

French Odyssey

By Brenda Stewart

Citroën success story proves that improving customer service increases profits.



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Focusing on customer satisfaction

Logic dictates that the more satisfied customers you have, the more successful your business will be and the higher your profits. Of course, when you are running a multi-million pound business you can't be at the front line making sure your staff are delivering service to customers in the way you want. And when it comes to investing in improving customer satisfaction, you want to know you are making changes where they will have most impact and where there will be a return on the investment.

Citroën UK has seen its share of the UK car sales market increase significantly over the past couple of years. Certainly the company has produced some very popular models, but the company has also taken customer satisfaction very seriously. It has proved the link between customer satisfaction and profitability and found in the process that just training front line staff in how things should be done isn't always enough.

Shifting the customer satisfaction index

When Citroën UK found that its customer satisfaction index (CSI) had remained static for over 12 months, it started to look around for radical ideas to

make an impact on this very stubborn set of statistics. It wasn't that the figures were poor, but simply that they had hit a plateau. Citroën UK knew there was scope for improvement. Standing still wasn't an option it wanted to consider.

In the search for a new approach that would kick life back into the CSI, Citroën UK came across an article by Cape Consulting talking about the very issues that Citroën UK knew it needed to address: improving the CSI by motivating the people who interact with customers to improve their service performance.

The pilot study

Very quickly Citroën UK decided to undertake a pilot study using Cape's service performance measurement system. This involves analysing what constitutes 'ideal service' in the eyes of customers and then developing a data collection and measurement system to motivate staff to focus on ensuring customers' service priorities are met.

Involving staff

One of the important differences between Cape Consulting's process and traditional customer opinion surveys is that staff are involved in the process from the outset. They are consulted on their views of the issues that are important to customers, are able to help with the design of the questionnaires and are trained to ask customers directly about their own performance. Involving staff in this way creates enormous buy-in for the process and makes them very aware of how their behaviour impacts on customers. The results of customer research are far more personal, providing a powerful incentive for improving performance and for acting on the feedback. Because staff know when the research has taken place, they are far more likely to believe in, and act on, the results than with other methodologies such as mystery shopping and post purchase telephone or postal questionnaires.

'The Difference is You!'

Branded within Citroën UK as 'The

Difference is You!' the starting point was a pilot programme involving two dealerships. There were four key objectives: engaging dealership staff in developing and delivering service behaviours that customers said were desirable; fostering a coaching culture amongst managers to provide support for change; creating a system capable of measuring behavioural aspects of service; and supporting a monitoring process to ensure that improvements were sustained in the long term.

Citroën UK already had very detailed customer research, so this was carefully analysed to define key customer service behaviours about which customers would be asked.

The two areas for focus were sales and after-sales, where there are differing and distinct customer service priorities. Managers from both groups attended events where their views about service performance were sought. This was an opportunity to create buy-in for the process and for them to develop the skills they were going to need to support their staff in gathering data, developing action plans and focusing on service behaviours.

Collecting data from customers

The front line sales and after-sales staff who would be engaging customers in completing the questionnaires were then introduced to the process.

They contributed their ideas both to the questionnaire content and design and to the proposed reporting process. This ensured that the reporting process would fit with their working patterns and that the data being gathered would be relevant and actionable. Although some people were initially sceptical about finding the time to hand out questionnaires, they found it very easy to fit into the conversation and were pleasantly surprised by customer reaction. Debbie Thompson, a Sales Advisor said "Customers were pleased that the company thought their views were valued and we found that people were happy to complete the questionnaire there and then."



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Personal results

There were two rounds of questionnaire collection and analysis. After each round the results were distributed to the individual staff who had been gathering data. They were encouraged to use the information to form a personal action plan, which they reviewed with their manager. Both staff and managers found the results very useful. For example, Mark Scott, a service adviser said the results "highlighted a delay in our parts back order system, which we have been able to resolve and now we can get information back to the customer more quickly". Debbie Thompson said, "I learned that I didn't have enough car service and technical information, so now I spend time with a technician to improve my knowledge."

Alan Assatourian, new car sales executive was surprised by some of the results "I learned that I was falling short on closing sales, so I got my manager involved so that I could learn from him."

The front line staff's individual scores improved over the two rounds of data collection, demonstrating that personal action planning was effective. As one of the service and body shop managers said "It is difficult to get honest, reliable and instant feedback, this programme allowed us to do so."

The independent, external CSI results for the pilot dealerships improved. All the participants confirmed that the process had created a sustainable improvement in service delivery behaviours.

Rolling out the programme

The majority of Citroën UK dealers are franchisees, and one of the first and major challenges had been to persuade the franchisees involved in the pilot that they would derive benefit by investing their time in this programme. High on the dealers' agenda was whether there would be a direct business benefit, so when the pilot was judged, Citroën UK knew that they were seeing a return on their investment.

Following the success of the pilot, Citroën UK decided to extend the programme to the 50 dealers who were performing least well on the company's CSI. Moving their scores and improving

their profitability was a real challenge.

Success criteria for the roll out included each participating dealership signing a contract of commitment to the process.

Payment by results

Formal measures for success included the scores for the roll out showing an improvement over the scores from the pilot and clear evidence of a positive impact on the CSI scores for participating dealers. Cape Consulting was certain that CSI scores would improve; so certain that a part of its fee was staked on meeting the success criteria.

Business results

Over 150 managers and 450 sales and after sales staff from 55 dealerships participated in this phase of the programme and the results were impressive. The CSI scores for the dealerships involved in 'The Difference is You!' programme increased across all the agreed indicators and by a greater percentage than those not in the programme. The improvement was reflected across both sales and after-sales experience.

This was clear evidence that involving staff and developing their skills through coaching was a highly effective way of improving customer service. Bill Jeffries, national dealer training manager confirms "The Difference is You!' programme achieved great buy-in and support from our dealers, who are notoriously difficult to convince, and we believe the techniques they learned will continue to deliver sustainable improvements in the service we provide for our customers." Bill Compton, a dealer principal confirms the success of the programme amongst the dealership network

"I'm well known for speaking my mind, and this is one of the best initiatives we have done with Citroën UK."

To measure performance and profitability, Citroën UK groups dealerships of a similar type (size, location, number of staff) into six leagues. Across every league the results of the top performing



dealerships in terms of CSI score are also reflected in higher average net profit. In addition, the top 10% of dealerships in terms of CSI score, contribute almost one third of the total net profit for the whole of the dealership network. The motivation to improve the CSI scores could not be more compelling.

The conclusion is inescapable. There is a direct correlation between customer satisfaction and profitability. It clearly pays to invest in keeping customers happy.

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