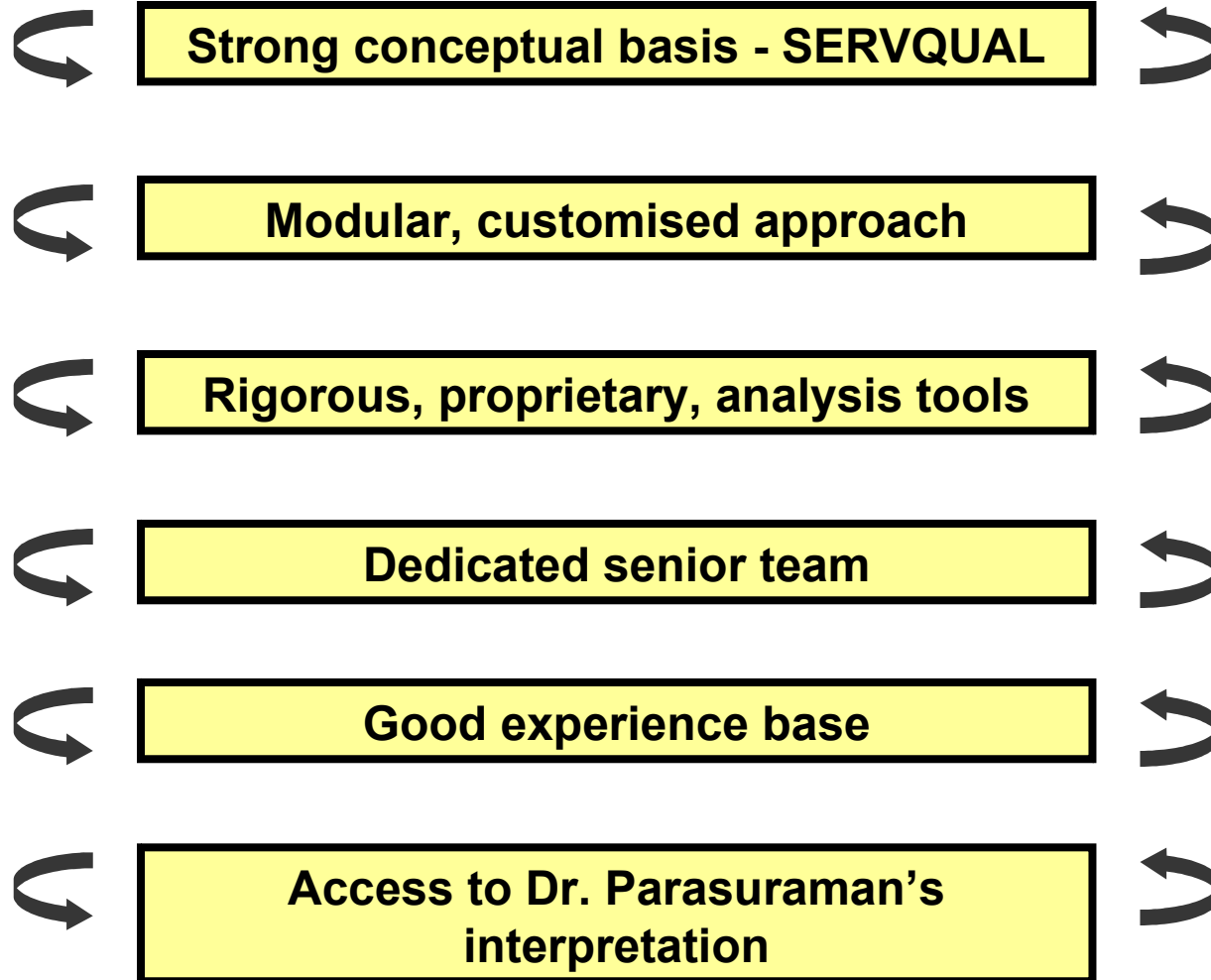


C Metric

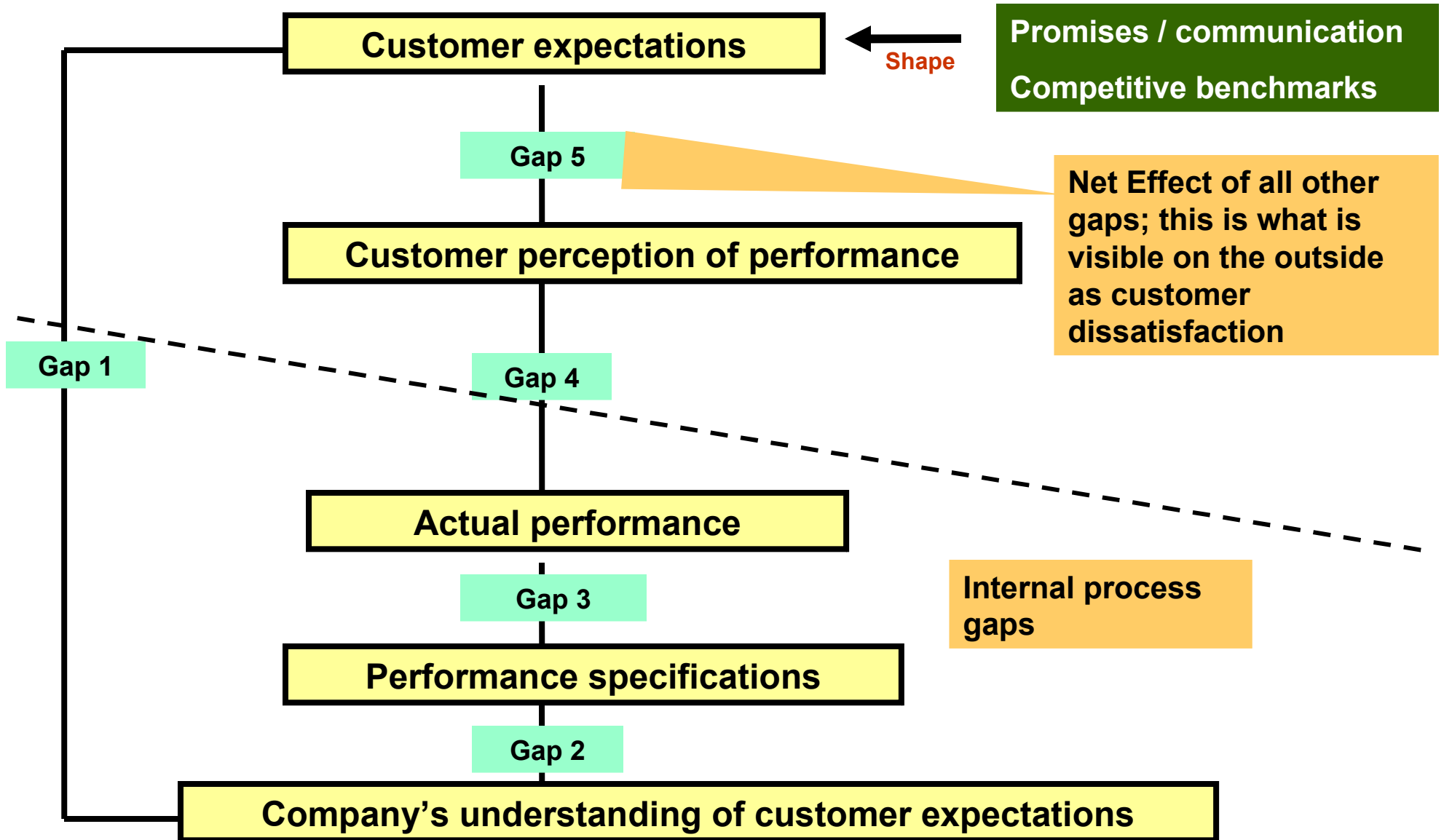
- Customer Satisfaction Enhancement -

***Prepared by : Kaybase
Jan 2007***

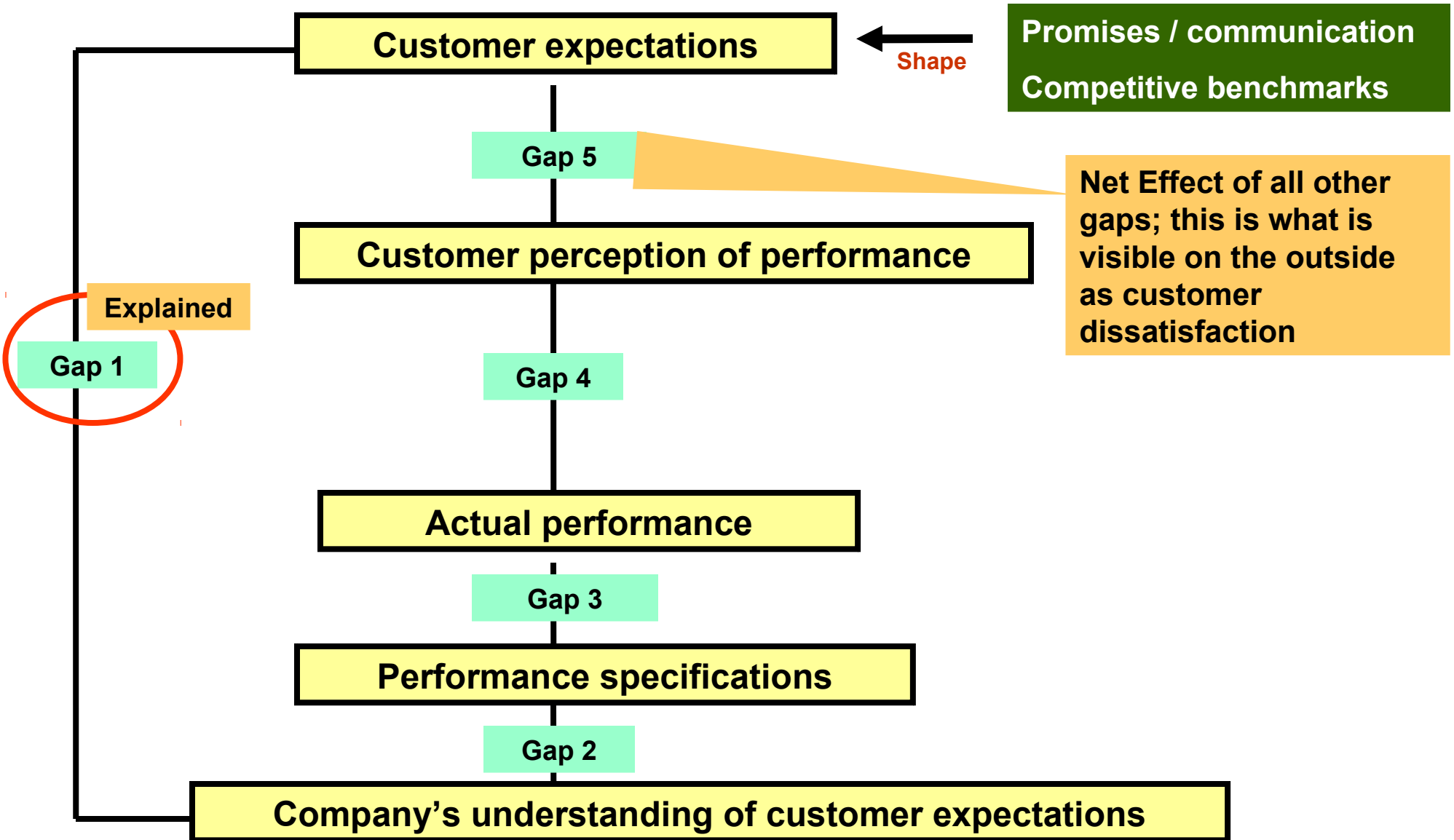
Why C Metric



C Metric / SERVQUAL - framework



C Metric / SERVQUAL - framework



The Gaps - explained

Gap 1 arises because the management might not exactly understand what customers expect from the service / product

There are three kinds of customer expectations

- **Features / facilities**
 - Expected
 - Value-adders
 - Unlikely to be of use

Examples

“I would not even enter a supermarket that does not have Airconditioning”

“I am not really expecting a gift on my birthday, but it would be nice to get one”

- **Quantitative**
 - Where the level of performance / delivery is the expectation

Examples

“The time they take to give me my refund is quite unacceptable”

“The number of days they take to service is ok, but XYZ gives it faster”

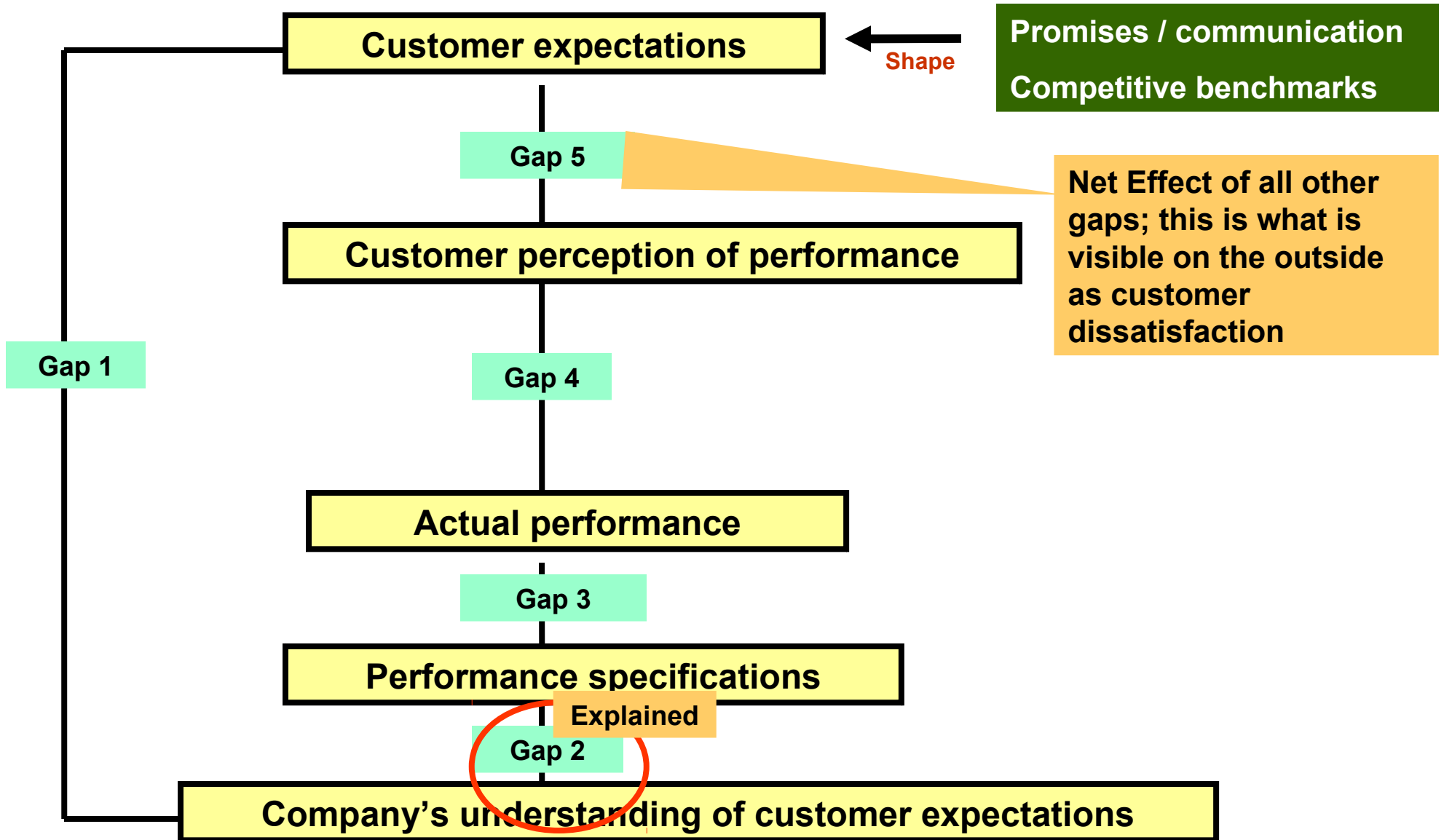
- **Qualitative**
 - Perhaps subjective
 - Service quality etc.

Examples

“I don't find them very warm and friendly”

“They seem to really care about making me feel comfortable”

C Metric / SERVQUAL - framework



The Gaps..2

Gap 2 arises because the management does not translate its understanding of customer expectations into internal performance specifications

This could happen because

• Management believes the expectations are too high to be met, and hence sets lower specs in place

• Management does not really understand the need for formal performance specs

• The specs are laid down, but they are not clear in terms of individual action points

Examples

“I know customers would want same day delivery, but there is no way we can hire enough people for that; so let us aim for delivery within 48 hours”

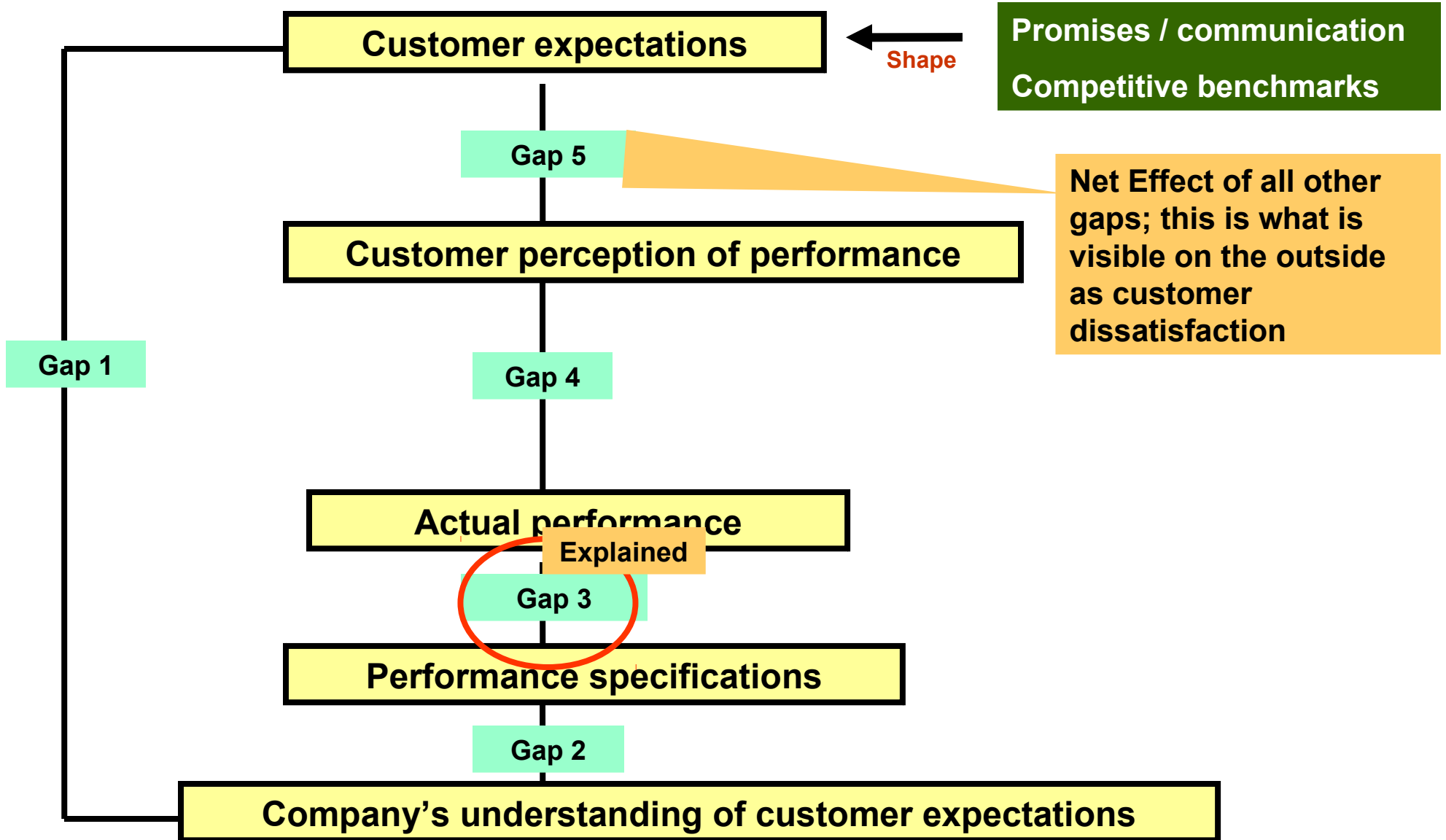
Examples

“The person at the counter knows that he is supposed to give good service to the customer and that the company does not want to have customers complaining”

Examples

“Our aim is to provide prompt and courteous service ”
“We should always provide high quality inputs to the client”

C Metric / SERVQUAL - framework



The Gaps..3

Gap 3 arises because the employees are unable to deliver the performance to the set specification level

This could happen because

• **Systemic / process constraints**

• **Infrastructure constraints**

• **People / training constraints**

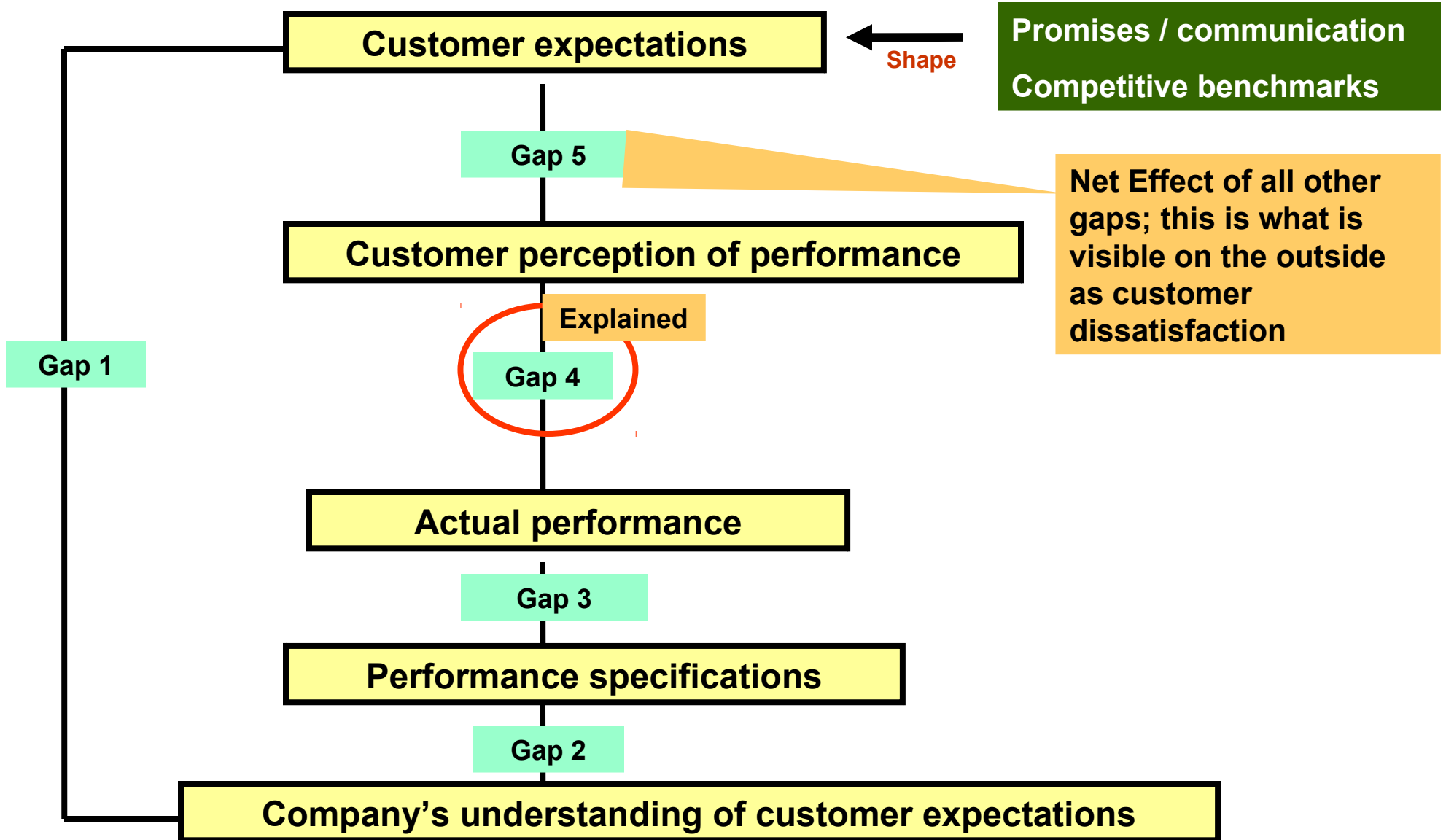
Examples

“I need to get so many go-aheads before this can happen. For the competitor, my counterpart can just take a decision and act fast”

“The AC on this floor does not work at all, and we don’t even know to whom we should complain for it to be set right ”

“The minute we think we have trained one batch of people they are taken away to another role”

C Metric / SERVQUAL - framework



Gap 4 arises because the way customers view experiences can be coloured by their past experience, frame of mind etc.

Therefore to determine what is the real level of service delivery



• Can be done through mystery shopping, electronic records of transaction etc.

Examples

“BSNL takes ages, but these guys are so prompt ”

“Instead of listening to my complaint, the service person was telling me about his company’s infrastructure and reputation”

Customer Module 1



- To understand customer expectations
- Need not be done very often unless market is very dynamic
- Mix of qualitative and quantitative approaches
- Benchmarking is a key part of this exercise

Customer Module 2



- To assess level of satisfaction, in a comparative context
- Best done through quantitative research; many options for actual data collection
- Optional – add separate transaction analysis module
- The TA module will look at sales process experience including lost order analysis; best done through qualitative approach

The research modules..2

Top Management module

- To understand clarity on customer expectations
- Also to understand performance specs laid down
- Will involve depth interviews and review of quality documents

Middle management and junior employee module

- To understand
 - How clear the perf specs are
 - Constraints to performance
 - Systemic / process-related
 - People / training related
 - Infrastructure related
- Best done qualitatively

Mystery Shopping module

- To understand actual performance levels
- Optional

Proprietary techniques / measures

- *C Metric* -

- **Evaluative**

- Overall satisfaction in dealings
- Preparedness to recommend
- Loyalty felt
- Prepared to pay price premium
- Prepared to listen if ABC offers a new service

- **Diagnostic (e.g. retail)**

- Quality of AC
- Range of products
- Age of stock
- Clarity of display
- Space in aisle
- Ease of finding category
- Ease of parking
- Shop timings
- Politeness of attender
- Time spent to pay etc.

- **Evaluative**
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 - Preparedness to recommend
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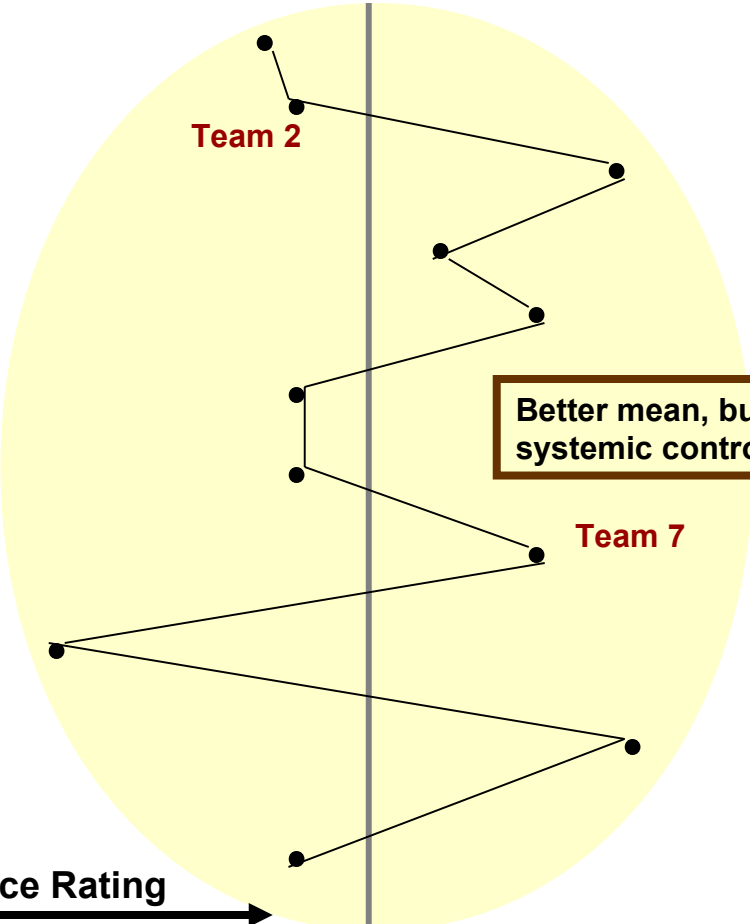
- **Diagnostic (e.g. retail)**
 - Quality of AC
 - Range of products
 - **• R – Reliability**
 - **• A – Assurance**
 - **• T – Tangibles**
 - **• E – Empathy**
 - **• R - Responsiveness**
 - Shop timings
 - Politeness of attender
 - Time spent to pay etc.

Plus level of involvement in choice of vendor / associate

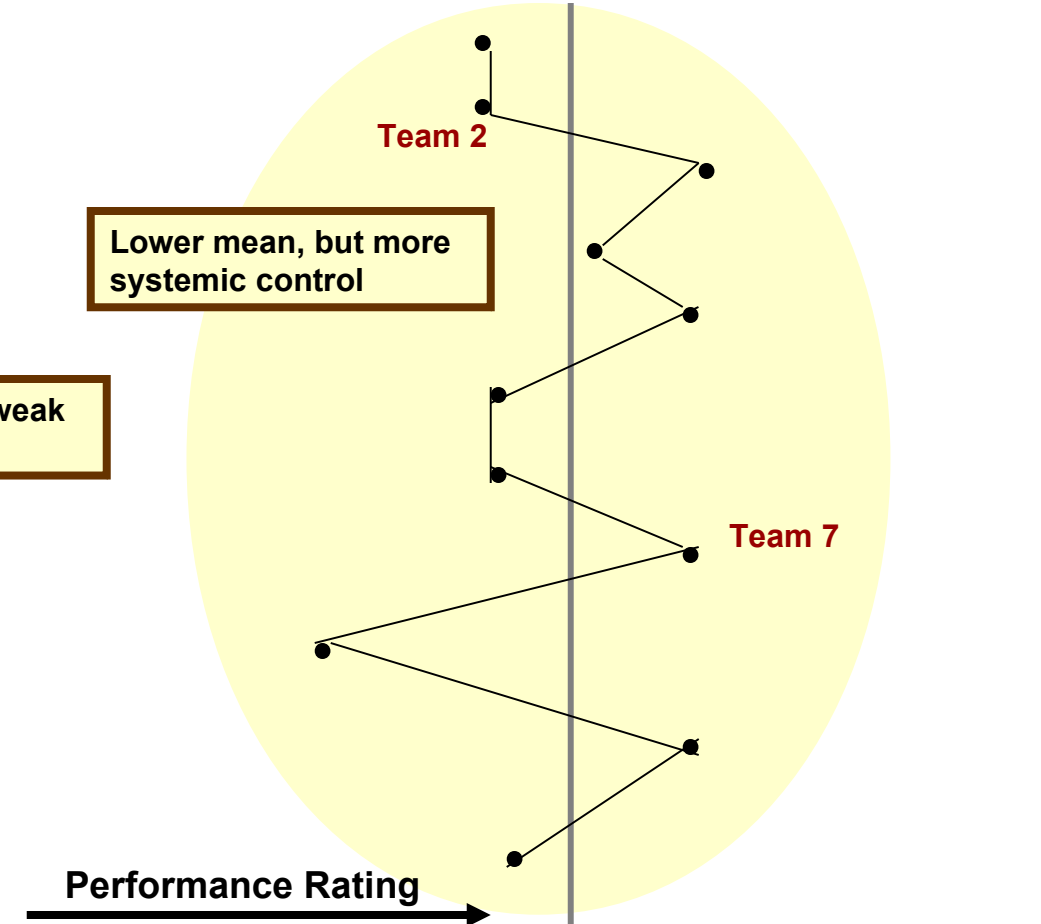
Assessment of client perception / satisfaction

Stress on variance

Scenario 1



Scenario 2



Performance Rating

Performance Rating

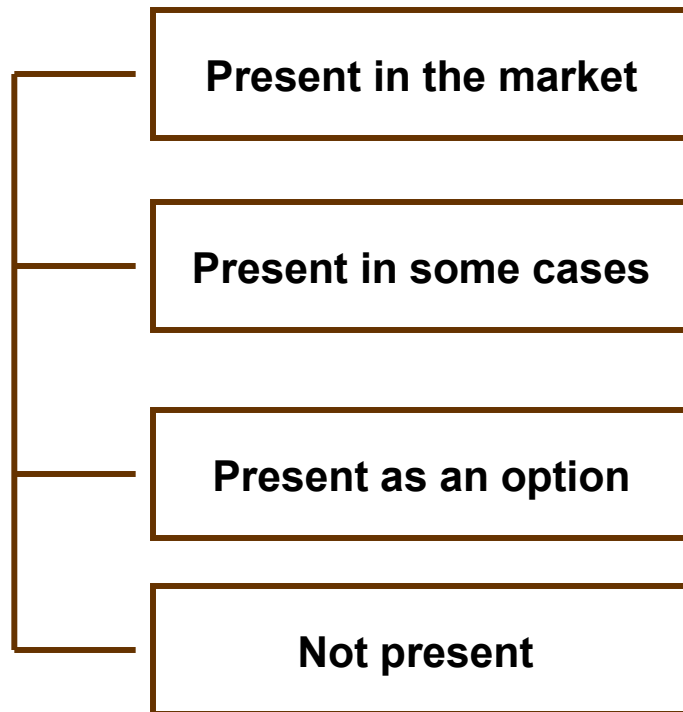
1.0 4.0 6.0 1.0 3.7 6.0
Mean score

C Metric

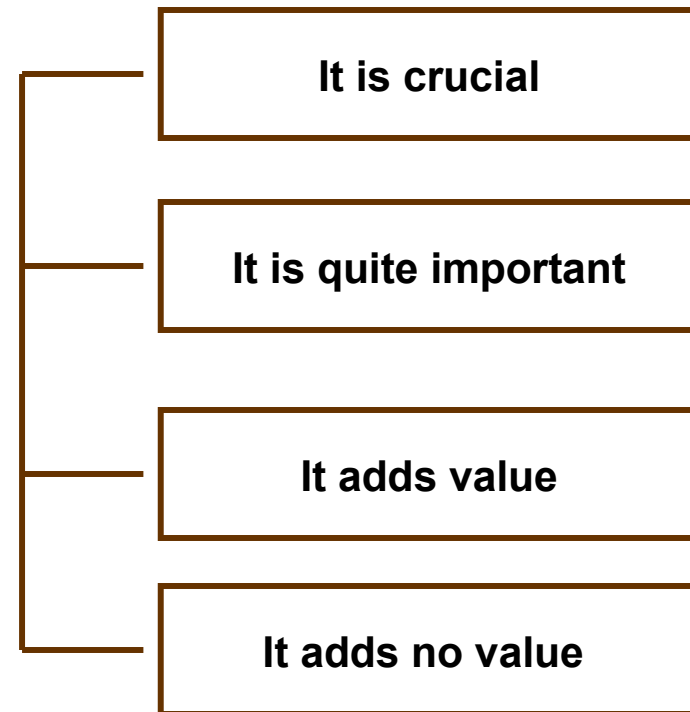
Understanding of client expectations

Kano classification of features

Step 1 – is it there in the market?



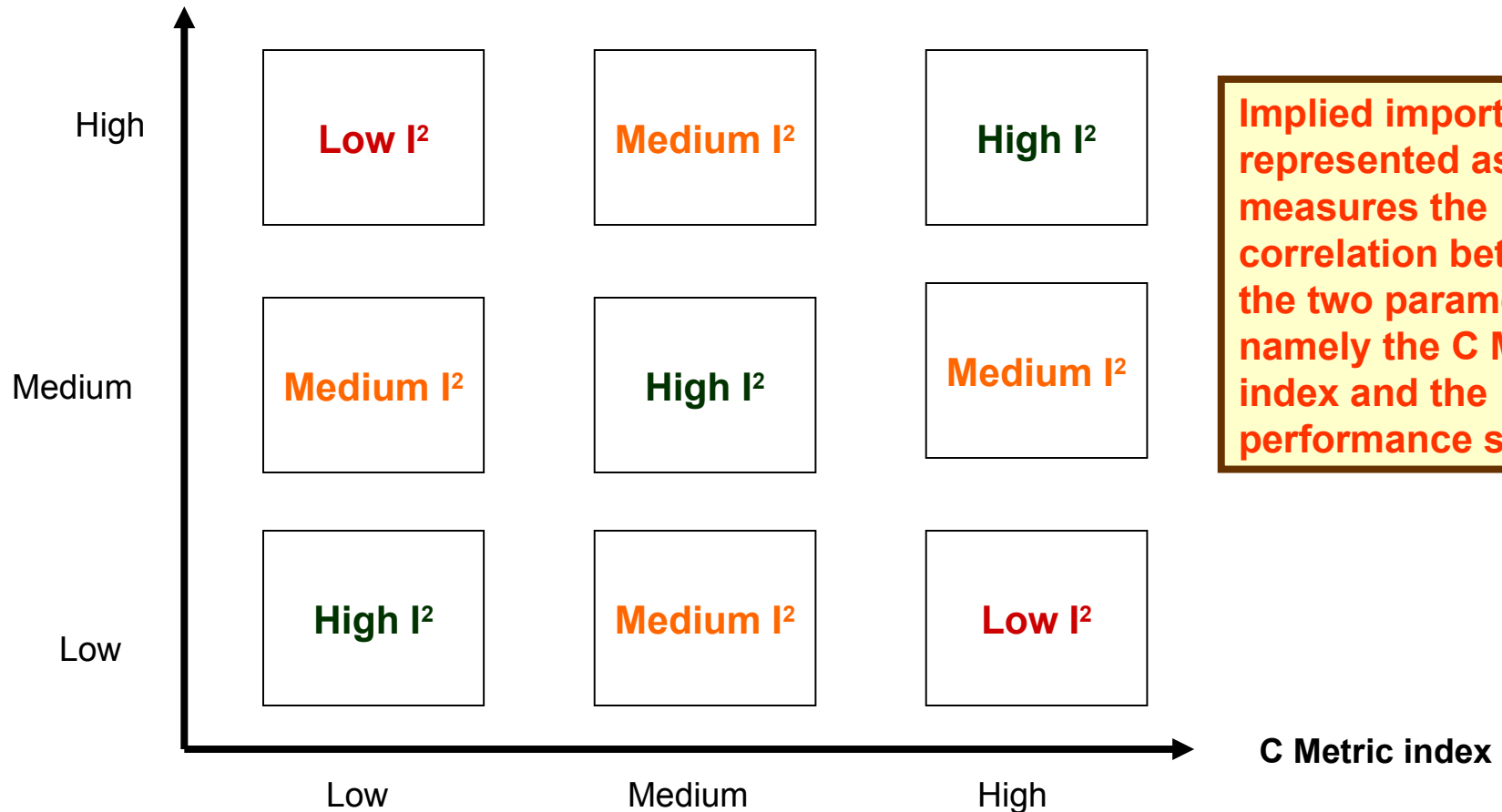
Step 2- does it add value?



Understanding of client expectations..2

Implied Importance

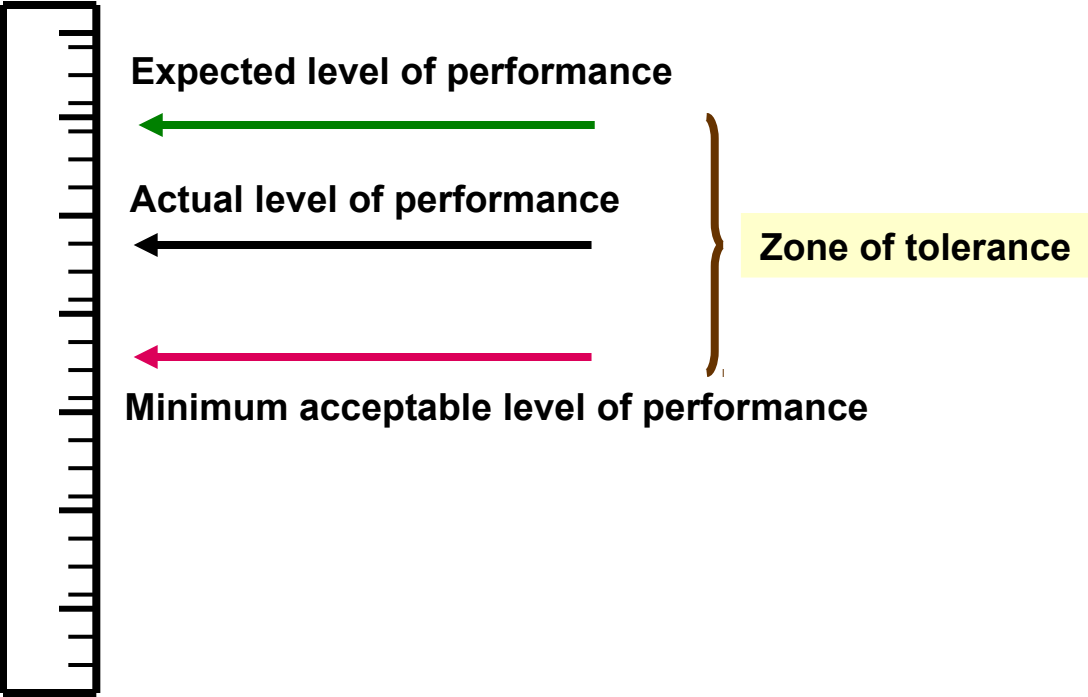
Statement Performance score



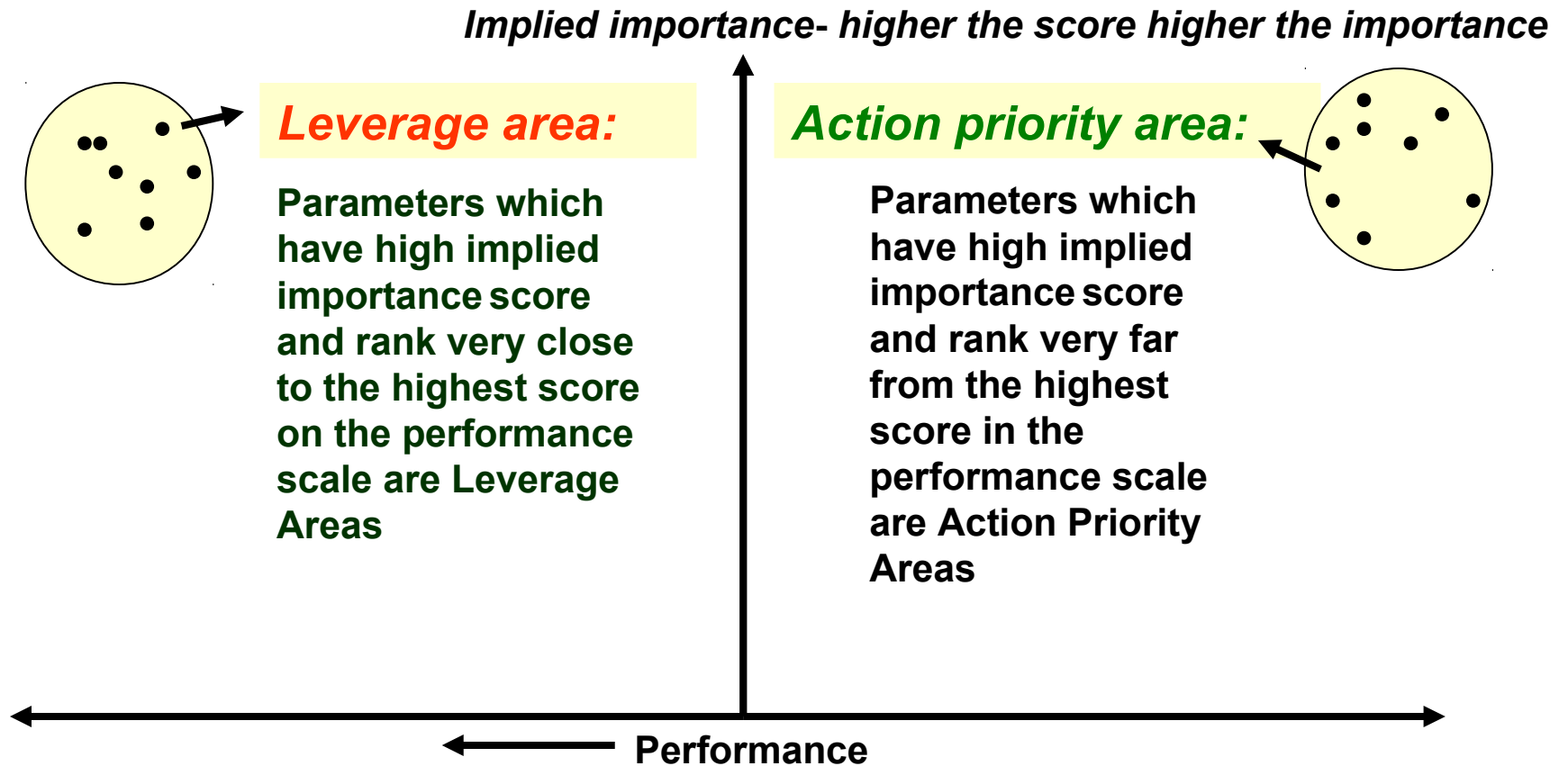
Implied importance, represented as I² measures the correlation between the two parameters namely the C Metric index and the performance score

Understanding of client expectations..3

Zone of tolerance



Action Priority Identification



Thank You!