

Why customer satisfaction surveys are important

 By [Louise Robinson](#)

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"A satisfied customer is the best business strategy of all." These words, by the acclaimed business author, speaker and former management professor, Dr. Michael LeBoeuf, mean that by ensuring that your customers are happy the first time they conduct business with you, you will make sure that they return to your company or use your service again; even referring their friends and relatives and thereby providing your business with invaluable amounts of advertising - for free.

This word of mouth can go both ways, though. According to statistics, a satisfied consumer will share a good customer service experience with two to three people, while an unhappy customer will tell between eight and ten people, sometimes as many as twenty.



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Complaints on social media

And those numbers can escalate even more and spread even faster if unhappy consumers decide to air their grievances with your company on social media.

These days, that is very easy to do in the heat of the moment, since everyone can connect with all their Twitter and Facebook followers at the touch of the button, straight from their mobile devices, while they are still bristling from feeling wronged.

In fact, guarding business reputations on social media has become so important that the fourth largest bank in the United States, Wells Fargo, recently set up a special command centre with the express purpose of monitoring what is being said about it on social media sites, after it received more than a million mentions on various social media sites last year - not all of which were flattering.

How do you make sure that your customers are happy? Do you serve them and hope that no news is good news, keeping a nervous eye on your social media accounts and holding your breath, waiting to see if you receive return business from them?

While it is sometimes true that no news is good news, it isn't necessarily always the case that you will only hear from customers when something is wrong either. According to research conducted by 1Financial Trading Services, 96% of unhappy customers don't actually complain, and 91% of them will simply never come back.

Surveying customers

Is there a way to gauge whether your customers are satisfied or unhappy before they express their wrath with your company on social media, or complain about your service to their friends, or then simply never show up for return business again? Yes, by conducting customer satisfaction surveys.

Customer satisfaction surveys are a number of questions - usually around five to ten - that you ask that relate to the service delivery or product quality of your company in order to find out what the customer's overall experience with your company has been.

These surveys are important because they are an easy yet effective way for companies to measure customer satisfaction, to retain their current customer base, find loyal advocates for their brand, and improve customer loyalty. In addition, customers' details change, and these types of surveys are a great way to keep your data updated.

People change jobs or companies. They move around. So customer satisfaction surveys fill a dual purpose of ensuring that you have access to the latest information. And, in some cases, these types of surveys can highlight gaps and opportunities. One division might be buying from you, but another division buys from the opposition. This type of vital information can mean the difference between lost revenue and additional profits.

Designing the survey properly

If the answers provided by the survey do not provide you with ways that you can make improvements to your company or change customer perceptions in some way, then they are essentially useless. Therefore it is crucial that the survey is designed properly, to get a thorough assessment.

Whoever compiles the survey needs to know the difference between true customer loyalty and customer satisfaction, because it is not the same thing. A customer that is simply satisfied will easily be lured away to a competitor by a seemingly flashier product without as much as a backward glance.

In order to breed true loyalty among your customers, you need to let them know that they matter, which is why their opinions about you count, since you employ their survey answers to instigate real change within your company.

Since customer satisfaction surveys are such a valuable tool for gathering consumer feedback and such a crucial part of retaining your customer base, you might want to outsource the job to professionals.

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