehensive insights into customer experiences. Second challenge deals with biased responses. Bias in responses may occur when customers with particularly positive or negative experiences   are more motivated to provide feedback, leading to an unpresentative sample. What impact does this challenge have? Biased responses can distort the overall perception of service quality, making it challenging to address issues effectively. Then what is the solution for this? Solution is to implement anonymity for honest responses.

  Ensuring anonymity in feedback surveys encourages customers to provide honest opinions without   fear of repercussions. Anonymity fosters transparency, enabling organizations or service providers to receive genuine feedback that reflects customers' true sentiments. Third challenge service provider might face is with respect to negative

feedback handling. Handling negative feedback requires a delicate approach. Some organizations may struggle with appropriately managing and responding to criticism, potentially damaging customer relationships.

What impact does this challenge have? Inadequate handling of negative feedback can exacerbate customer dissatisfaction and tarnish the company's or service provider's reputation. What is the solution then? Solution is to develop robust response management protocols. Establishing clear protocols for handling feedback, especially negative comments, is essential. This involves timely responses, resolution processes, and when necessary, escalation procedures. Robust response management protocols demonstrate a commitment to addressing customer concerns, rebuilding trust, and preventing potential reputational damage.

So, in summary, addressing these challenges in feedback collection involves incentivizing participation, ensuring anonymity for honest responses, and implementing robust response management protocols. These solutions enhance the reliability of collected feedback and empower service providers to make informed decisions for services improvement. Now let's understand how the customer feedback system works in services with the case of Amazon. Let's have a look at Amazon's customer reviews, shipping product offerings. Amazon, a global e-commerce giant, has revolutionized the retail industry by leveraging customer feedback through its extensive review system.

The company places a significant emphasis on customer reviews as a valuable source of insights to enhance the overall shopping experience. Amazon works on two elements or factors. First, their own platform that allows customers to leave detailed reviews and ratings for products they have. These reviews cover various aspects such as product quality, features, packaging, and overall satisfaction. This review collection platform is assisted with data-driven decision making.

Amazon systematically collects and analyzes the vast amount of customer feedback received daily. This data-driven approach enables the company, Amazon, to identify trends, preferences, and areas for improvement. So what are the key elements Amazon uses to utilize these customer reviews as a feedback tool? First is identifying popular products. Positive customer reviews often highlight products that resonate well with the buyers. Amazon then uses this type of information to identify popular products in different categories.

Second, product development and innovation. Amazon's product development teams closely monitor customer feedback to understand what customers appreciate and what improvements they desire. This feedback informs the development of new features and the introduction of innovative products. Then comes customer-centric improvements. Negative reviews are equally valuable as they point out shortcomings or issues with

existing products or services. Amazon takes a customer-centric approach by actively addressing these concerns as well.

Making improvements and sometimes even discontinuing or re-imagining products based on this particular customer feedback. Finally, enhancing user experience. Customer reviews play a crucial role in enhancing the overall user experience on Amazon. They provide valuable information for potential buyers, aiding in making informed purchase decisions. So by implementing this customer feedback tool in terms of online reviews, what did Amazon achieve? What are the results of this particular process? First result is diverse product portfolio.

Amazon's ability to listen to customer feedback has contributed to a diverse product portfolio. The company introduces new products and continuously improves existing ones, aligning with changing customer preferences. Secondly, increase customer trust. The transparency of customer reviews fosters trust among shoppers. Positive reviews build confidence in product quality, while the company's responsiveness to negative feedback demonstrates a commitment to customer satisfaction.

Then comes competitive advantage. Amazon's focus on customer feedback has become a key differentiator. The company's responsiveness to customer preferences and quick adaptation to market trends contribute to maintaining a competitive edge in the e-commerce industry. So Amazon's case exemplifies how a systematic and data-driven approach to customer feedback can shape product offerings, drive innovation, and enhance overall customer satisfaction. The continuous loop of collecting, analyzing, and acting upon customer reviews positions Amazon as a customer-centric leader in the global retail landscape. So how customer improvement in services is based on customer feedback.

First here is iterative product and service enhancements. Continuous improvement begin with a systematic analysis of customer feedback, enabling service providers to identify areas for enhancement. Service providers iteratively refine their product or services based on customer insights, addressing both positive feedback and areas that require attention. For instance, if an e-commerce platform receives feedback about the checkout process being cumbersome, iterative enhancements may include a streamlined interface, clearer instructions, or even additional payment options. This iterative approach ensures that the customer experience is dynamic and evolving aspect of the business. Second factor that drives continuous improvement in services involves operational changes informed by customer insights.

Customer feedback often sheds light on operational inefficiencies or pain points in service delivery. Service providers leverage this valuable information to make operational changes that directly impact the customer experience. For example, a hotel

receiving feedback about slow check-in processes may implement operational changes such as investing in technology for faster check-ins or optimizing staff allocation during peak hours. By aligning operations with customer expectations, service providers can streamline processes, reduce friction, and enhance overall service efficiency.

Lastly, long-term impact on brand image and customer relationships. Continuous improvements based on customer feedback has a profound long-term impact on brand image and customer relationships. When customers observe that their feedback is actively considered and results in positive changes, it fosters trust and loyalty. A company that consistently demonstrates responsiveness to customer needs builds a positive brand image creating a lasting impression. Over time, this contributes to strong customer relationships, repaid businesses, and positive word-of-mouth marketing. Moreover, the transparency in addressing feedback reinforces the brand's commitment to customer satisfaction.

In essence, the process of continuous improvement in services is fueled by customer feedback that involves a dynamic cycle of refinement, operational adjustment, and the cultivation of strong customer relationships. Organizations or service providers that embrace this iterative approach position themselves for sustained success, customer loyalty, and a positive brand reputation in the market. Let's hear what Professor Witz has to say when it comes to customer feedback systems and how to design effective customer feedback systems through his interview, which is there in this video.

Have a look at this. We are with Professor Joachim Wirtz. And Joachim, one of the themes you've always talked about is the importance of getting close to your customer, listening to your customer, and then taking what you learn from your customer and getting everybody in the organization to listen on it and act on it too. So with these customer feedback systems or feedforward systems, you're one of the world's leading experts. Tell us what are the key points we need to have in mind about this. Let me start with a quote from Jack Welsh, the former CEO of GE. And he said something to the effect, our competitive advantage is really two things.

Number one, we listen better and faster to our customers than the competition. And the second is we are faster at translating that learning into action, into improved products and solutions. So we are better at listening, we are better and faster at implementing. So we run faster than competition. But then you contrast this to what Steve Jobs said.

He said, look, you know, I don't do customer focus groups customers don't know. And Henry Ford is famous for this quote. He said, if I had asked customers what they want, they would have said a faster horse.

Right. So who is right? Meanwhile, he's building a car. He's building a car. So who is right? Right. GE or Apple here in this case. And of course, I mean, both are right. I

mean, if you are working on an absolute breakthrough innovation that doesn't exist yet, your customers wouldn't be able to tell you.

Like putting a thousand songs into your pocket with an iPod. How do they know how they will use this and what they like about it? Or even that it's possible. Yeah, absolutely. Right. But on the other hand, if customers already use something, every customer will be able to tell you what do I like about it, what I love about it and what don't I like about it.

Right. So then you know what you'd need to do to cement the strengths of what you have, but to also work on the weaknesses. So both are right. So I mean, it's very important when you think about feedback systems. What are your objectives? What do you want to do with it? Right. And so most feedback systems are really here to do continuous improvement, continuous learning.

They're not here to do the next breakthrough innovation that you have to do in your own think tanks and outside of a feedback system. A feedback system listens to existing customers about existing processes and products and services you have out there. And they can tell you what they love and don't like about it.

Clear. So there are a number of sort of objectives even in that space. Number one is I want to improve. Number two is I want to benchmark. Benchmark means against competition over time, against teams, across processes. I want to compare something here. It could also be I want to bring the voice of the customer inside the organization to have a more customer centric organization.

And another one would be, hey, I want to use feedback to drive continuous change. So I build a culture of change and innovation and improvement that's there all the time. Around listening to what it is our customers are saying, feeling, and sharing with us. The latter two, the culture for change and customer centricity, any feedback tool can achieve that. Okay. But the first two, to improve and to benchmark, require very different tools.

Most companies get that wrong. Give an example, there's a customer satisfaction index of Singapore. You have a customer satisfaction index or net promoter score or something like this in the organization. What these tools do, they're representative and they're reliable.

Which means I can use them for benchmarking. I can tell I'm better than competition. I put all this money into training and now these processes work better or this team is working better than that team. So I can allocate bonuses. I can measure KPIs and so on. So this is what I can do with the satisfaction index.

But what it does do, it basically measures temperature. How good am I? How happy are my customers? It doesn't tell me where to change or how to improve. It doesn't tell me why did I improve? How do I improve further? And so it doesn't tell me that right. And other objectives, let's say like complaint content analysis, compliment content analysis. They give you very specific feedback on what is it your customers love about you? What is it your customers don't like about you? So it helps you really understanding strengths and weaknesses. But it's not representative and reliable? Because it's only you're very happy and you're very unhappy.

It's anecdotal and it's has an emotional component. So many reasons. So always give the two sort of anecdotes here on what do I use for what or why do I need, let's say representative and reliable. And I give one example was many years ago, early days of internet, I booked a rental car in Marseille at the airport, credit card guaranteed, had the car for a week, returned it and the invoice was much higher than my guarantee.

So I tried to argue with the counter staff, but they are French. They don't care. Yes, they... So, but what happened, I mean, I found out later is that Marseille, I never take insurance, theft insurance for a car because I parked the car in the hotel. I don't, so I don't need it. But in Marseille, because there's so much car theft, you don't get a car unless you have theft insurance.

So although I clicked no, but the booking engine clicked yes. Right. Plus there were some airport surcharges that were specific to Marseille.

They were all... And you ended up with a higher price. Yeah. And so I mean, I ask my students, so how many complaints do I need to get to understand that there's something wrong with the booking engine for the Marseille airport? I need one only. So forget about representative and reliable. One single comment can point you to a breakdown in the process for a specific area in need of immediate improvement. Yeah. Even if you get a complaint about the call center staff, today everyone records calls, so you can listen back and look, is this customer unreasonable or did my staff have a bad day? Or is this staff overall not performing very well? I can listen into different days, right? So I mean, all I want to say is that this representative and reliable is not really needed for the to improve.

One data point can help me. So to benchmark, then I can use that kind of an index, but for an incremental anecdotal ability to improve, I really only need to be listening to one. Yeah. I mean, for the benchmark, let me give you another story. I was working with one of the big companies in Singapore. So they have retail shops, service centers, and we were doing what they call key market indicators where we measured customer satisfaction, some other data.

And so every three months I had a presentation, there was director retailing, director customer service, the shop managers, the managers of the service centers, and I present satisfaction levels. And so I go, let's say, Ron, congratulations, your shop is top within the company and outperformed the competitor benchmark shops.

Congratulations. So how do you feel, Ron? Well, I feel fine. So fantastic. Say, hey, boss, did you hear? Right. Let's talk bonus. Let's talk promotion here. But then I talked to another shop manager.

He says, look, you know what happened? You're at the bottom of the company. You're outperformed by your competitors. So how do you think these shop managers will respond? And initially, honestly, no one bought into the data. The first objective they had was to say, hey, Johan, when did you collect the data? How did you collect the data? How did you not argue with the instrument and the deployment of it? And then you tell them, oh, yeah, this week, of course, this week, you know, we had this fantastic promotion.

The queue was wrapping around the shop. Of course, they were not happy. But did you see my sales? So what do you want, sales or satisfaction? So if you are not representative and reliable in your data and people can plug a hole in the numbers, holes into the numbers, yeah, this whole instrument is useless. So if either data point is not reliable, you can't say anything about the comparison over time across units or anything, right? So for this company, we built a very robust methodology that everyone was measured during the same time. We had the shifts 50% during the week, 50% weekends, 25% morning shift, 25% afternoon shift, 50% evening shift.

So the design of this whole instrument had to be for representative and reliable. Absolutely. What I'm telling my clients always, if your objective is to improve, I can give you a very cheap one page thing. And that I do with everyone is the three things you like best about me, the three things you like least about me, and the three things you would like me to focus on to improve. And you do a very simple frequency count. And you sit with your team, you cement the strengths, you understand what you do really, really well.

And make sure you continue this. And then you look at, okay, on the weak points, the two top two, three like least, what can we do about them? Let's work on them now. Yes. And make sure next time they're not there. So I always try to take companies the fear way, feedback system can be very simple and practical, it can be very low cost.

And very effective for being able to produce improvements. Yes, absolutely. Right. And maybe a last point I want to say is what I find very effective for feedback, it makes improvements unpersonal, impersonal. It's not anymore, I say. Because usually it's customer service that deals in all the organizations with all the problems.

But rarely they're the cause of the problems. The cause is very often IT. Something further up the chain that caused the design or the delivery, the execution. It's risk management, it's finance, it's operations, God knows, right? So what you then do is you have the complaints, but you have no power over redesigning that process, right? And what you do now with the feedback is not anymore I saying, I telling. Let me show you what our customers are saying. This is what the customers are saying. And one of the big companies in Singapore I know and work with, they have the CEO sit with the SVPs every week and where they discuss these comments and it's a cross functional team that then looks on how to fix these things.

I'll give you one example, right? They had customers that were with them for many, many years, for whatever reason, health problems, unemployment, whatever. They were not able to pay the bill anymore, but finance had sold these invoices to a collection agency who then mercilessly of course collects this money. But that created a lot of unhappiness for the customer base. I've been your customer for 15 years and now you send me debt collectors, right? So what they do now is before they sell an invoice, they look what happens here, maybe even call the customer.

And if there's an health issue, maybe even you write off the bill. This is how you create goodwill. You don't want to punish a customer who has been with you forever because they ran into trouble, right? So, I mean, these are some of the solutions that come out and you only can do in a cross functional part and you can only make it objective and less personal by saying, this is a customer problem. How can we as a team, as a company, fix that? So you've made a very clear differentiation between two different components of a feedback system and what I understand is you're recommending both? Well, I mean, depending where you are on this journey, if you're a world-class company, of course you do the benchmarking. If you want to incentivize anything to do with customer service, customer satisfaction, right? You need to have the benchmarking. Which then means a bit more money, a bit more expensive, right? But having said that, many companies now buy third-party solutions.

So if you think of the hospitality for a few hundred dollars, you get a complete analysis of the property basis. On online metrics. Yeah. So there are complete solutions out there.

It doesn't always have to be expensive, but if you do it in-house and you do questionnaires and B2B often tends to be... And it has to be credible and reliable because you're going to tie performance bonuses to it. It's up there. But I mean, when I work with clients, I always tell them, look, very often they currently have pages and pages of interview questions.

I should tell them, look, you know, separate your objectives very clearly. You ask maybe three questions on the satisfaction. I always ask them that I capture share of wallet, share of heart, right? Or behavioral loyalty, attitudinal loyalty. It's like, how satisfied are you with me? Will you buy again? Will you recommend me? Done. Index and done. And it's a very short question. And I use this as my index and I can then allocate this to product lines, to processes, to teams, to units, right? But then the like best, like least type of thing.

I don't even ask a central unit to do this. I ask the teams. And if you asked your customers yourself, send them an email, get it back. So I'm bystein at the business school. I ask my team, ask the current class, like best, like least to understand what you're doing right and where we can do better.

So it can be cheap and cheerful. Very good. Cheap and cheerful and highly effective customer feedback systems. Thank you again for another masterclass with Professor Yen Varets. With that, we conclude that we tried to evaluate the significance of customer feedback tools for continuous improvement in services and customer feedback plays crucial role in driving success for all service providers. Thank you.