

# Where Mystery Shopping Goes Wrong

*By Kevin Lynch*

Recently, mystery shopping has become commonplace. It's a perfect tool for retail and restaurant companies to use in order to evaluate their overall level of customer service; the information provided from a mystery shop can be used to improve the level of service employees provide, and to ensure that problems do not repeat themselves.

So why is customer so bad out there?

The reasons are plentiful. Unfortunately, despite the value of the information that can be gained from mystery shopping, one of the biggest problems is that often that information gained is not very helpful at all!

One common advertising ploy mystery shopping companies use is to promote the benefits of the "average" person working as a mystery shopper; with claims of having tens of thousands of mystery shoppers at their disposal. On the surface, this may sound like a good idea. It seems reasonable that a company would be concerned about what the "average" person thinks about their business, and whether that person would want to continue frequenting their establishment. However, this logic is actually questionable when a company is looking to utilize mystery shopping services. Since the "average" customer has such different standards and expectations, it is nearly impossible to receive any type of consistent feedback regarding customer service. Even for identical levels of service, one individual may give a fantastic evaluation while another person may not be so impressed. In addition, whenever mystery shops are employed, company expectations are rarely taken into consideration.

Isn't the idea to know what the average customer thinks?

## **Company Standards**

Actually, that is not the benefit of mystery shopping at all. As is often said, you can't please all the people all of the time. The strategy a company employs to determine their desired levels of customer service should be corporate-driven. Company executives should lay out a plan which articulates clear expectations. They must realize that not every customer is going to react the same way, but the strategy should be set to maximize the sales potential for the organization.

Simply, the motivating decision to utilize mystery shoppers should not be to discover what the average customer thinks about the service they've received, but they should be used to evaluate how effectively a particular location is practicing the corporate standards of customer service. In actuality, the "average" customer who knows nothing regarding a company's expectations is actually counterproductive to obtaining desired results. What one needs from mystery shopping is not the "average" person, but a highly trained individual who is able to observe how effectively the stores perform to a clear set of standards. In general, it is preferable to employ shoppers that can inform corporate executives if their employees are doing what is expected of them.

Corporate executives should not make any changes to their expected levels of customer service until it is determined how well their store-level teams are presently executing established customer service expectations. However, company standards should not be changed simply because of one subjective shopper's report. Corporate executives can evaluate the need for changes only after a benchmark of current customer service levels has been established. At this point, sweeping changes can be made to ensure compliance or to improve upon current standards.

## **Immediate Feedback**

Another key factor in the effectiveness of mystery shopping is the timeliness of feedback. Often times a week or more may pass before a company receives the mystery shopper's report. The report gets reviewed and then filtered down to the store level; this process may take another week or more. Now, the store is getting feedback on a shop that was completed nearly two weeks ago. Without immediate feedback, the report may lose any significant meaning since the store manager cannot provide any details about the circumstances in the store at the time of the shop.

Immediate feedback is the key. A good shopping program should include a system to reward great employee performance at the time the shoppers are in the store; the employees deserve immediate recognition. Immediate feedback makes your mystery shop reports more meaningful, which, in turn, makes customer service more meaningful to your store-level teams. Keep in mind that a system should be in place for store management teams to identify poor customer service levels and to make any immediate and necessary improvements.

## **Customer Service Audits**

These concerns are why P&L Solutions offers Customer Service Audits rather than just mystery shopping services. We believe that a trained auditor should analyze performance in the stores based upon known company expectations. Either positive or negative, we believe the auditor should immediately share the results with store management. We believe the auditor's job is to partner with the store management teams and educate them how to improve upon their level of customer service performance; especially as it pertains to what is expected by the company.

Customer Service Audits are NOT mystery shops. The only commonality between them is that initially the auditor is anonymous and is looking at customer service. However, there are huge differences in expertise and reporting. Customer Service Audits allow for a complete customer service program to be implemented, and there is additional follow up on the part of the auditors.

## **Selecting a Mystery Shopping Service**

In order to overcome some of the most common mistakes when hiring a mystery shopping service we've provided some key factors which should be considered when evaluating a company:

- Will the mystery shopping company meet with you to discuss your customer service needs?
- Does the mystery shopping company allow for immediate feedback to reward excellent performance?
- Does the mystery shopping company customize a shopper form that conforms to your needs?
- Does the mystery shopping company spend time training their shoppers to understand your company's expectations?
- Does the mystery shopping company provide additional services to improve customer service beyond mystery shopping alone?
- Does the mystery shopping company provide compiled statistics with detailed analysis?

If the mystery shopping company does not do all of these things, they may be selling your company short. You may be spending money on a service that really does not provide any substantial return on your investment. Customer Service Audits have a proven history of success in bringing a substantial return on investment for companies.

## **Real Value**

The real value in Customer Service Auditing comes when it is used as a means to properly evaluate how well the stores are living up to the standards set by the organization, and the employees realize that the auditors are not out there just looking to find something wrong. It is a tool to correct poor performance, and to reward good behavior; not just a score to “ding” the stores. When the store teams realize that they actually have a customer service support system, it makes a tremendous difference in the perception and results of the service.

So how does your mystery shopping service measure up? Is it time to move away from mystery shopping and move towards Customer Service Audits? If so, contact P&L Solutions today.