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Marketing for Lawyers

**Measuring of clients
satisfaction, strengthen client
loyalty**

Lesson 3



Question

- When are you satisfied with a product?



Customer satisfaction

- Customer satisfaction measures how products and services supplied by a company meet or surpass customer expectation.
- The implementation of a customer service standard should lead to higher levels of customer satisfaction, which in turn influences customer retention and customer loyalty.



Question

- Why is it necessary to have satisfied customers?



Why is it necessary to have satisfied customers

- come back
- satisfied customers tend to loyalty customers
- low price sensitivity
- inform other people about their positive experiences
- low cost for hold current customers than to gain new customers
- less complains of the current customers
- important information resource for management



Measuring of customer satisfaction

- Measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace.
- Satisfaction depends on:
 - a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate.
 - other factors the customer, such as other products against which the customer can compare the organization's products.



Measuring customer satisfaction

- a survey with a set of statements using a Likert Technique or scale
- customer is asked to evaluate each statement in terms of their perception and expectation of performance of the product being measured
- Example – statements for a company:
 - We try to apply individual approach to customers.
 - We offer a wide range of customer services.
 - We regularly determine the degree of final customer satisfaction.
 - We know what image our products have at customers.
 - We implement the acquired information to our decisions.
 - We offer products reflecting the latest demands and wishes of customers (distributors).
 - We focus on gaining customers, for whom we can achieve a competitive advantage.
 - We are faster in responding to the wishes of customers than our competitors.
 - We respond as fast as possible to the marketing events of competitors.



Dimensions of customer satisfaction

- Here are a few of the possible dimensions for measurement:
 - quality of service
 - speed of service
 - pricing
 - complaints or problems
 - trust in employees
 - the closeness of the relationship with contacts in the firm
 - types of other services needed
 - positioning in clients' minds



Task

- Prepare Customer satisfaction questionnaire (use Likert scale) - questionnaire should be possible to use for clients of Lawyers



Methods of measuring 1

- SERVQUAL
 - provides the basis for the measurement of customer satisfaction with a service by using the gap between the customer's expectation of performance and their perceived experience of performance. (Parasuraman et al. 1988)
- J.D. Power and Associates
 - top-box approach for automotive industry rankings
 - customers are divided into 2 groups – the best one and the rest
- A.T. Kearney's Customer Satisfaction Audit process
 - incorporates the Stages of Excellence framework and which helps define a company's status against eight critically identified dimensions. A company should to respond on these questions:
 - What's missing?
 - What's misunderstood?
 - What could be done better?



Methods of measuring 2

- Consumer satisfaction matrix
- Customer satisfaction window



Consumer satisfaction matrix

Consumer satisfaction matrix			
	High Importance	Medium Importance	Low Importance
High Satisfaction			
Medium Satisfaction			
Low Satisfaction			



Consumer satisfaction window





Task

- Choose 1 product and prepare Consumer satisfaction matrix or Consumer satisfaction window



Question

- Do you complain to the company if you do not satisfy?



Why customers do not complain?

- they think that complain does not help them
- it is difficult to complain
- they have the feeling that they put businessman to inconvenience
- competitors offer more opportunities to solve their problem



Disappointing experience

- A single disappointing experience may not significantly reduce the strength of the business relationship if:
 - the customer's overall perception of quality remains high,
 - switching costs are high,
 - there are few satisfactory alternatives,
 - if they are committed to the relationship, and
 - there are bonds (contract, dependence, knowledge, technology etc.) keeping them in the relationship.



7 steps for customer satisfaction

- **Prefer Face-to-Face Dealings**
 - customer finds easier to relate to and work with someone they've actually met in person, rather than a voice on the phone or someone typing into an email
- **Contact customers about news as soon as possible**
 - It is necessary to keeping customers informed and to respond to messages promptly
- **Be Friendly and Approachable**
 - keep a clear head, respond to customers' wishes as best is it possible, and at all times is necessary remain polite
- **Have a Clearly-Defined Customer Service Policy**
 - clearly defined customer service policy is going to save a lot of time and effort in the long run
- **Attention to Detail**
 - (e.g. send a Happy Birthday email or card from a company) It shows the care about customers - the customers feel welcomed, wanted and valued
- **Anticipate Customer's Needs**
 - customer is heartily impressed, and remarks to his/her colleagues and friends
- **Honour Promises**
 - when somebody promise something, he/she should to deliver. The most common example here is project delivery dates



Task

- Choose 3 the most important top ways for lawyers to increase client satisfaction



Customer loyalty 1

- quality of a product or service leads to customer satisfaction, which leads to customer loyalty, which leads to profitability
- The service quality model
 - customer satisfaction is first based on a recent experience of the product or service.
 - This assessment depends on prior expectations of overall quality compared to the actual performance received. If the recent experience exceeds prior expectations, customer satisfaction is likely to be high.
 - Customers are said to have a "zone of tolerance" corresponding to a range of service quality between "barely adequate" and "exceptional."



Customer loyalty 2

- Customer loyalty is determined by three factors:
 - relationship strength (CRM)
 - perceived alternatives and
 - critical episodes
- Threats:
 - the customer moves away from the company's service area
 - the customer no longer has a need for the company's products or services,
 - more suitable alternative providers become available,
 - the relationship strength has weakened,
 - the company handles a critical episode poorly,
 - unexplainable change of price of the service provided



5 Ways to Build Customer Loyalty

Rocklin Attorney Terry L. Gilbeau, The Law Offices of Terry L. Gilbeau

- **Listen up**
 - Even if you can't meet their needs or don't know the answer to their question, always listen. If they see you are actively listening they will know you care about them and value them as a customer. Simply listening to them has a big impact on loyalty.
- **Provide help**
 - Most customers need help with something from time to time. This goes along with listening to them, but if you can, help them out with whatever it is that they need. They will always remember that you helped them, which shows you care.
- **Learn names**
 - Get to know as many customers by name that you can, and then use the names.
- **Give something**
 - Whether it's a free product, service, a discount, or a customer appreciate day with free donuts, they will feel you care about them.
- **Be consistent**
 - One of the easiest ways to earn loyalty is to consistently give your customers what it is that they want. If they show up each week to buy a particular product and you stop carrying it, you may lose those customers.



Advantage of customer loyalty

- keeping existing customers is less expensive than acquiring new ones:
 - The cost of acquisition occurs only at the beginning of a relationship.
 - Long term customers tend to be less inclined to switch and tend to be less price sensitive.
 - Long term customers may initiate free word of mouth promotions.
 - Increased customer satisfaction and loyalty makes the employees' jobs easier and more satisfying. Happy employees feed back into higher customer satisfaction.



Task

- Are you loyalty customer?
- Choose one company which products you still prefer.
Why?



Conclusion

- Why is it necessary to have satisfied customers?
- How is it possible to measure of customer satisfaction?
- Why customers do not complain?



Task for next lesson

- Prepare some loyalty program for a law company.