

the reality of perceptions

BY TRISH BROCK

WHAT DO CUSTOMERS THINK OF YOUR DEALERSHIP?

Few of us see ourselves as others see us. Not surprisingly, this is true for many organizations in varying degrees. And, any gaps between our own perceptions and those of others can create obstacles which hinders performance and goals.

Most dealers are well aware of this and attempt to bridge potential gaps. Sales people generally have a keen awareness of market conditions and strive to understand why projects are won or lost. This understanding, combined with competitive information certainly aids in future sales efforts but there could be many insights that lie beneath the surface.

SURVEY SAYS....

In an effort to learn more, many dealers will send customer satisfaction survey cards to customers. Generally, they are brief and often ask customers to rank recent services on a scale of 1-5. Questions are asked such as how well the installation team performed; how well customer service resolved a problem; how courteous the staff has been; was the project installed to their "satisfaction;" and did the salesperson's recommendations meet their needs. There is often an area at the end of the survey for comments.

These surveys allow customers to relate their recent experiences to management at the dealership. Hopefully the dealer is aware of and has already rectified any major

problems or grievances long before the survey is sent but it does give the customer an opportunity to speak about the various interactions during a project and the dealer gets a "report card" on the specific job.

Other efforts might include surveying a broader and larger group of individuals from the marketplace. Believing that it is known why furniture decisions are made and what is important to buyers, surveys are created to determine the rankings of dealers in the marketplace and how they perform against specific response criteria. The dealer with the most 5's is then assumed to be the preferred dealer and/or the best in the marketplace.

These larger surveys may yield more information depending on how they are structured. Many are developed with closed-ended questions, asking the respondent to rate dealers in various categories, often using the 1-5 Likert scale. The questions and response categories are predetermined to address topics such as product and service capabilities, showroom effectiveness, environmental leadership, sales representation, meeting expectations, etc. The survey is meant to determine how the dealer compares to competitive dealers in the market.

Who the participants are and how many are asked to complete the

questions will determine how reliable the data is. The defined goal of the survey, how the questionnaire is built and specifically what questions are asked will also determine the relevance of the information.

Both of these survey instruments are worthwhile endeavors. In the case of the customer satisfaction survey, it is important to remember that it is often feedback and a measure of a dealer's competency on one project. In the case of the sample survey, the goal is to get a ranking of the dealership compared to its other competitors.

While the information from both surveys is helpful, there are some limitations and drawbacks. While it is helpful to know how a dealer ranks in the community, it is more important to understand why. Closed-ended questions may help a dealer quickly understand some market competitive data, but by the nature of closed-ended questions, predetermined assumptions are already identified, and therein lies the problem. Closed-ended questions are limited in that they don't address the more complex aspects of the customer relationship and how decisions have been made. Or as one customer recently complained, "they didn't ask the questions I was interested in talking about." And, without that information, you won't necessarily be able to better position yourself on the next major project presentation.

PERCEPTUAL MARKET ASSESSMENTS REVEAL REAL DIFFERENCES

Understanding the perceptions of the market, the experience the market has with any given dealer, and the preferences buyers and specifiers have when choosing a dealer provide a depth of information not obtainable in customer satisfaction and sample survey questionnaires. Understanding the attitudes and changing needs of the customers drives sales and makes one dealer more desirable than others. It involves relationships, personalities and emotional factors that don't show up on a scale of 1-5, but that greatly impact how choices are made. While a respondent may rank a dealer on a scale, we still don't know the underlying reasons, or the values and goals affecting their preferences.

As dealers struggle to differentiate themselves in an increasingly competitive marketplace, this is the information necessary to separate themselves from the crowd. It is important to understand the perceptions in the marketplace and determine if it is consistent with how the dealership perceives itself. Are the selling propositions and branding message meaningful to the customer and marketplace or are they based on "anyone can claim" statements?

Armed only with information about how well a recent installation was performed, or how a dealer ranks in size or showroom space, dealers still struggle to understand why one dealer is chosen over another. Assumptions are often made about the importance of certain criteria, often without meaningful and actionable data to support it.

USING PERCEPTIONS

When a dealer has a clear understanding of market perceptions and the opinions of buyers, then distinguishable and meaningful initiatives can be introduced:

- Dead-on branding messages can be developed and communicated
- Marketing plans can be developed to address real, not phantom needs




“Armed only with information about how well a recent installation was performed, or how a dealer ranks in size or showroom space, dealers still struggle to understand why one dealer is chosen over another.”

- Sales support and presentation materials can focus on strengths and known preferences
- The dealer can better position strengths against competitors' perceived weaknesses
- Sales efforts have clearer perspective on needs and preferences of prospective customers
- The dealer can identify and further build factors that differentiate them in the marketplace
- Real vs. assumed problems can be identified, targeted and corrected quickly
- Customer service can be quantifiably defined
- The dealer culture can shift, if necessary, to be more aligned with customer values and market trends
- Reputation can be more quickly assessed and addressed

Using an independent third party to obtain this information can facilitate an easier flow of information and perspectives. If done under the condition of anonymity, it will also yield a deeper

understanding of issues. Questions designed to be open encourage dialogue and elicit opinions about matters that affect preferences all yield valuable data. A third party report will reveal accurate opinions of the marketplace without biases, which is so difficult to do in-house.

We have all heard it “their perception is our reality” and it certainly holds true in many ways. By asking the right questions and understanding the many underlying reasons for customer decisions, dealers will be in a better position to differentiate themselves, grow their business and compete effectively in increasingly complex and competitive markets. 

Trish Brock, Principal of Trish Brock & Associates is a well-known industry consultant. Her cross-functional consulting group specializes in helping dealers solve identity, branding and sales support collateral challenges. She also conducts Perceptual Market Assessments and Culture Evaluations to better define market positioning and effective brand messaging. She can be reached at 720-277-3035 or tbrock@trishbrockassoc.com.