



April, 2012

Dear Judi,

The ROI of mystery shopping is elusive because of all the variables at play. However, you may enjoy these three articles about some advantages of mystery shopping.

### How Mystery Shoppers Save You Money

You've likely seen advertisements or documentaries highlighting the business of "mystery shopping." You may have even tried a shop or two in hopes of making a little extra cash. Where many people aren't too enlightened is in how exactly mystery shopping keeps costs in check for the average consumer.

#### Branding

Have you ever gone into a hotel that didn't quite seem like it represented the brand printed on the outdoor sign? One of the more common tasks of the mystery shopper is to check for brand integration -- especially in establishments that have recently experienced a change in ownership. The hope is that feedback from the shopper can give chain owners a sense of how their brand identity is translating at the customer level. This saves you money by making sure you get exactly what you pay for. For instance, you shouldn't have to pay four-star hotel prices on a room that displays the branding of a three-star chain.

SEE: [How Companies Create A Brand](#)

#### Customer Service

Companies are starting to pay attention to how they treat their customers; according to a recent study by American Express "seven in ten Americans (70%) are willing to spend an average of 13% more with companies they believe provide excellent customer service." How does this directly save you money? Companies that use mystery shoppers to audit customer care are more likely to use that information to tweak their processes to be more customer-friendly -- they want a piece of that 13% of additional spending. This, in turn, can save you time and money by making sure you receive proper service the first time you enter a store or restaurant. There is monetary value in not having to return an item, leave a store mid-transaction or suffer through a disappointing experience.

[Click here for complete article](#)

By Linsey Knerl  
Investopedia

### Inside Marketing: Can You Really Measure Customer Experience?

A senior citizen walked into his Dallas credit union to discuss his soon-to-mature share certificate. Interest rates had dropped, and he was looking for a better way to invest his money.

The teller directed him to a CU member service rep to learn more about his options, noting that possibly an annuity or a conservative mutual fund would better suit his needs.

Unbeknownst to the teller, this senior citizen was more than what met the eye. He was a mystery shopper, evaluating the customer experience. He was taking note of such things as whether the teller introduced him to the MSR, or just pointed and sent him away, and whether the teller restated his inquiry to the consultant, or left him, the valued member, to re-tell his story.

Credit unions are using mystery shoppers right now to monitor and improve everything from customer service and cross-selling techniques to compliance and fair lending practices and how well they measure up to the competition.

Often used as a tool to identify and continually improve customer service, mystery shopping can have a significant impact on every aspect of the customer experience, which ultimately drives the bottom line.

The impact of mystery shopping on credit unions has changed significantly over the years.

"Before, we had to explain mystery shopping," says Judi Hess, owner of Customer Perspectives in Hooksett, NH. "Now that the discipline has proven its value to the industry, we need to explain new ideas for maximizing your program."

Hess explains that an effective mystery shopping program approaches customer service improvement from several angles. The same shopping program can be used to measure and fine-tune training initiatives and highlight specific results with individual employees. Results could also be part of an incentive program on the individual or branch level.

### **Training and Measurement**

\$1.6 billion Travis Credit Union in Vacaville, CA uses mystery shopping regularly to monitor all member touch points - including teller shops, loan shops, phone shops and new account shops. Management uses the data to pinpoint specific areas that may need improvement.

Travis CU's January 2007 mystery shop reports were showing a score of just 62 percent for employees asking questions and listening for cues of how the credit union could better serve members. The CU implemented a training program that taught employees what types of phrases to listen for and what kinds of questions to ask. In a year's time, the same question received an 82 percent score.

"If employees aren't listening and asking questions, they're missing opportunities," said Renee DeSantis, president, Game Film Consultants, a mystery shopping firm in Austin, TX. "That's where the

value of mystery shopping is very evident. It clearly shows where to focus your training efforts."

In its shop, \$98 million Premier Federal Credit Union in Greensboro, NC, was looking to improve its cross-selling. It leveraged mystery shopping results to pinpoint specific areas where employees could use additional training.

"Realizing that providing top-level service to members includes offering a variety of products to meet their needs, we began to focus on a 'needs-based' selling culture," says CUES member Lori Thompson, executive vice president of Premier FCU. "Our mystery shopping program was a key factor in being sure employees were on the right track."

When the mystery shopping program began, Premier FCU employees achieved a 52.8 percent score on closing skills, or asking questions to see where additional products may benefit members. Relying heavily on mystery shopping scores and training provided by its mystery shopping provider (Customer 1st, Greensboro, NC), Premier FCU was able to increase its closing score to 95.6 percent in just two years.

#### **Measurements and Morale**

Premier FCU also implemented an incentive program for strong shop results by publicly recognizing associates for a job well done. Sometimes associates are rewarded with movie tickets or other small but meaningful giveaways to recognize exceptional evaluations. This step can boost the likelihood of positive results, says Carl Philips, director of Customer 1st.

"It's about catching them doing it right", says Philips. "The old adage, 'You can't move what you don't measure' applies here. If associates know a mystery shopping program is in place to measure closing standards, then they will be more likely to meet those standards.

No matter the type of shop, program or initiative, mystery shopping is an excellent opportunity to boost employee morale.

As Philips pointed out, the simple fact that employees know they're being evaluated is often an incentive to do good work. Recognizing employees for a job well done or talking through things that didn't go so well is a form of hands-on training that gets results.

According to Bob Maietta of Service Evaluation Concepts, a credit union in Massachusetts uses its mystery shopping reports at quarterly meetings with loan officers. Team leaders point out the areas of the mystery shopping program that show weakness, taking out the names of employees and discussing ways to fix the problem. More importantly, they also point out the areas where employees do exceptionally well. That simple task alone helped improve mystery shop scores to the level of the credit union's service standards.

Frank Aloï of ath Power Consulting in Andover, MA, says mystery shopping can focus a credit union back on the basics of the industry.

"Credit unions were created to deliver the type of member/customer-

focused service that banks want to be known for," Alois said. "We're seeing the trend in the industry that mystery shopping is being used as one of the primary mediums to gather customer experience data. Effective shop programs tell management what really is happening out on the front lines."

In addition to revealing a credit union's strengths and weaknesses, mystery shopping can also be used to see how well a credit union is measuring up to its competition. Evaluating the same customer touch points at competitive banks and other credit unions allows significant insight into opportunities to gain new members.

"Using the information for coaching and training truly will create change and improve customer service," says Brian Caldwell, client services manager for IntelliShop in Perrysburg, OH. "It's a simple equation. Better customer service leads to better member satisfaction which equals a better bottom line."

By John Swinburn

## How to Calculate ROI for Mystery Shopping

As 2012 budget time approaches, companies have one priority when choosing what items to include in their budgets: ROI. Now, more than ever, companies are assessing carefully how every service that they use contributes to ROI. Many service providers claim their offerings tie directly into ROI; however, they don't clearly outline the numbers.

Managers need hard numbers to justify purchases, and mystery shopping services are no exception. Whether a company has been using a mystery shopping program for a long time, or is considering one for the first time, estimating ROI can help weigh the costs vs. the benefits of the program. Companies measure ROI for mystery shopping in two ways:

1. Measure the impact of suggestive selling in terms of increased revenue.
2. Estimate the number of referrals, and resulting sales dollars, that come from improved customer service quality.

When employees know that any customer may be the mystery shopper, most improve the quality of their service efforts and up their performance. With more employees providing higher quality service, customers tend to be more satisfied and willing to refer others to your business.

[Click here for complete article](#)

Aug 30, 2011 by Confero Inc.

## Upcoming Events

**Worldwide Business Research** mobile shopping conference - April

23rd - to 25 in San Diego. For complete information, [click here.](#)

**The Alliance of International Market Research Institutes** "The Power of Social Media research on the International Landscape" conference on April 27th in New York. For complete information, [click here.](#)

**IIR** technology in market research conference - April 30th - May 2nd in Las Vegas. For complete information, [click here.](#)

We love referrals....  
please tell your friends and colleagues about the mystery shopping services of Customer Perspectives by clicking on the share link below  
[www.CustomerPerspectives.com](http://www.CustomerPerspectives.com)



[Forward email](#)



This email was sent to [judi@customerperspectives.com](mailto:judi@customerperspectives.com) by [judi@customerperspectives.com](mailto:judi@customerperspectives.com) | [Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Customer Perspectives | 213 West River Road | Hooksett | NH | 03106