



Evaluating the Quality of Service in Selling Points

1- Framework

Service:

Evaluate and compare the quality of service in selling points, allowing identifying and generalizing the best practices.

For what it is useful:

These studies have numerous applications ranging from the financial sector (banking and insurance companies) to the distribution sector and including others such as automotive and health. The services provided by Qmetrics permit:

- ✓ To build a management tool of quality of service in selling points, which is updated regularly, allowing an immediate perception of sharp falls in any parameter of quality of service;
- ✓ To compare the results of the various selling points in order to identify the best practices, which serve as benchmarking to other selling points;
- ✓ To establish, at the level of each selling point, incentives for improvement and goals for certain metrics;
- ✓ To collect complaints , comments and other customer feedback on a constant basis, helping to improve the service and thus customer loyalty to the organization;
- ✓ To analyze the evolution of various parameters of quality of service and to verify in what extent the actions taken are perceived by customers.

2- Reports

In these studies, Qmetrics produces reports for each selling point by integrating business areas and groups of services available on it. Each report (referring to a selling point) includes the results of regular inquiries to the quality of service, such as estimates of means or proportions for all questionnaire variables, frequency distributions, tables





with crosses between relevant variables, statistical tests of interesting hypotheses to the study and estimation error margins.

In addition to these results and without prejudice to any other analysis deemed relevant, each Qmetrics report presents the following information:

- ✓ Analysis of the quality of service in the selling point and comparison with the global average;
- ✓ Measurement of strengths and weaknesses of the selling point, identifying priority areas for action;
- ✓ Comparison of quality of service obtained by the selling point with the percentiles of the best and worst ranked as well as the average of all selling points;
- ✓ Benchmarking between selling points;
- ✓ Temporal evolution of the selling points in different areas analyzed and evaluation of the effectiveness of the improvement measures developed;
- ✓ Characterization and segmentation of the customers of each selling point;
- ✓ Access to comments left by customers on selling points.

3- Example of Results

These reports give special relevance to the usefulness of the results as a crucial tool for supporting the management of quality of service in various selling points of the organization, contributing to customer retention and sustainability of financial results. In the following, and by way of illustration, it is shown some figures typically reported in the “Evaluating the Quality of Service in Selling Points”.

Figure 1 shows the customer loyalty index to a selling point. This customer loyalty index combines the results of two questions: intention to return to the selling point and likelihood of recommending the selling point to colleagues and friends. In this figure, it is shown a case where the loyalty index is 8.1 points (on a scale of 1 to 10). Figure 2 shows comparisons of the selling point with the best and worst 20%, as well as the evolution over time.



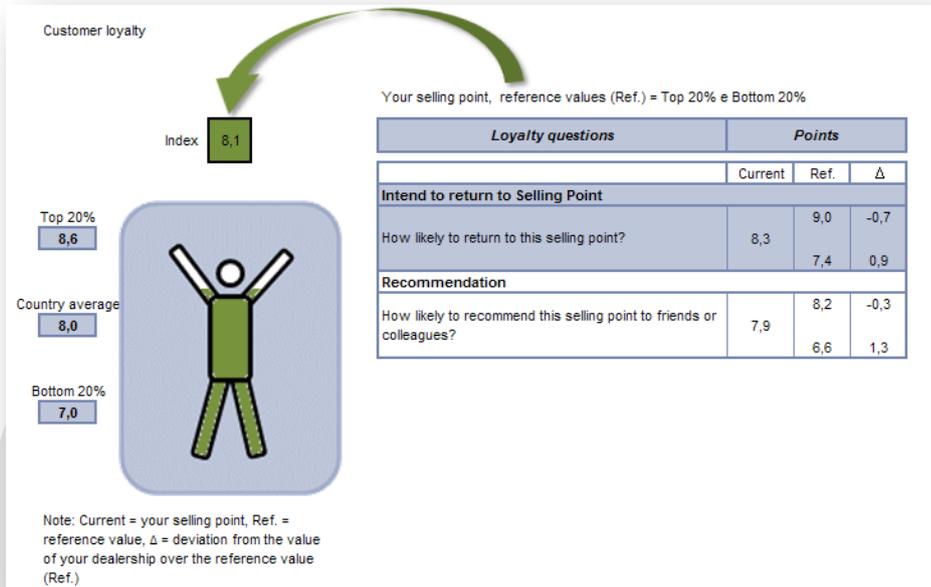


Figure 1 – Customer Loyalty Index

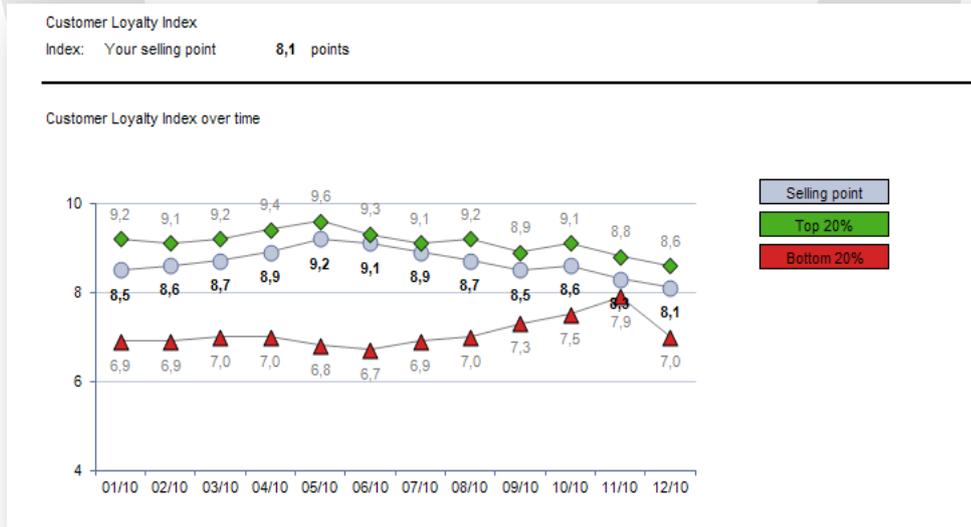


Figure 2 – Customer Loyalty Index over time





Figure 3 shows the frequency distribution of the answers to the question of "intention to return to selling point" as well as the evolution and comparison over a year.

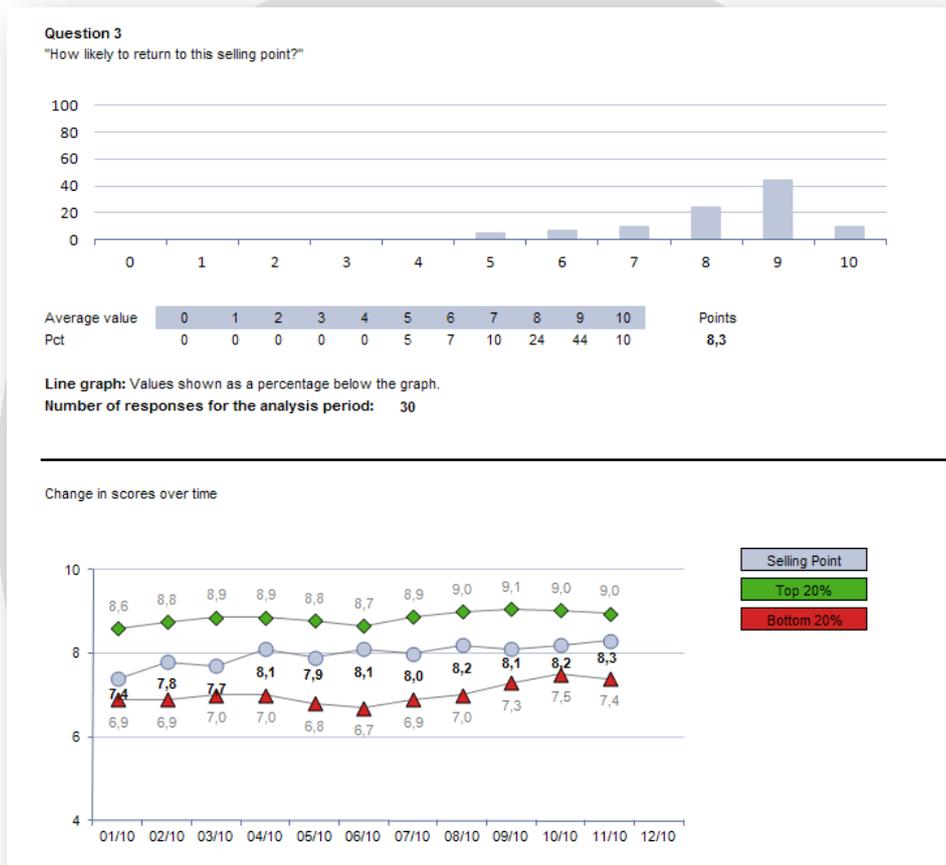


Figure 3 – Analysis of the "Intention to return to the selling point"





One purpose of evaluating the quality of service is to illustrate the weaknesses that must be improved in the selling point, since they have a strong impact on customer retention. It is also important to highlight the strengths that should be used for *communicating with customer* because they seem to contribute to a stable relationship with customers. In the figure below, the drivers that are very important to the customer satisfaction of this selling point are those referred in questions 1, 4, 5, 8 and 10, while those in questions 6 and 11 are of less importance.

Satisfaction Question	Concessionaire	Country Average	Top 20%	Comparison Top 20%	Evolution	
					Previous Quarter	2 quarters ago
1 Product Quality	8,3	7,9	8,3	😊	▲	▲
2 Diversity of products	8,1	7,7	8,2	😐	↔	▼
3 Accessibility selling point	6,5	6,3	6,9	😐	▼	▼
4 Physical Conditions of selling point	8,1	6,9	7,7	😊	▼	▼
5 Quality of treatment	7,4	6,7	7,1	😊	▼	▼
6 Treatment duration	7,1	7,2	7,3	😞	▼	▼
7 Friendliness of collaborators	6,9	6,0	7,2	😐	▲	▲
8 Level of knowledge of collaborators	7,3	6,9	7,2	😊	↔	▼
9 Responsiveness of collaborators to client requests	8,1	7,1	9,1	😐	▼	▼
10 Waiting time to treatment	8,9	7,9	8,3	😊	↔	↔
11 Quality / price relation	7,6	7,8	8,1	😞	↔	▲

Figure 4 – Analysis and evolution of strengths / weaknesses





Figure 5-Moments of Truth, represents the critical issues, allowing their comparison with reference values. This figure analyzes the performance of a given selling point (e.g., a shop or an agency) in comparison with the best and worst performances. In Figure 6 the various components of performance of the selling point assume a green color when they are above the value of the best Top 20%, a yellow color when they are between the average value of the country and the value of best Top 20%, and a red color when they are below the average of the country.

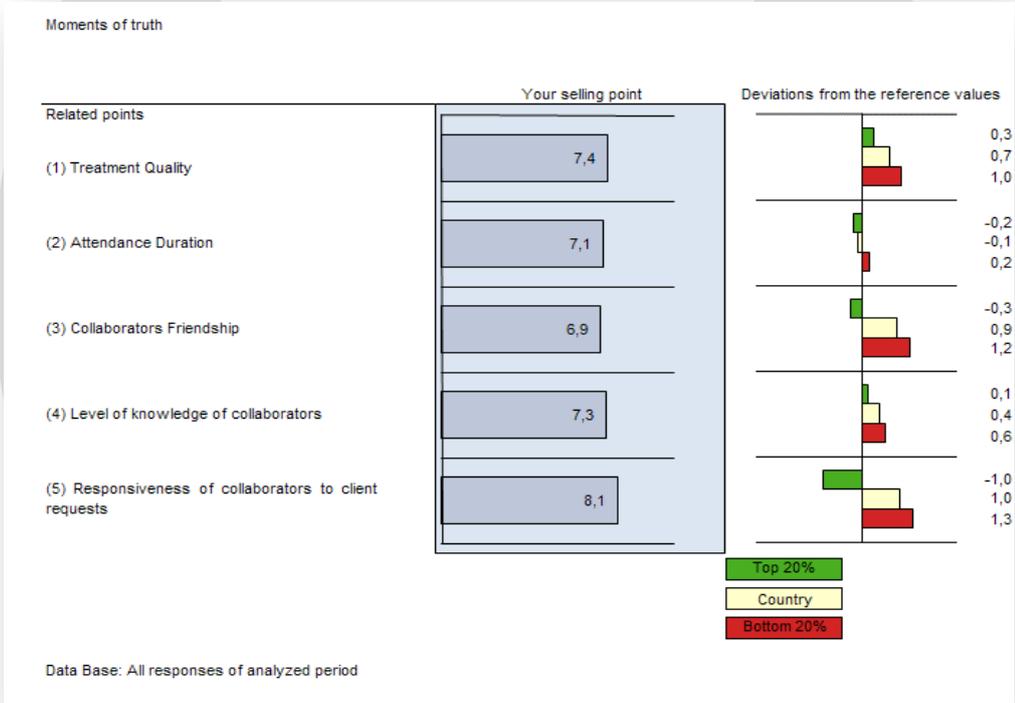


Figure 5 – Moments of Truth



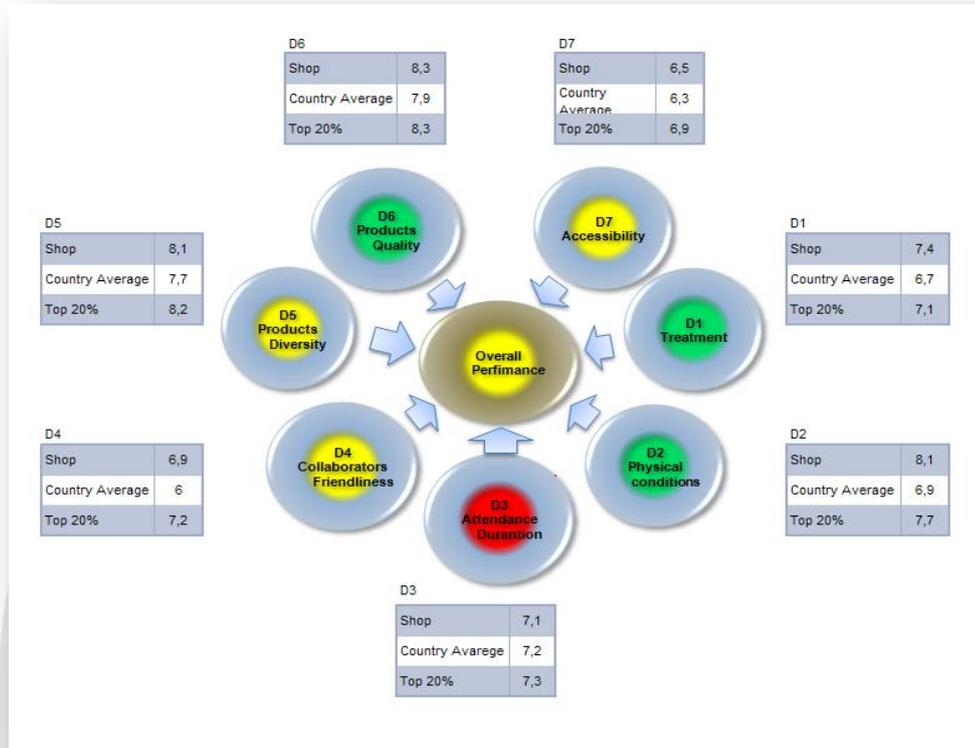


Figure 6 – Selling Point Performance

For the most relevant variables of the study, Qmetrics produces ranks of the selling points, which will allow ranking their performance and positioning the national average, between the 20% best and the 20% worst. This analysis identifies the points where improvement actions should be performed.





Figure 7 – Ranking of selling points for quality of service



4- Case Studies

4.1 Banking

4.1.1 Objectives

In an increasingly competitive market, a bank wanted to improve the quality of service of its branch network in order to attract more customers. Additionally, the bank planned to attribute award prizes to the best performing agencies as an incentive to pursue a work of excellence. The bank contracted Qmetrics to support these initiatives.

4.1.2 Qmetrics approach

In a first step, Qmetrics conducted customer inquiries in agencies and subsequently produced reports for each agency with information that allowed them to evaluate their performance. Additionally Qmetrics related the inquiry results with the financial results available in the bank's information systems.

4.1.3 Results

Based on the set of analysis and recommendations provided by Qmetrics, the bank:

- ✓ Identified in each agency improvements to implement as well as the issues to be preserved;
- ✓ Identified the best practices within its network of agencies;
- ✓ Defined concrete measures to implemented in each agency, which resulted in a significant increase in the level of customer satisfaction;
- ✓ Included the results obtained in the study in its incentive system to the branch network;
- ✓ Defined business strategies and objectives in each agency;
- ✓ Increased customer portfolio of each agency, through the acquisition of new potential customers to the bank;
- ✓ Understood better its business through the integration of the study results with the financial data residing in the bank information systems.





4.2 Chain of Stores in the distribution sector

4.2.1 Objectives

A large distribution company went through a phase of recession, closing stores and cutting jobs. It contracted the services of Qmetrics to assist it in the definition of a program to increase customer loyalty, the share of wallet with their customers, the market share and the profits of its shareholders

4.2.2 Qmetrics approach

Qmetrics assessed the quality of service at various stores. This evaluation allowed to identify the impacts that the behaviors of employees and operational processes had on the perceptions and behavior of their customers.

4.2.3 Results

Based on the set of analysis and recommendations provided by Qmetrics, the client:

- ✓ Established a quantifiable and predictable relationship between employee satisfaction, customer satisfaction and financial results;
- ✓ Created a compensation system for store managers based on customer satisfaction goals,
- ✓ Developed specific action plans for each store, among over a hundred stores;
- ✓ Registered an improvement of approximately 15 points in employee satisfaction indices in relation to the national employee average, as supplied by ONRH (the National Human Resources Observatory);
- ✓ Developed initiatives on human resources in areas identified as having the greatest impact on customer satisfaction;
- ✓ Improved by 20 points the average customer satisfaction as measured by ECSI (European Customer Satisfaction Index).
- ✓ Registered an increase of 10 percentage points in the share of wallet of their clients and 5 percentage points in market share within a year.

