

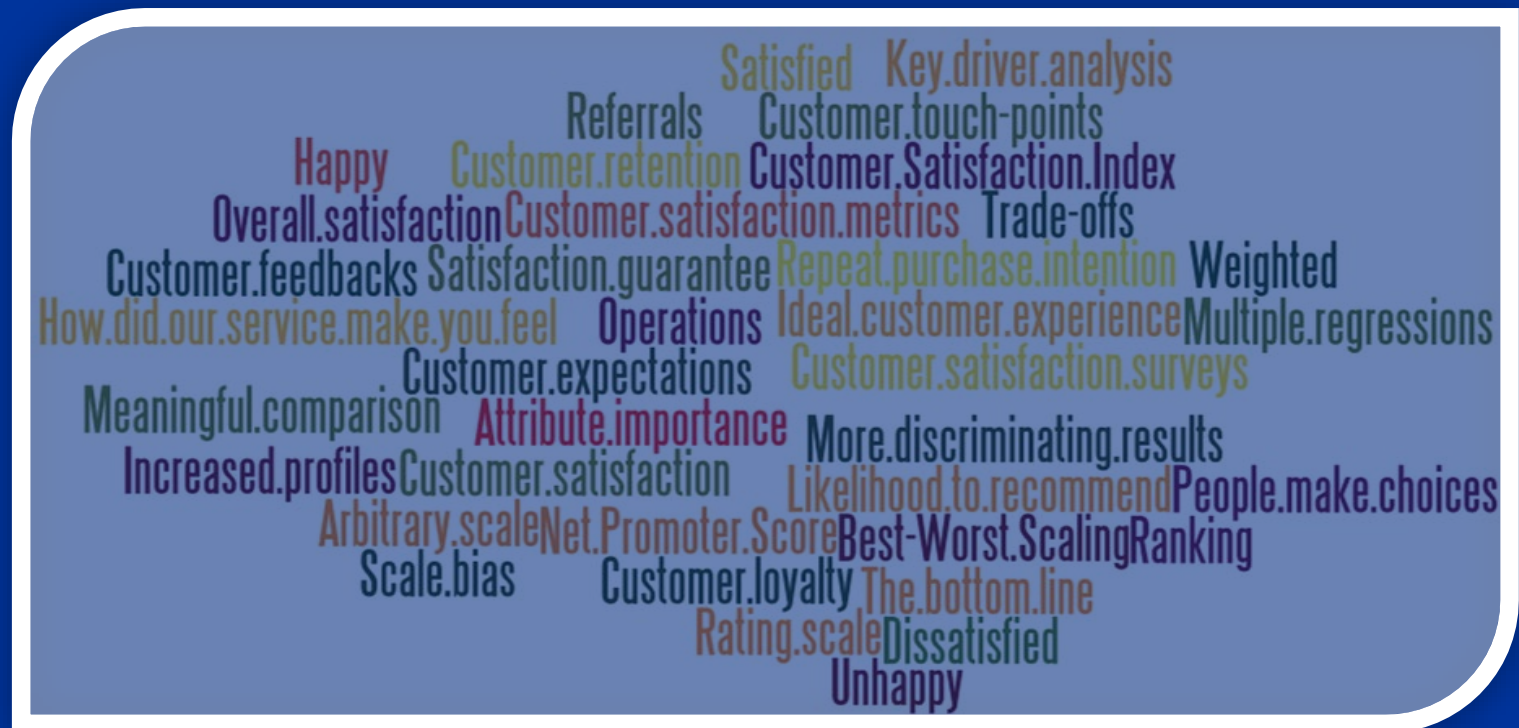


University of
South Australia

Institute
for Choice

Customer Satisfaction Index (CSI)

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Introduction

Identify the most important services you provide to your customers

Measure how satisfied customers currently are with each of these services

Perform 'what if' scenarios based on hypothesised improvements to service levels

CSI is a theoretically robust weighted satisfaction measure for benchmarking and tracking customer satisfaction over time

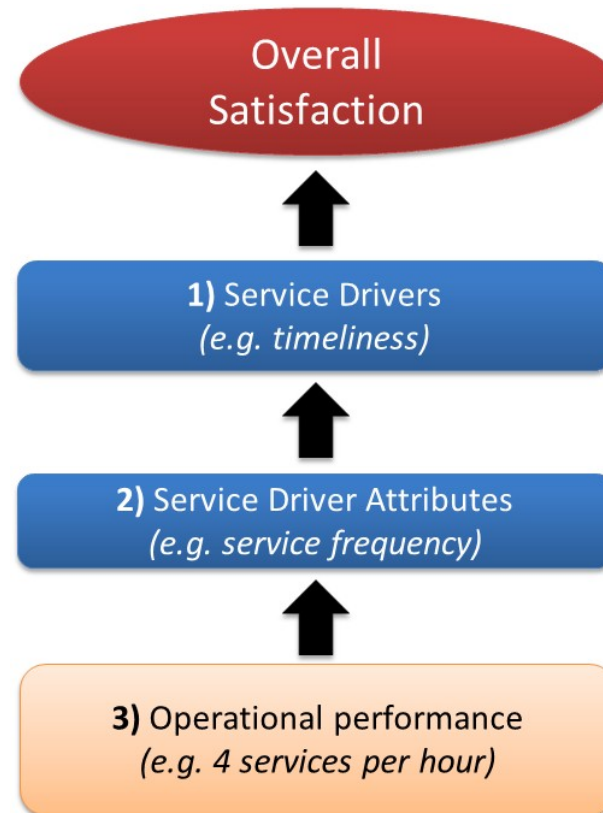


CSI Overview

The index is a combination of three components:

- 1) The driver component measures the importance of each service driver to overall satisfaction
- 2) *(optional)* The attribute component measures the importance of each service driver attribute within a service driver
- 3) *(optional)* The operational component allows us to measure satisfaction as a function of operational measures. This function links changes in operational performance to changes in satisfaction with the service driver attributes, which in turn feed into overall satisfaction

CSI uses existing customer satisfaction drivers / attributes and applies a hierarchical approach to measure the relationships between the items



Developing the CSI

- The tasks are based on comparison of a respondent's current satisfaction rating profile and hypothetical (new) satisfaction rating profiles
- The respondent is simply asked whether their profile or the new profile would be more satisfactory to them.
- This forces the respondent to consider how much each service driver / attribute matters to them and their choices reveal their "weights"

i4C has considerable experience with what we call a "Report Card" approach to designing trade-off experiments

Satisfaction Ratings	Current rating Target.	New rating Target.	New rating Target.	New rating Target.
Service				
Range				
Price				
Most satisfied	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Least satisfied	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Outputs - Dashboard

The final product is a dashboard which stakeholders can use to quickly understand the initiatives that will provide the greatest improvement in overall customer satisfaction, including breakdowns for socio-demographic segments and other customer groups

The dashboard is custom tailored to the project outcomes and allows stakeholders to perform 'what if' scenario analysis



Benefits

CSI addresses many of the weaknesses associated with standard customer satisfaction measurement

1. Uses existing customer satisfaction measures

- No changes to current customer satisfaction survey measures
- Can use previously collected customer satisfaction data in CSI

2. Choice based measurement

- Appropriate trade-off technique that derives weights from choices
- Statistical methods used for modelling are based on underlying behavioural theory
- Carefully constructed experiment allows for independent measurement of the relationships between the drivers / attributes and overall satisfaction

3. Accounts for problems with scales

- Does not treat each scale item as equal or linear - e.g., a score of 7 (very satisfied) is not treated the same as a score of 6 (satisfied)

4. Is a weighted index

- Weighted results take into account the importance of each attribute
- Weighted results allow for relationships between the attributes, they do not assume each attribute is independent

Benefits

CSI addresses many of the weaknesses associated with standard customer satisfaction measurement

5. Index for each customer

- Weighted index can be calculated for every individual customer
- Distributions can be viewed and used for segmentation

6. Links operations to satisfaction

- Operations can be linked to the scale so management are aware of what it would take (operationally) to change satisfaction scores

7. Decision Support System

- CSI is not a static measure
- Management can use the DSS to perform 'what if' scenarios