

Professional Remodeler®

28 EXCLUSIVE RESEARCH:
Employee benefit survey

32 SPECIAL REPORT:
Harvard predicts steady growth for remodeling

36 PROJECT SPOTLIGHT:
Kitchen blends creative design and resourceful repairs

customer satisfaction

David Roberts and other remodelers are finding success with renewed focus on customers

Customer focused

Tracking and improving customer satisfaction is more important than ever

By Jonathan Sweet, Editor in Chief

When Roberts Construction Group started surveying its clients in 2009 after more than 25 years in business, the company's management was surprised to see lower-than-expected scores for communication.

"One of the few areas they were responding, I won't say negatively, but not as positively was communication," says David Roberts, owner and founder of the Evanston, Ill., remodeler.

While the Roberts team felt they were doing a good job of communicating information to the clients (and they were scoring well — in the low 90s out of 100), the homeowners wanted more updates on project status and progress.

That presented a learning opportunity for Roberts and his staff. They circled back to those clients to discover their concerns, then talked about it within the company. Since then, the company has made it a priority to communicate regularly with clients, with formal weekly updates beyond any other necessary communication.

"We're making we're staying ahead of them instead of falling behind in terms of communication," Roberts says. "We were

doing a pretty good job, but not as good as we're able to and capable of, so we made some changes and adjustments and became more conscious of it."

Communication, schedule, problem resolution paramount

That communication was a relative challenge for Roberts Construction Group is no surprise to Geoff Graham, founder of GuildQuality, a company that tracks customer satisfaction for hundreds of remodelers, builders and developers.

Since its founding in 2003, GuildQuality has surveyed more than 150,000 homeowners. Those years of data show that



Jonas Carnemark

communication, schedule and problem resolution to be the “top three primary drivers of a great customer experience,” Graham says.

Those three run roughly equal at the top of reasons clients would not recommend a contractor, Graham says, but are clearly above any other drivers of satisfaction.

“Great performance in those three areas correlates strongly with a happy customer and poor performance correlates strongly with an unhappy customer,” he says.

Those three elements are closely tied together and highlight the disruptive effect a remodeling project can have on clients. On average, they far outweigh concerns about budget.

“Our data suggests that the average customer is considerably more tolerant of poor construction quality, surprise change orders, messy jobsites or rude subcontractors than of failings in schedule, problem resolution or communication,” Graham says.

Knowing your clients

That said, every client is different and Graham is quick to point out that different things are important to different clients. That’s why it’s important to have data about what matters to your clients in particular.

Even if you think you know how your clients are feeling from informal steps like one-on-one conversation, there’s a good chance you’re not getting the whole story. Before the company started formally surveying its clients, Roberts relied on that.

“It was haphazard at best, typically just me asking the client how it went,” he says. “They’d give me some response, but we didn’t do it in any kind of measurable way.”

Besides not having measurable data, those types of informal conversations don’t lend themselves to honest criticism.

“Someone might not tell Dave Roberts, ‘Dave, you guys did a nice job, but ...’ They might not say that to me, but this gives them the opportunity to say it,” Roberts says. “We give them that opportunity and they love that opportunity.”

Linda Minde echoes that sentiment. Her company, Tri-Lite Builders in Chandler, Ariz., has been working with GuildQuality since 2007, and did its own client surveys for 10 years before that.

“What I’ve found is that even if they don’t say anything to us in person, there’s probably something that they’d like to say,” she says.

The way Minde looks at it is that she wants to know what her

“Any feedback is good feedback. Either way, it’s something we need”

— LINDA MINDE



clients are saying, be it good, bad or indifferent.

“Any feedback is good feedback,” she says. “Either way, it’s something we need to know.”

For all businesses, knowing what clients say is more important than ever. That’s especially true of remodelers who rely on repeats and referrals for such a huge part of their business.

“It was not too long ago that you could have a business that did not provide great service, but if you had a strong enough marketing engine you could continue to get leads and you could convert leads and you could leave in your wake a trail of very unhappy customers,” Graham says. “We’re entering a reputation economy and it’s harder to grow if you’re not dedicated to giving a good customer experience.”



David Roberts (front) and the rest of the Roberts Construction Group team have used their surveys to improve operations.

Actionable steps

Measuring customer satisfaction is only half the goal. Like Roberts Construction Group and its lower scores on communication, knowing where you stand can help address potential problems.

“We use it time and time again for those types of reasons,” says Jonas Carnemark, owner of Carnemark, a design/build remodeling firm in Bethesda, Md.

Any problems clients have are an oppor-

score high for that, but was still getting the occasional low score.

“We found that although we were doing a good job cleaning, there were some specific things the clients wanted us to pay attention to,” Carnemark says. “Now we have that on our preconstruction meeting list with the client: ‘What areas should we make sure to keep clean?’ We tend to do an obsessive job of cleaning, but there’s always something a client can find.”

company discovered through the surveys that some of its clients were not sure they were getting a good value.

Roberts and his team talked to some of those clients and found that although those clients were happy with the experience, they were unsure if they were paying more than they would to get an equal project from another company.

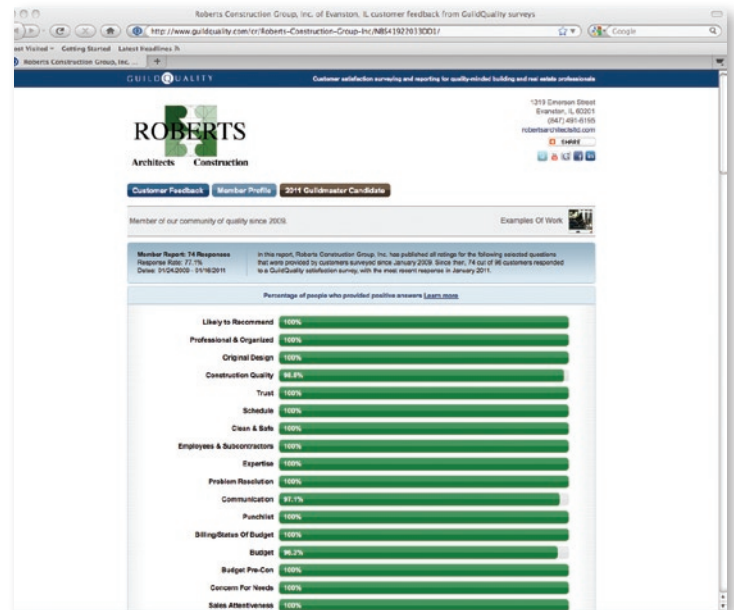
“So we have tried to fine-tune and address that in our marketing, so our

“They like the fact that we’re asking our clients what they think about our services and we’re reacting to those things.” — DAVID ROBERTS

tunity to improve the company’s operations. While the company scores well with a recommendation rate of more than 97 percent, there are occasional problems. When that happens, it’s a point of discussion at the next weekly company meeting so it can be addressed

One area where the surveys have helped Carnemark is in cleanliness. The company

Roberts Construction Group has found it a way to know not only the company’s strengths, but also areas it needs to improve. For example, the



Roberts Construction Group sends out a link to the company's online GuildQuality report to potential clients.

6 KEYS TO AN EFFECTIVE SURVEY PROCESS

Here's what the remodelers we talked to and other customer service experts said are the keys to creating a good customer satisfaction survey that gives you actionable results.

1. Be consistent — Asking the same questions of different clients allows you to compare the results over time. Constantly changing questions makes that more difficult.
2. Prep clients — Most of us are inundated with surveys. Make sure the clients know it is coming, who it's coming from (you or a third party) and how much their responses mean to you.
3. Know what you care about — Think about what you want to find out and make those questions work for you.

“We’re entering a reputation economy and it’s harder to grow if you’re not dedicated to giving a good customer experience.”

— GEOFF GRAHAM

customers understand that what we are offering is of more value than what other people are producing,” Roberts says. “That’s helping them to understand what value is all about and how our company offers them value-added services in many cases.”

While the vast majority of feedback is positive, any criticism is simply a chance for improvement, Roberts says.

“Instead of me as a business owner telling some carpenter or manager ... it has a lot more clarity and weight coming from the person who’s house they were just working at,” he says. “That employee will hear it loud and clear. That’s a great way to modify the behavior of an employee.”

Sales and marketing opportunity

Client surveys can also be a useful tool

in the sales process.

Most clients are surprised when they get to see a report of survey results, especially from a third party like GuildQuality, Minde says.

“They don’t see it a lot,” she says. “It gives validity, because they know that I’m not going to be changing things or embellishing things.”

Almost as important as showing off the good results is the fact that a company does the surveys, says Roberts. Not only does he share his report with potential clients, he also makes sure they know they’ll be receiving a post-project survey as well.

“They like the fact that we’re asking our clients what they think about our services and we’re reacting to those things,” he says. “It says we care enough about what you think that we’re going to ask you about it.”

Third-party ratings and comments are becoming increasingly important, especially to younger clients. They’re used to reading reviews before making any decision, whether it’s a restaurant rating on Yelp or reviews of a book on Amazon, Carnemark says.

The ratings from GuildQuality simply provide another tool for the company’s marketing efforts, and a way to let clients know Carnemark has a good track record.

“It adds that touch of security that other people have vouched for this company,” Carnemark says. •

NARI survey: Design, final outcome drives satisfaction

A recent NARI survey found that outcome and design were the most important factors in determining project satisfaction for a home remodel.

The poll found that 49 percent of homeowners said outcome and design were the most important. Twenty-two percent said having their needs met was most important for their satisfaction, while 20 percent said accessibility and timeliness of the remodeler took precedence. Only four percent said finishing on time was the top consideration for satisfaction. Six percent cited safety and cleanliness as most important.

According to NARI National President-Elect Michael Hydeck, outcome and design took top billing because homeowners these days are more savvy, and want to customize their homes to fit their lifestyles.

The economy is also a likely influence. According to NARI, many consumers are now more involved in each step of the remodel, since they view a remodel as a long-term investment and want to make sure they spend their money wisely.

4. Keep it short — Don’t bog down clients with too long of a questionnaire. Design a process that you would like to participate in.

5. Gather comments — Numbers are good (they give measurable results), but verbatim comments that tell you why they ranked you a certain way allow you to react more easily to any problems.

6. Share the results — Make sure everyone in the company sees the results, good or bad, so they can share in your success — or know what needs to be addressed.