The Seven Deadly Sins of Feedback

There is a lot of talk about customer feedback and customer loyalty and customer experience in the market today: and of course this is all a good thing because the customer is now empowered like never before, they can make or break your business more of less overnight and this is not going to get less important, it is going to get more and more important.

Social Revolution

In fact, my belief is that the world is undergoing a seismic shift in social behaviour as great in magnitude as we experienced in the last 400 years since the invention of the printing press.

The printing press allowed the reformation, renaissance and industrial revolution to happen and changed all of our lives irreversibly forever.

In the same way, the invention of two-way global communication via the internet (using routes such as social media and feedback sites) is having a phenomenal impact on consumer (and therefore business) behaviour and needs to be carefully addressed using the best possible resources and the best possible information.

This paper is designed to explain to people where the pitfalls in gathering customer feedback are and what to do about them.
Because, in today’s market, **not engaging with the customer and not gathering customer feedback systematically, continually and obsessively, is a huge business mistake:** customers want to be valued and listened to more than anything else, and if you do not do this they will talk about you behind your back which today will be global and spreading at the speed of light and totally outside your control.

So it’s vital to get it right, **it’s vital to find ways to engage effectively with the customer, so the customer can talk to you about their experiences, tell you what you’re doing well, tell you what you’re not doing so well, and do it in a constructive and helpful way, rather than bad mouthing you behind your back with inaccurate and unhelpful information (or, even worse, bad mouthing you with accurate and helpful information!).**

So here goes: **the 7 deadly sins of feedback.**

By Guy Arnold

Author, Adviser, Virtual Customer Experience Director & Myth Buster

Author of

- **‘Great or Poor’**: A simple and effective system to drive sales and profits through the delivery of a consistent and continually improving customer experience.
- **‘Sales through Service’**: A simple and effective system to sell more in the age of the empowered customer whilst also reducing costs.

Founder of: **Investors in Feedback**: www.investorsinfeedback.com

(Don’t be fooled by all those websites that promise to manage your reputation, online, by paying them a fee: there is no way that any IT solution can provide a long-term fix for this change in behaviour: if you just try and manage it in this short-term, short-sighted, short changing way, you will be like King Canute trying to hold the tide back with a sand castle wall).
We’re all actively pursuing the best for our business and our customers, all aimed at doing the best job we can. The problem is that often, our best is not good enough. Regardless of the effort we put in, most organisations are stuck in a rut of committing 7 Deadly Sins of Feedback, costing them time, money and reputation.

And the people who unfortunately see this first, are the last people we would want to disappoint... the customer.

Now, please remember, when we say customer, we actually mean EVERYONE!

Everyone is your customer: customers / colleagues / boss / suppliers / community etc

Before we start with the simple, yet incredibly powerful ideas discussed in this paper, let’s answer one simple question:

Why are we giving it away for free?

Well, there are 3 key reasons. So it’s best to be up front and transparent:

- **Reason 1: We believe that what goes around, comes around.** The more helpful we are to you, and the more we can give you that’s of value (without putting ourselves out of business!), the more we’ll also benefit in the long run, because you’ll trust us, see how we can be of help to you, buy our products, and want to consult with us.
- **Reason 2: We want you to experience some of our thinking and ideas in a risk free way.** In fact, we do all our work in this manner (and offer an unconditional guarantee on all we do). If you like our material, you may want to find out more, and we’d be pleased to help. If you don’t, that’s fine, and it’s better that you are able to make this decision before investing significant time and money!
- **Reason 3: We’d like you to share this information with your friends and colleagues.** We have used this information to guide our own business success and are delighted to be able to extend our guidance and pass the same expertise onto others. So please feel free to spread the word.

So, without further ado, let’s continue on to discuss...

The 7 Deadly Sins of Feedback
Sin number 1 – Not realising how important Feedback is

I deal with hundreds of businesses in all sectors, some of which have very powerful feedback systems up and running (for example hotels and restaurants), and some of which do not (for example Solicitors and Accountants).

However, these rules are the same whatever market you are in: social media is exploding continually and customers can spread the word about you at the speed of light, totally outside your control and influence: you cannot stop it and you shouldn’t want to: done correctly, gathering feedback well will ensure that you business thrives and grows and gives you great measures to empower and energise your people. Done incorrectly, this can kill your business with unhelpful information and conflicting advice.

The key however is, that you realise that the world has changed: the customer now does have power: the world is a global community where reputation is everything: internet search engines will pick up blogs and discussion forums about your business just as much as it will pick up your or your association’s website.

The information is out there, the tide has turned and you can either like it or lump it.

So, sin number 1 is not realising how important it is to get ahead of the game, engage with the customer, gather feedback from them, systematically, simply and powerfully, and use this feedback constructively to build customer relationships, repeat sales, round sales, referrals and recommendations.

So, the answer to sin number 1: accept that the tide has changed, and look for ways to do this properly, constructively and effectively.

This doesn’t have to be expensive, and it doesn’t have to be complicated: in fact it shouldn’t be either of these because if it is it won’t work properly.

- Don’t hire expensive consultants who want to do long-winded satisfaction surveys
- and on the other hand, don’t use cheap on-line portals that prove to your customer you are not prepared to invest in this or do it properly.

Look at your business, work out what will work and do it brilliantly, if you are stuck, of course we can help and our contact details are on this paper.

Please send this to all your friends: they’ll thank you for it.
Sin number 2 – No clear vision or mission in your team or organisation

For the past 400 years, since the invention of the printing press, we have been able to hunt and gather on an industrial scale: profit has been everything, usually short-term driven by stake holder needs, however, the world is changing the tide has turned and short-term profits today will drive long-term disaster tomorrow.

Just look at the once proud household names who are now bust, or floundering and skirting with disaster: names like Kodak, Ratners, Comet, Blockbuster, Woolworths, Marks and Spencer, and the list really goes on and on and on.

So sin number 2 is not realising that in order to adjust to this new world we are in, everyone needs a clear vision and mission that pervades the whole company or organisation, tells them what really matters and what you will stick to no matter what, through thick and thin, despite anything that comes your way.

A clear vision and mission is like having a clear compass in your business: today’s market is much more like hacking through a jungle than following a map, and when you are hacking through a jungle you need to follow a compass or else you will get lost and go round in circles!

So you need this compass, so the fix for sin number 2 is: Having clear vision and mission

What is a vision and mission?

- **Vision** - vision is why we are here: what is happening to the world around us, and why what we do matters and makes a difference.
- **Mission** – mission is a clear statement of what we are really aiming to do: not what we do on a daily basis (for example: selling widgets), but what we are really here to do (for example making customers happy so that they come back to us).

(And of course, this will all be supplemented by values: which is how we do it).

So, start finding the mission of your organisation driven by your vision: do not however invent it. An invented mission is the output of a management away-day which you see plastered on lorries all over the country: it tends to be a slogan invented by the marketing department and is usually de-motivating bollocks, that makes life worse and doesn’t help at all.

A great mission will go something like this:

- Our mission is to make people happy so that they come back to us and bring their friends.
- Our mission is to earn a customer’s lifetime loyalty.
- Medicine is for people, if we do right by the people, the profits will follow.
- Caring experts.
- We aim to be the best supplier you deal with.
The 7 Deadly Sins of Feedback: Copyright Guy Arnold: www.investorsinfeedback.com

For more information about mission, how to find it and what to do with it, please contact us for our free documents that will tell you the answers to these questions or even buy our books, ‘Great or Poor’ and ‘Sales through Service’, available from all good book sellers and on our web sites.

Which brings us to:

**Sin number 3 – Worrying about bad feedback**

Let’s face it, shit happens: if you gather feedback you will get bad feedback but let’s all start growing a pair:

**Bad feedback is a HUGE Opportunity to grow your business**

- If they’re telling you their bad feedback they’re not telling everyone else.
- If they’re telling you their bad feedback you can do something about it.
- People who have had bad experiences that are well handled are the most likely to become huge, loyal advocates of your business: a problem well handled will build customer loyalty faster than anything else in your business.
- If they’re giving you the bad feedback, you can share it with all your people so that everyone can learn and grow.
- If they’re giving you bad feedback, you’ll know where the problems are so that you can fix them.
- If they publish their bad feedback to the world (eg. Through a feedback site such as Trip Advisor), it gives you an amazing opportunity to show the world how well you deal with mistakes and what a great business you are when issues arise!

**So, bad feedback: a fantastic gift that will enable you to prosper, thrive and grow and empower your people.** Bad feedback is good news: (providing it’s not 100% bad!).

So the address from sin number 3 is: **welcome good and bad feedback alike**, (of course, good feedback is fantastic and should be focused on even more than bad feedback, by sharing it with your people, congratulating them and giving them the incentives to do more of it).

Accept both as fantastic valuable gifts from the most valuable person in your organisation, your customer.

**And, don’t forget, your customer equals everyone you deal with:** your paying customer, your community, your suppliers, your stakeholders, and your employees ... you need to encourage and systematically gather feedback from ALL of them.

How do this? Just as you’d use an Accountant to get your books right, you MUST use a professional adviser to help you get this right: it needn’t be expensive (and don’t use consultants that want to charge huge fees). It should be a similar amount to what you spend on your Accountant every year... after all, your Accountant just plays around with the RESULTS of your actions, feedback measures the actions themselves!!!
Sin number 4 – Doing Customer Surveys

We all love it don’t we, when we get an e-mail or a phone call asking us to ‘complete this short survey for so and so company because we value your opinion’.

Bollocks!

They don’t value your opinion, if they did value your opinion they would phone you and ask you personally.

I bet if you contacted them wanting to buy something from them they wouldn’t have any problem in phoning you, but most businesses seem to have a problem with phoning people or contacting them personally to gather feedback, and instead rely on cheap, generic, written, self-obsessed customer surveys.
Why ‘customer satisfaction surveys’ don’t work

The customer is king. Those who please the customer best win. If you don’t ask them for their opinion, they’ll just tell everyone else behind your back. In the 21st Century, customer feedback is now a necessity for business survival ... and growth!

When being surveyed, customers just want to tell you their views, not answer your questions. Winners are fanatical about enabling them to do this as easily as possible.

Here are the eleven key reasons why traditional customer satisfaction surveys don’t work

1. **Too Long.** The customer just wants to be listened to; they don’t want to have to fill in data!

2. **Questions not customer focused.** They’re written by the Company! Come on! The customer just wants to feed back to you as easily as possible: they don’t want to answer your questions!

3. **It’s marketing in disguise.** The customer sees you want their phone no, email and inside leg measurement ... they aren’t fooled ... they have enough ‘spam’ to deal with already, and anyway, they don’t want to tell you their age and what car they drive, they just want to tell you about your service.

4. **It actually detracts from the customer service.** Because the customer just wants to be ‘listened’ to, and they don’t do this!

5. **Low response rates.** Because of the above, response rates are usually very low (this is a huge issue). So the only people who end up telling you what they think are either those with a grudge, or those with time on their hands! Hardly likely to produce valuable information ...

6. **It produces no clear ‘action points’.** Because there are too many questions and not enough answers, often the data can be challenged, even if it did make sense. If it’s good data, there’s usually too little to break down meaningfully across Divisions or Departments.

7. **It’s out of date before it’s published.** These surveys are often an ‘event’: then the results are analysed (because they’re too complicated), so, by the time the average Joe sees them they’re a couple of months out of date ... and no use at all.

8. **It actually makes the situation worse.** Because of the above, what actually happens is that the wrong customers influence the decisions, the good customers don’t bother, and the employees just get fed up!

9. **It doesn’t identify the real issues.** It’s a lottery!

10. **It produces no clear ‘score’.** So it has no real value.

11. **We don’t want ‘satisfied’ customers; we want ‘delighted’ ones.** Enough said...

Then use the feedback to systematically build sales and reduce costs!

So the Solution to Sin No 4: **Gather Feedback**

**Systematically using a simple and proven system that ENGAGES and VALUES the customer** (i.e NOT in writing!!!!!!!!!!)

Please send this to all your friends: they’ll thank you for it
Sin number 5 – Thinking customers will give you feedback anyway if you don’t ask for it

Oh come on!

We’ve all been out to dinner where we’ve had a hideous experience, and when the waiter has asked us the inane question: “is everything all right with your meal?” (and by the way, there are much better things to say, please contact us, we do a lot of work in this area, if that’s your area of business) and we’ve answered “fine”.

- How ‘fine’ is it when it was awful?
- How ‘fine’ is it when we’re not going to come back?
- How ‘fine’ is it when we tell our friends not to go there?

Customers, particularly in certain nations, are often nervous and unwilling to give unsolicited feedback, instead they just don’t go to the place again, they don’t use them again, and they tell all their friends to do the same.

A hideous lose, lose outcome.

- The business will lose because they don’t learn what they need to know (and will just quietly go out of business),
- and the customer will lose because they will not get consistent and continually improving experience from their supplier that they could have done if the supplier was gathering the feedback effectively.

So the lesson from sin number 5 is: never assume that a customer will tell you without asking: you must have a systematic process in place to continually and obsessively gather it and deal with it, step by step, and inch by inch.

And please note: this cannot be done by yourself in most cases: we would suggest that you gather feedback through all your routes: and use a 3rd party to help, support & guide you!!!

1. Direct contact: web sites: social media, etc, etc, on simple and service related issues: for example:
   - Did your product arrive OK?
   - Just checking that our technician arrived on site at the time he or she was supposed to?
2. Proactive Contact: using a ‘courtesy call’ feedback system (please ask us for details of how to do this
3. Reactive listening and reacting (very fast): have you got all your antennae out? Are you monitoring Google, Twitter, and Social Media systematically and effectively???
However, please be aware, that customers will not tell you the full truth, the whole truth and nothing but the truth: they will embellish it one way or the other.

- They will either play down bad experiences because they don’t want to be rude (remember the restaurant scenario), or
- They will play up bad experiences because they are having a bad day, or want to get something out of you or any other reason.

So, we strongly recommend that you use a third party to gather your feedback for you, continually and obsessively. We also strongly recommend that you use a third party supplier who has a simple, proven, powerful system that is very cost effective to run and will not cost you a fortune. On top of this, you should use a supplier that not only gathers feedback for you, but also DIRECTLY & SYSTEMATICALLY builds customer loyalty, recommendation, referrals and round sales for you through their system.

If you ignore this, a lot of your money will be wasted, (and you’ll probably be doing the wrong thing)!

For details of our system and how it can do all of these things and more, and should pay for itself many times over immediately, through the process of up sales, round sales, repeat sales and referrals, and can be delivered into your business from as little as £99 per month, please contact us at feedback@greatorpoor.com

**Sin number 6 – Making it hard for customers to complain**

I don’t think that if you’ve read all the rest of this paper I need to say very much about this, yet how many businesses make it hard for customers to contact them and complain about the experience they’ve had?

Quite a lot?

Only recently, I stayed in a top health spa and when I wanted to give them feedback, not only did they not have a direct phone number, but also they didn’t have any feedback process either in the room or on their website or on their social media pages, but also they made it hard for me to find out the name of the Manageress or for me to get her e-mail address.

Now I am the sort of customer who likes to give feedback to businesses, good and bad, because that’s the area I work in: but if I am unable to contact them directly I will still give the feedback, but of course it will be on a public site such as Tripadvisor, or Facebook

... which could be OK for them, or could be disastrous!

But if they don’t give me the opportunity to complain effectively and properly and easily, and they don’t react to those complaints brilliantly, then as a customer (and more and more customers are doing this, because they can!), I will start feeding back anyway - in the public domain.
So the answer to Sin No 6 is: **Make it easy for the customer to complain or give you feedback.**

A simple example: a pub chain we work with has a uniform with this smiley cat on the front, saying: ‘My job is to make you look like this’.

And on the back it says:
- ‘If I have done, please tell all your friends’
- ‘If I haven’t please tell me or my manager’

This works brilliantly!

**Contact us for advice:** but, in general: **Make it easy for the customer to complain or give you feedback.** through every portal you have.

Your printed material, your website, your social media, your people, your phone, your email etc ...

And, lastly,

**Sin number 7 – Not using the feedback as a Management and continual improvement system using lead measures**

Every business has measures (some more than others!). And, very often, I say to businesses if your business was a football team, your players wouldn’t know where the goal is, wouldn’t know how to score, or wouldn’t know where they were in the league or what was expected of them ... and, by the way, their pay wouldn’t alter whether they won or not!

**How many businesses act in this way, where the only people who can see the score and know the position of the business in the league are the Directors in the Management box, who are jumping up and down and shouting and screaming and getting frustrated, whilst the players on the pitch just aimlessly kick the ball around?**
So you need to make sure that your feedback delivers a clear, consistent, powerful score that you can track, by whole organisation, team and individual and learn from what you are good at to do more of, what you’re bad at to develop and change, what you could do to prosper and flourish in the future, and what customers would say about you behind your back (what your reputation is!).

Then, you need to use this measure, alongside other lead measures and balance it with your other ‘standard’ measures (the money you make, the sales you make, etc, etc, etc), on a clear and simple scoreboard, and use it as a simple, continual, on-going improvement tool through a process we call ‘go the extra inch’.

(Please note, these measures act like a barometer in your business: they are measures that indicate what will happen in the future and how your business will perform going forwards, rather than ‘standard’ measures which only tell you what has happened in the past, and as any investment advisor will tell you, past performance is no indicator of future performance!)

For more information about the ‘go the extra inch’ process, please see ‘Great or Poor’ TV by following the attached QR code or, ask for our other free guides, ‘The 7 deadly sins of Service’ and ‘The 7 deadly sins of Sales’, and/or buy our books, ‘Great or Poor’ and ‘Sales through Service’, or even be daring and give us a call and see how we can help you!

So the answer to sin number 7 is to have a systematic, continual, improvement process based on your feedback system aimed at continually improving customer experience, improving quality and reducing costs at the same time. It isn’t easy to do, but it is important, in fact it is essential to do it in today’s global market economy.

Please see our web sites and sign up for free monthly information without any obligation: as our mission is to help anyone who comes to us whether they pay us or not.
Sin number 7½

Sin number 7½, (yes, whoever heard of 8 deadly sins?) is only gathering feedback from ‘customers’. Most people, if they do this at all (which is still very much a minority), only ask for feedback from paying customers. Yet I would suggest that your ‘customers’ are everyone that you deal with, and the first customer, in fact the most important customer is the internal customer: your people. Your people know what you do well, what you do badly, and have got some fantastic ideas about what you should do differently in the future.

In a world of increasing complexity, global competition and cut-throat pricing, I would suggest that most businesses seriously under utilise their greatest asset: their people.

So, the starting place for all customer feedback is internal customer feedback with your people, one to one.

And, beware, like all other customers they are sometimes very unwilling to tell you the truth (in fact they are often even less willing to tell you the truth: it could be too awkward! so please consider using an outside agency to do this for you (which, of course we can do at very reasonable and definitely cost-effective rates).

Please also be aware that we publish other material on how to get the best from your people, offer training courses and coaching around the 3 E’s: empowerment, engagement and energy.

Sometimes getting the best out of your people can be the hardest job of all: there are lots of snake oil salesmen out there who will sell you training and ‘accredited’ courses that look great on paper, but in reality achieve next to nothing.

We have all been on training courses where we have been urged to do things differently and maybe they work for the first 5 minutes. But in the long-term how much effect does this sort of stuff really have?

In a recent poll, Over 75% of people answered ‘yes’ to the following question:

Do you possess more ability and skill than your job demands, or even allows you to use?

You can take a Horse to Water

But you can’t make it Drink!

Please send this to all your friends: they’ll thank you for it
In the same way that you need to structure your business around delivering consistent and continually improving customer experiences for your paying customer, you need to do exactly the same for your internal customer.

AND START WITH THEM!

Engagement, empowerment, energy and responsibility are the key words and there are simple, powerful systems and methods to make this happen for the long-term with great and guaranteed results.

Sin No 8: The BIGGEST of them all
Forgetting why you’re gathering Feedback.

Ok: you want to be ‘nice’, but the whole point of gathering feedback is TO BE MORE SUCCESSFUL.

So you MUST use a feedback system that gives you the answer to:

“What do I need to do to be more successful”

Because 99% of generic systems won’t specifically help you get this information.

What does ‘successful’ mean? You choose:

- Make More Profits?
- Get more members?
- Have a greater impact?
- Social responsibility?
- Add more value?
- Help more people?

It’s YOUR business and YOUR choice.

So: The solution is to: Use a System that focuses on getting you the results you need and want.

This is personal to every team, person or organisation: use us to help you clarify this and get a world class feedback system working for you.

To get YOU the results YOU want!

Please contact us for:

The 7 Deadly Sins of Management

The 7 Deadly Sins of Leadership
Exercise:

**The ‘lifetime value’ of a customer**

This is a simple but powerful exercise that my seminar attendees use to an incredibly beneficial fruition:

Spend 5 minutes on this now, and see how your mindset changes in regards to the business value of each and every individual customer. When you are risking this amount of money every time you interact with them, it’s highly likely that you’ll see this as a much bigger risk (and opportunity) than you ever considered before. As a result, you’ll make sure that all the systems, processes and behaviour measures are aligned to achieve consistency and excellence as standard, all day every day. Whether you are there or not!

Please fill in this simple table in round figures, and then do the maths to get the final figure.

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<th>A</th>
<th>Average customer spend per visit</th>
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<td>Multiply by average customer value</td>
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<td>Total average recommended customer value</td>
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<td>G</td>
<td>Total lifetime value of an average customer</td>
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Now that you’ve completed the exercise, get everyone in your group / department / organisation to do the same. Then have a meeting to discuss the process and the figures produced.

You’ll be amazed at the progress and change of mindset received.

**Remember:**

1. It costs at least 6 times as much to gain a new customer as it does to retain an existing one.
2. Customers who experience poor service tell as many people as they can about it, (to people who also repeat it to their friends), thus destroying your business.
3. In the worst cases, the cost of delivering poor service can be up to 40% of operating budget.
4. 80% of people say they are ‘satisfied’ at the very time when they change supplier.
Has this raised some issues?

Has this raised some issues? Do you need to speak to others in your organisation?

Probably

... good, you’re normal. This indicates that you are focused upon developing better business strategies for the good of your staff, your sales and, above all else, your customers.

List here any actions, within your influence, that you need to take to clarify or change anything that’s come up from the above exercise:

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Now make a list of business factors that you have no control over, but still require clarifying or changing.

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NOW make an appointment in your diary / planner to action this at work today (or at least tomorrow ... we’ll give you tonight to think it over!).

Of course, we’re always available to help: Please contact support@greatorpoor.com for a no obligation chat if you think you might need some assistance in addressing any of these issues.

Remember:

‘No farmer ever ploughed his field by turning it over in his mind’.

Take action within the next 24 hours on the issues raised in this report, or you may never do.
I sincerely thank you for taking the time and effort to request and read this report. I hope it has been of some benefit to you.

We’ll be keeping in contact via email, (remember your system may see it as ‘spam’, (which we strive to make sure it isn’t!), so you’ll need to check), and we hope to do business with you at some time in the future.


Best wishes: Guy Arnold
Author, Adviser, Virtual Customer Experience Director & Myth-Buster

Click on the picture for a 20 minute video called ‘How to Sell in the 21st Century’