

The Importance of Capturing Feedback from Your Non-Buyers

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It should come as no surprise with the explosion of Customer Experience Management over the past decade that virtually every company with a customer is now more interested than ever in learning how that customer thinks and feels about them. Moreover, savvy companies want to know everything upstream, midstream and downstream from every interaction involving every customer—and they are building systems to ask, store, prioritize, analyze, distribute, segment, predict and act on the data they're capturing. Scaling this 'dragnet' of institutional curiosity is no small task. There are a multitude of methods companies use to access this customer data—and the providers of the tools that help survey customers are not bashful about lending advice to their customers about how to survey customers with their own platforms's interest in mind. This causes some problems for brands who genuinely want to capture the best, right data from the broadest spectrum of customers to improve the overall experience quality their customers have with the brand. Specifically, if your brand is only talking to those who are most willing to share positive sentiments about your brand, you will be missing a very important band of highly valuable sentiments along your customer experience spectrum. This paper covers CX Pilots' research on the importance of doing what it takes to capture non-buyers (read: non-lovers) of your brand and how to increase response rates from them.

Every company has a segment of customers that, for one reason or another, represents the least allegiant among their segments. They are either one-time buyers or long-time customers who've gone dormant for any number of reasons. In some cases, they genuinely dislike the brand, have developed an allegiance to a competitor or they are no longer in a role or capacity to continue purchasing. In other cases, they may have had a poor experience interacting with your brand.

Getting value insights from this segment is crucial. However, there are a host of challenges in getting this segment to provide the time and attention, to put energy into improving your brand. Further, you have likely developed perceptions that they have determined your brand is no longer valuable to them — that they don't want to offer insights to help you enhance the customer experience. You're likely thinking, what can they possibly get out of it, and thus, why would they want to participate? In some cases, you may be right—they aren't interested. Yet, our research indicates this is not always the case.

In Figure 1 below, we used CX Pilots' dormant user survey invitation methodologies to encourage dormant/non-buyers (typically, customers who've not purchased in past 24 months) to participate in a survey to capture their feedback.

Figure 1

Brands whose dormant customer segments were willing to participate in a customer experience (CX) survey.

	Industry	Willing	Net new participants	Sample size
Brand 1	Insurance	54%	965	1788
Brand 2	Private Banking	44%	481	1094
Brand 3	AEC	56%	506	905
Brand 4	CPA/Accounting	66%	423	641
Brand 5	Consulting	71%	305	430

This research validated our early hypotheses that those industries which tend to have the strongest personal relationships (CPA/Accounting, Consulting) would most likely have the highest levels of participation willingness despite being dormant customers. It's no surprise that the tighter the personal relationship, the more willing people are to provide candid help to brands with their feedback.

Figure 2

Our interviews revealed reasons for dormancy among customer segments participating in the customer experience (CX) survey.

	Industry	Top Reason for Dormancy
Brand 1	Insurance	Technology: lack of mobile solutions relative to competitors
Brand 2	Private Banking	Service: lack of personalization, not feeling valued
Brand 3	AEC	Price: architecture and engineering services at parity, low price wins
Brand 4	CPA/Accounting	Innovation: rate of innovative service low relative to competitors
Brand 5	Consulting	Service: lack of creative solutions and innovation relative to competition

In each case above for the five brands illustrated, the company was both unaware of how easy it was to attain such high levels of feedback from dormant users, and the seriousness of the reasons for the dormancy.

CASE STUDY: BRAND 1

This insurance company had conducted several surveys of their customer segments over the years and had unwittingly gathered false-positives in the form of higher-than-normal NPS (Net Promoter Score) results by only talking to the customers who were both active premium payers or who had accepted generic offers to participate in a comment box style of online survey using one of the large CX VOC (voice of customer) platforms. In essence, they lost contact with those who left the company for reasons that were/and are still today, completely preventable. Upon gathering surprising new results from their dormant segments, the company began interviewing existing customers to determine their level of interest in more digital/mobile solutions. What they learned surprised the Senior Level Team but validated what the company's digital/IT people had been warning against for years—that more robust mobile solutions were far more popular among their best customers than they had originally suspected—**findings that unfortunately took the loss of a few thousand customers to realize.**

The reality is that companies need to make hard decisions to more aggressively interview or survey those who are no longer transacting with the company to gain deeper insights into the reasons for dormancy. As the research shows, dormant segments are more willing to participate in surveys than most may realize. And the results can lend staggering insights about the company's technology, service, pricing and innovation potential.

KEY FINDING 1:

We consistently find that sales executives want to guard their segments (even the dormant ones) from excessive outreach from the brand. This is largely due to a simple lack of communication about the subject and intent of the outreach. While sales may want to let time play its course—reserving the chance to reach out to these dormant segments at later dates to regain their business—they may be holding their cards too long. Our research shows that the less time that transpires between a potentially poor customer experience and the the company’s outreach to determine cause, the more likely the customer is to both participate in customer experience surveys or interviews and rethink their relationship with the brands with which they once transacted.

If customer experience leaders inside companies want to increase valuable insights from dormant customer segments, they need to work across the business units and share more communication about their intent. We consistently find that when sales executives understand that the CX outreach to dormant segments is simply intended to learn more about the experiences (negative, neutral or positive) and they share the email invitation scripts, the interview scripts and even some of the audio or transcripts from past interviews, Sales tends to fall into agreement with allowing CX leaders to call on their customer lists.

In many cases, we see higher rates of cooperation and coordination between CX teams and sales organizations inside companies when both sales and CX co-create the invitation and survey/interview scripts. This allows sales to have a say in what information will be collected to help them accomplish more of their goals in line with the CX efforts—two birds, one stone.

KEY FINDING 2:

Phrasing in email invitations to participate in CX surveys and interviews to dormant users makes all the difference.

Typically, dormant customers aren’t doing business with a brand for reasons that make more sense to them than it does to the brand. However, the proper phrasing can open their eyes and help them reconsider participating if it’s for reasons that appeal to their values. Good examples of email subject lines tend to appeal to dormant customer’s values and not their pocketbooks. If they feel like the brand is genuinely trying to make improvements that will

enhance their lives or the lives of others like them, they will be more likely to participate—not so much if they feel like they’re being manipulated with a short-term ‘goodie’ allowing the company to rebuild their customer base and bottom line with the participant’s energy.

Figure 3

Example email subject lines for interview invitations to dormant users

Email Subject Lines for Survey/Interview Invitations	
Good	“Improving every customer’s experience takes candor from people who’ve left”
Good	“Candid feedback from past customers helps us simplify the lives of future customers”
Good	“your participation in a 20 min interview may help 200 future customers”
Bad	“We miss you, stop by for 25% off your next purchase”
Bad	“What will it take to get you to come back to us?”
Bad	“\$25 Starbucks gift card for taking this survey”

CASE STUDY: BRAND 4

A Los Angeles CPA firm had inexplicably high client turnover or ‘churn’ rates that nearly quadrupled between 2008 and 2011. Using a conventional VOC platform, they were sending out prepackaged email invitations for client surveys with a significantly ‘casual’ approach to gather insights to help stem their client losses. Their response rates were at a miserably-low 5% - 8% (relative to their industry average of 50%-60%). To their credit, some of the world’s largest creative and entertainment companies were among their clientele, but nonetheless they were flummoxed. We helped them realize that while their clients were creative and entertainment brands, their client contacts were still serious ‘bean-counters’ that were put off by their tone—and as such, were comfortable ignoring the firm’s slapstick approach to requesting their client’s time and energy. The firm had mistakenly adopted the tone they felt befitting their client and not their client contacts.

CONCLUSION

There are several things to consider when trying to gather insights from dormant customer segments. We recommend collaborating broadly with adjacent internal teams like sales, marketing, corporate communications and service/support teams to plan the most effective joint approach that allays real fears while harnessing the insights of those who understand that relationships between dormant customer segments and the brand so that you can:

- ▶ **Access the dormant customer segment lists often under the control of sales teams**
- ▶ **Coordinate the data and insights you wish to cultivate from dormant customer segments**
- ▶ **Customize the survey/interview scripts with a broader internal cohort**
- ▶ **Ensure you're not overburdening customers with too many survey 'asks'**
- ▶ **Craft the right invitations with the right tone**

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