

# The Dual Axis System of Surveys

by Richard Harshaw

Lodestar Consulting Systems, Inc.

©2008 by Lodestar Consulting Systems, Inc. All rights reserved.

## ***You Offer Value***

The most important thing a contractor can do in serving his customers is offer value to them in such a way that the dealership is perceived as being a first-class organization with which to conduct business.

Typical customer satisfaction surveys ask a few questions, and it is assumed that the right questions are being asked. But are they?

Most surveyors don't know. A dual axis survey would tell us.

## ***Two Is Better Than One***

In a dual axis survey, we ask the customer key questions, such as "How did we do with regards to being on time?". But we also ask another question: "How important to you is it that we be on time?"

Suppose the customer rates us, on a scale of 1 to 5, 1 being poor and 5 being strong, a 2 on timeliness (ouch!). But he also rates timeliness (using the same scale) a 2. This tells us that whereas we weren't on time with this customer, it is also not very important to him that we do so. So why worry about it?

Conversely, if the customer had rated our performance at 3 but valued timeliness with an 5, we'd be in trouble! He

wants timeliness and we are not providing it.

## ***The Ingredients of Value Bubble to The Top***

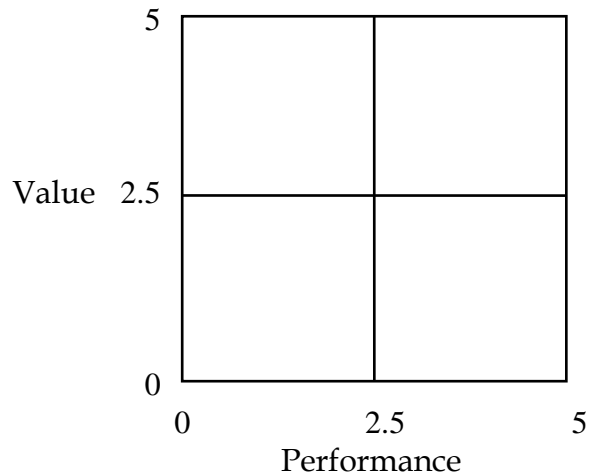
Do you see how this two-question system helps us not only see how we are performing, but also to find out what is important to our customers? It helps us find out what elements of our complex package of value-added service are important to our customers. Things that he does not value, we stop offering (or at least bragging about). Things he does value, we go all out to be sure we are doing a super job of doing!

## ***Graphic Detail***

In fact, having two measures of each area of performance lets us create a graph that lets us see visually how well we are doing (or not doing). If the horizontal axis is called "Performance" and the vertical axis is called "Value", we can plot each customer's response on a grid where his Performance and Value scores intersect. We can do this for all the customers surveyed, and then compute the *average* Performance and Value and plot that on the same graph (using a special symbol) to see how we rate overall.

### ***A Picture Is Worth a Thousand Surveys***

Here is what such a graph would look like:



Scattered on this chart like buckshot would be the plotted points of our customers' ratings, with the average point indicated with a special symbol like a small triangle or cross-hair. It is the location of this average point that is absolutely critical.

**Where should it be? The upper right quadrant.** This is where you are performing well on matters that are valuable to the customer.

**Where should it *not* be? The upper left quadrant.** This is where you are not performing well on matters that are valuable to the customer.

What about points below the 2.5 Value line? Who cares about these? Whether you do well or not, they are not valuable to the customer.

So we survey our customers with Version 1.00 of our survey form and find

that of the 12 or 15 things we ask about, four fall below the 2.50 Value line. On Version 2.00 of the survey, we omit those four questions and ask new ones. We keep doing this until we come up with things that the customers consistently rate as 2.50 or higher in value, and then we constantly measure how we are doing on those issues.

### ***Incentivize Behavior***

The power and value of a two-dimensional survey is that it helps us identify what behaviors we need to change to satisfy our customers. Having identified those behaviors, we can then address them with our employees.

### ***ACTION STEP***

For example, if you presently pay an annual bonus to the service manager, I suggest you change this so that the service manager can still make the bonus, but a sizable piece of it— I suggest 30% or more— be tied to specific and measurable goals. For instance, if the service department has six points falling in the upper left quadrant of the graph, the service manager is given those six behaviors to change. Every quarter we would measure the service department's performance on those six behaviors and if *all* the points move into the upper right box, the service manager gets that quarter's share of the 30% set-aside. If 4 of the 6 move into the upper right box, he gets 2/3 of the 30% set aside, and so on. The point is, a big piece of his quarterly bonus is based on how the *customers* rate the service department performance in those areas that the customers say are important.

For more information on Lodestar Consulting Systems and my seminars, check my web page ([www.lodestarconsultinginc.com](http://www.lodestarconsultinginc.com)) or check with your distributor, or write me at [lodestar51@cox.net](mailto:lodestar51@cox.net).