



## Customer Feedback

### *a Portfolio of Methods*

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In his book **The Ultimate Question**, author Fred Reichheld makes a convincing argument that businesses are over surveying customers. As a consumer you do not need to read the book to know he has a point.

Too many surveys with too many questions means more and more customers—tired of being asked if they are satisfied—simply ignore the survey. This is especially likely with the middle-of-the-road customers whose opinions are not emotionally charged.

Written surveys are an essential element in a builder's effort to gather feedback. But be cautious about layering long written surveys, especially those that ask the same questions over and over. (Reasonable consumers might ask what you did with the first answers they gave.)

Two written surveys, one sent shortly after move-in and another at year-end, make a good combination. Eliminate the closing table survey (notoriously unreliable) and the mid-year survey (which typically focuses on warranty service).

Now add a portfolio of other listening methods to this streamlined foundation. You want to have a variety of mechanisms whereby any buyer can compliment, suggest, or complain at a time and in a manner the buyer chooses.

Open the door to communication on the customer's terms. Some customers are comfortable completing written questionnaires, some prefer shorter methods; others are happy to *talk* about their opinions but not *write* them. Make it easy and convenient for any customer to share impressions and ideas ***at any time in whatever format the customer prefers.***

Establish a flexible and ubiquitous net to gather feedback without being intrusion, repetitive, or annoying. This means implementing more than one method, including some passive (the customer initiates the conversation) and some active (you ask for comments). Consider implementing two or more methods from the following list.

#### ***Comment Cards***

Provide self-addressed, postage paid comment cards at every location where a step in the new home transaction takes place: sales, mortgage, selections, construction meetings, and so on. Include copies in your homeowner guide and on your Website home page. These cards should go to a person of authority, preferably someone who reports to the company owner or CEO. Acknowledge comments immediately upon receipt and follow up as needed.

#### ***Customer Hot-Line***

The goal is to keep customer communication open and provide a fast track to assistance. Consider a customer hot line via both phone and email. Again, immediate acknowledgment is essential combined with prompt and appropriate follow up.

### ***Manager Interviews***

In **How Customers Think**, author Gerald Zaltman presents convincing evidence that a small number of in-depth interviews produce valuable insights that are different from what you learn with standardized surveys.

Once or twice a month, each manager interviews a homeowner in his or her home. These visits usually take place in the evening and last approximately 30-45 minutes. Simply ask *What was it like to do business with us?* Take brief notes during the interview and add details immediately after the meeting, while memory is fresh. The benefits of interviews are significant—

- Having a vice president or manager sit in your living room makes an impression. Homeowners feel important and listened to.
- Customers often make excellent suggestions—they are in a good position to know what changes would make your processes smoother.
- When staff and trades know that managers visit homeowners, service goals take on new significance.
- Managers stay in touch with the realities front line personnel face and fine tune their customer service insights.
- Managers discuss the results, adding useful insights to the statistics that summarize written surveys and other feedback results. The goal is to ensure that the company is identifying appropriate action items, that nothing is overlooked, and that survey statistics are being interpreted correctly.

### ***Unstructured Feedback***

Daily interactions with front line personnel reveal tremendous insight into customer opinions. Monitor your less formal communication systems, always being alert for great ideas and watching for patterns and trends.

For example, review the “Customer Inquiry” forms sales consultants receive or questions that arise during scheduled meetings. Warranty staff can note recurring questions as they work with homeowners. Anecdotes, when compared and discussed, can call attention to opportunities that might be overlooked by other feedback methods.

### ***Exit Interviews***

As part of their routine follow up efforts, sales professionals stay in touch with prospects who visit their community. When a sales consultant learns that a potential buyer has purchased elsewhere, he or she should take a few minutes to learn what factors influenced that buyer’s decision. Especially in a tight market, this information can be invaluable.

Over time listening to customers pays off as significant improvements occur—in service and in your bottom line.

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For an even more radical discussion of customer feedback, visit [www.upyourservice.com](http://www.upyourservice.com) and check out Ron Kaufman’s blog *The Death of Customer Satisfaction* and the related video. Great new thoughts to consider—and while you’re at it, subscribe to Kaufman’s newsletter. Although his approach is generic rather than specifically geared to home builders, his commentaries are well-worth your time to read them.