



Article for Power Steering

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Message: Customer Service Indices are complex.

CSI Shortcomings

Dealers, customers, and manufacturers all make decisions based on CSI (Customer Satisfaction Index) scores. Unfortunately CSI scores, and the simple measurements they're compiled from, have some serious flaws. They usually are not adjusted to compensate for each dealership's unique characteristics. Their implications can easily be misunderstood, and such false conclusions can quickly reach the public as "proven facts." Before you believe the CSI information your factory, customers or coworkers tell you, consider these shortcomings.

CSI scores are composites of many different simple measurements, such as total dollar sales and customer survey results. Each of these measurements is effected by factors beyond dealers' control, but manufacturers rarely adjust for these influences. In this month's insert, "Research on Customer Satisfaction Indices," Professor Jack Matthews of the University of Wisconsin-Madison elaborates on several important factors: the vehicle, the climate, the nature of the repair, the relationship the customer has with the dealer and the size of the dealership.

Customers, manufacturers and even expert researchers in the field can misinterpret CSI measurements and reach false conclusions. For instance, more calls complaining about a service center would expectedly correlate with lower

customer survey-based CSI. However, repeated research has shown that, when problems are resolved to customers' satisfaction, more complaints result in higher CSI. When customers complain, the business has the opportunity to surpass the customers' desired outcomes and regain their loyalty.

Knowledgeable CSI researchers often publish simple descriptive statistics and hypothetical conclusions and urge their colleagues to investigate further. Then less informed individuals repeat these speculations as "proven facts," and even draw their own sensationalized, unsupported conclusions. For instance, a July 30 *USA Today* headline read "Fancy cars spend more time in the shop, study says." Skimming the headlines, a reader might conclude that luxury vehicles are unreliable and spend more hours or make more visits to the shop than less expensive vehicles. However, the article explains that an independent survey compared "what percentage of service visits to dealerships were for repairs rather than maintenance" – comparing *within* instead of *across* makes – and that "9 of 13 luxury brands scored worse than the industry average of 35%." No definite, useful conclusions can be drawn from these results; experts and manufacturers provided differing explanations for them, but really these findings call for more research.