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What Client Surveys are and why professional firms should do them

Lots of firms do them. Very few do them right.

Client satisfaction research seems so simple that one wonders why it's not a universal practice. Imagine being able to develop a new business out of an existing business and, at the same time, uncovering and solving problems that might be threatening vital client relationships.

Client surveys uncover what clients feel is important in their relationship with their professionals and how they rate their firm's performance. As firms have learned to their cost, surveying clients is not a job for amateurs. You can't simply mail clients a questionnaire and expect to get back useful information, that's if you get back any information at all.

It's Not Rocket Science, But It's Science

The best results are obtained by outside market research consultants who know how to set up phone interviews and extract quality information from clients. They have developed benchmark data with which to evaluate and interpret client responses to a broad range of questions.

Moreover, outside market research consultants know how to underscore the information they develop in a way that reveals persistent problems in the relationship. Armed with the information, responsible partners follow up with the client to solve problems that have been uncovered or to explore openings for new business that have been revealed.

Client Research: Worth Its Weight in Opportunities

"Too bad they don't have an environmental practice," the client may say. Findings like that often shock professionals. They are often appalled to learn just how little even their oldest clients know about them. In addition, firms often are surprised to learn how much business is leaking away to competitors.

You may know your environmental practice is blue chip. Half a dozen clients may know it. But the rest of the world, including the rest of your clients, may be clueless. If nothing else, the client research process underscores the areas in which you now need to do some concerted marketing and PR. Business development, after all, is about market perceptions, not reality.



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Catalogue of Excuses

One went something like this: “We already know where our weaknesses are. Why invest time and money to find out what we already know?” The answer to that is twofold. First, you might be surprised! The client survey might well tell you something you don’t know. Equally, if not more important, client satisfaction research isn’t necessarily supposed to reveal something new. A major purpose of the research is to prioritise your strengths and weaknesses as well as the corrective and opportunistic actions to be taken.

Research Points to Where to Spend Your Time and Money

For example, one of the statistical instruments that researchers use might chart several attributes in terms of their importance to clients and how important the firm’s professionals believe that they are to clients. Here, the data may show that certain attributes, such as communications skills and knowledge of the client company, are ranked as highly important by the firm but less important by the client, or vice versa.

You might know where your weaknesses lie, but where do you want to invest the lion’s share of your corrective energies? Do you want to invest in solving a problem that the client considers marginally important? Or, do you want to invest in solving a problem that the client considers crucially important? Knowing thyself isn’t enough.

The research tells you what part of yourself is actually relevant. Finally, when firms did venture into doing client research, they generally did it all wrong. They followed corporate research models wholly inappropriate to the relationship-based realities of professional services’ marketing. In the worst cases, they used mass-market research methods that actually damaged their relationships with the clients that they were hoping to help.

For many firms, client research turned out to be a junk-in, junk-out debacle that discouraged them from ever trying again to do it right. It gave the best marketing tool in town a bad name.

Today’s Imperative

Today, the client-research process has finally caught on because firms are realising that they have no choice. It has finally dawned on them how much money they’re leaving on the table, on a per-client basis.

As the competitive marketplace consolidates, the realisation has been forced on them that, while they may have once rejoiced in a £50k per annum client engagement, that £50k represented, say, a mere 20 percent of the client’s total



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professional services budget. Ever-bigger competitor firms were sharing the remaining 80 percent and, sooner or later, were gobbling up the £50k stake as well.

Today, firms will continue to leave significant amounts of money on the table if they can't answer these questions:

- What work is being done by other firms?
- Who's doing it?
- How satisfied is the client with the service provided by its current firms?
- What is the firm's image with respect to these services?
- How should we address this opportunity (if at all)?

The firms that are in the most trouble are the ones that typically have handy excuses for each decline in client share. For example, a major litigation ends, and so the firm assumes that there just isn't any more work to do.

Watch carefully for this danger sign when you listen to your responsible partners and practice group heads discuss their client base.

Firms that attribute declines in client share to "natural work cycles" or to the happenstance of particular cases or deals are the ones that most need to pursue formal client satisfaction research simply as a matter of survival.

Their clients are in danger of just fading away. The awful problem for such firms is that there is no moment of crisis that brings the real reason for decline to the fore. The satisfaction research, in a sense, creates the critical moment of awareness. It makes explicit the tacit cause of the decline.

Action Points

The data produced in the client research process should compel two different kinds of action points. The first is direct action that the firm can take to rectify, improve, or expand client service. Typical examples include:

- Day-to-day operations. For instance, the client says, "We need regular reports. We're not getting them." So, for goodness sakes, give them regular reports!



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Larger strategic issues. For instance, the client says, “We need you to understand our company better so that you can gear your professional services to our business objectives.” For the responsible partner and, indeed, the entire client team, that is a cue not simply to run out and start doing research on the company, but to drill down deeper to ask: What aspects of the company do we need to understand better? Is it your growth plans, your product development, or your financials? How do we develop a better understanding and to better define your business objectives?

- Resources. For instance, the client says, “Firm X is developing an extranet that is really useful to us. It would be great if we had something like that from you to help us manage our potential caseload in areas where we’re exposed.” The implicit but obvious message is that Firm X, rather than you, might get more of the client’s business because of that extranet or similar resource.

The second generic action point is less direct but equally important. Your research will reveal client discontents that you simply cannot do anything about. What do you do then?

The most typical case in point is cost. “You’re too expensive,” says the client. The action point here actually might be a re-examination of the entire relationship. Indeed, it has become a strategic imperative among many firms to review their client bases and identify the profitable work and the unprofitable work. If there is real resistance to your rates and billable totals, even if those rates and billables are in line with what similar firms are charging, it might be a cue to disengage.

The objective at that point is to disengage in a way that will preserve the relationship. The same company that is balking at your rates for commodity work could yet have premium work for you further down the line. A forthright, respectful conversation might show that the client would have no problem with your cost structure for those higher-quality assignments.

Remember, clients generally gripe about costs. It’s part of their job to do so; but information collected by a firm with deep experience in the marketplace will provide benchmarks allowing you to gauge whether their complaints are unusual, whether they’re things to be really concerned about or whether they’re likely just posturing.



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Other problems or client discontents might be unsolvable but shouldn't normally prompt you to any drastic action. Often, the action point in such cases is simple handholding and sending the crucial message that the client really wants to hear. The message is: "We can't solve the problem, but we do still care very much about you, and we will do everything in our power to at least assuage the difficulty".

For example, the client might say, "Your billing system is too cumbersome for us." Usually, a firm is not in a position to junk and redesign its entire billing system. If the client satisfaction research reveals this particular problem, the firm should first acknowledge that it is an intractable problem. Clients also appreciate candour, but then it should commit to providing as much support as possible. Make your support personnel available 24/7 to walk the client through every wrinkle in his bill.

Clients do not expect you to be able to fix every problem, but there is great benefit to the relationship in just showing that you are listening, understand and care. It's bad not to know what's troubling the client, and it's much worse to ask what's wrong and then not even acknowledge that you've heard it.

Final Message

There are obvious reasons why clients love good client satisfaction research. Their relationships with their professionals are crucial to them, and when they see them taking concrete steps to improve those relationships, they respond accordingly. Remember too, many, many clients survey their own customers. It's a process that they already believe in.

When they see their firms pursuing such sound business practice, it assures them that the firm is likely pursuing other sound business practices as well, from refurbishing their infrastructures to managing cases more efficiently, which will also redound to their benefit as professional service consumers.

Be careful nonetheless! firms must not make the mistake of thinking that their approach to research should necessarily mirror the approach that has proved successful for their clients. Your services and their products may actually mandate very different approaches.