Success story

Technology as a flywheel, revenue as a result

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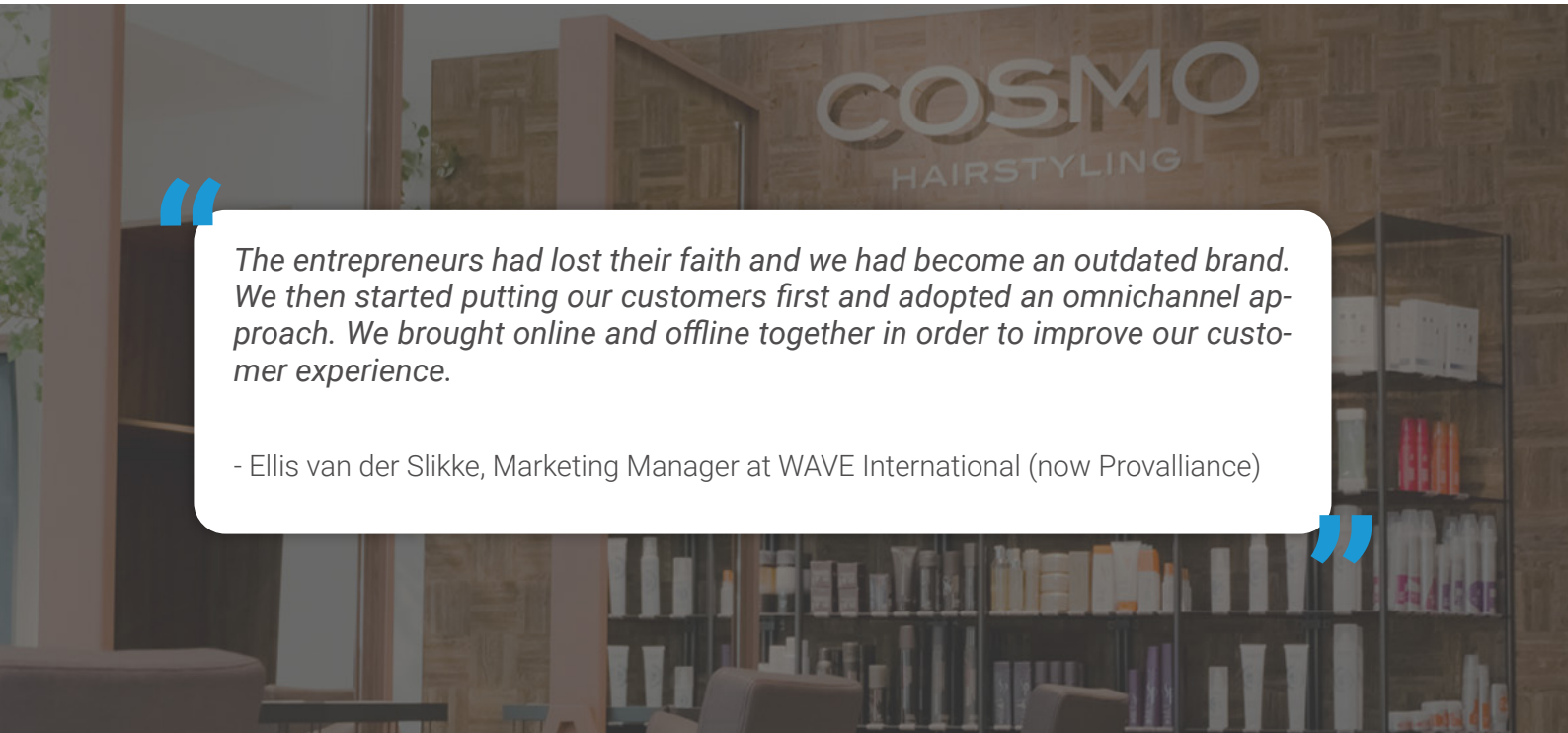# Technology as a flywheel, revenue as a result

Minimal input, maximum effect. Sometimes, that is still possible. In this case for Provalliance, it will become clear how sending out smart customer satisfaction surveys helps you implement the right innovations and achieve improved SEO as an added benefit.

Provalliance is the parent company of a number of different hair salon chains: Cosmo Hairstyling, Team Kappers, Brainwash and Yes! Salons. In 2012, two of these brands - Cosmo Hairstyling and Team Kappers, faced a financial challenge; customer numbers were dropping and the average amount each customer spent was fairly low. Furthermore, the hair salon market was saturated and customers had a tendency to switch from one chain to the next.

Hair salons therefore have to meet customers' demands in order to keep innovating. Customer feedback plays an important role in this. After all, franchisees cannot immediately implement changes in response to a complaint like smaller establishments can.

Goals

1. Turn detractors into ambassadors with the 'win back proposal'.

2. Gain smart insight into customer assessments.

3. Innovate Cosmo Hairstyling and Team Kappers and put them back on the map.

> *The entrepreneurs had lost their faith and we had become an outdated brand. We then started putting our customers first and adopted an omnichannel approach. We brought online and offline together in order to improve our customer experience.*
>
> - Ellis van der Slikke, Marketing Manager at WAVE International (now Provalliance)

From the work floor to the CEO

In this modern age of always being 'switched on', it is easy for upper management to find out what customers are saying about your organisation. You can read the opinions that are shared on social media or your employees can tell you what people are saying. But do you know what truly matters to your customers? Do you know what will have the biggest impact on your customer satisfaction and customer loyalty? Is it the availability of parking spaces? The manner in which appointments are made? The quality of a haircut or dye? The coffee? Anything can be asked, measured and analysed with the help of real-time dashboards.

Where does the customer's experience begin? In this case: in the hair salon. That is where a brand is built up or starts to crumble. It sounds like a cliché, but your brand is only as strong as its weakest link. Since the emergence of digital and social media, you can boost your customer experience - negatively and positively - with a flywheel effect.

Both Cosmo Hairstyling and Team Kappers therefore zoom in on customers' experiences in their salons by uncovering the reasons behind the ratings they receive. Do the atmosphere and design of the salon affect the ratings? Is it about accessibility? The price? The end result? The quality of service? Or the stylist? Only by looking further than the actual scores and focusing on customers' reasons, you can actually start to improve your results.
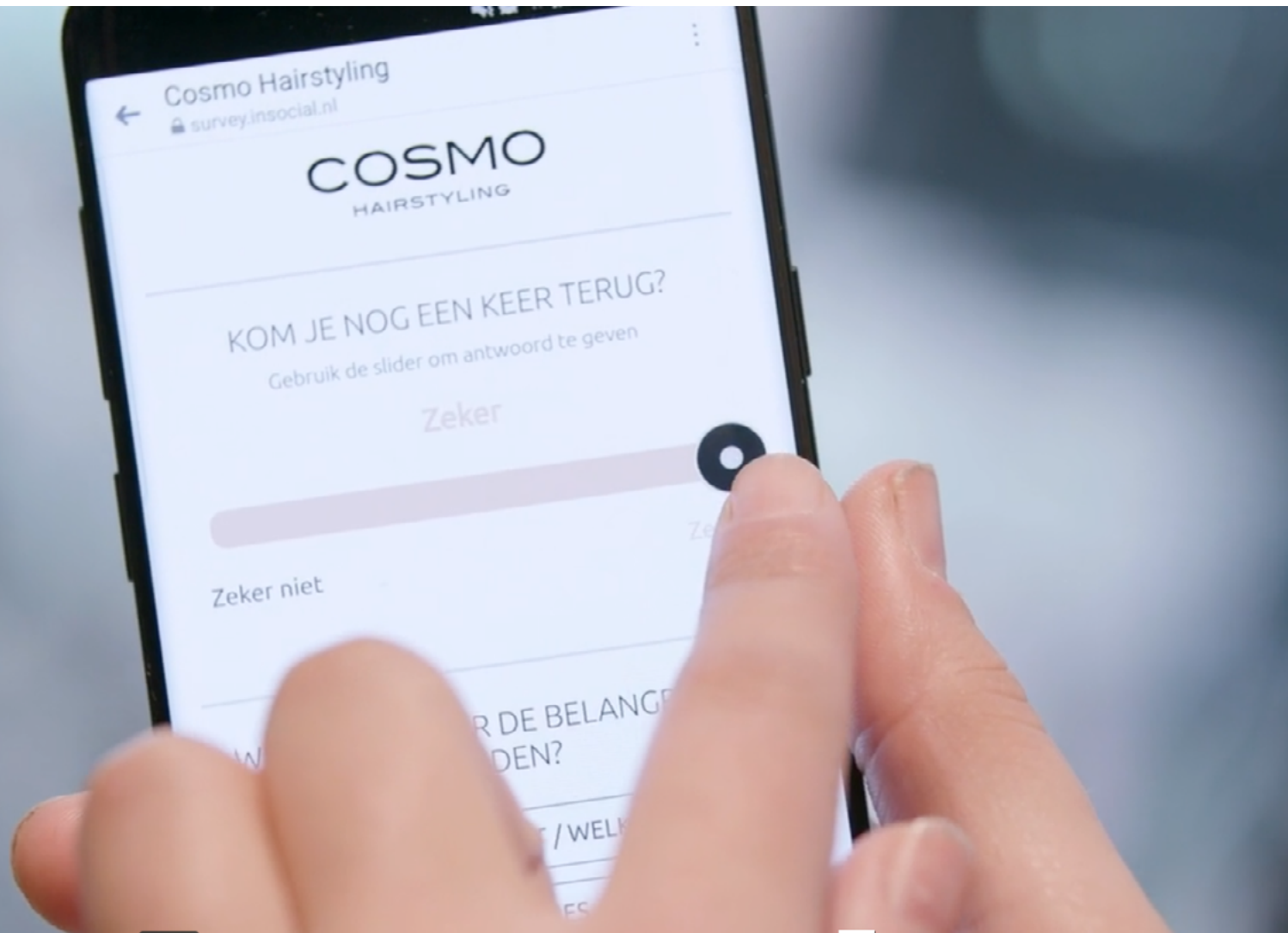
Loyal customers are a powerful marketing machine

Provalliance was looking for customer experience software that would grant the organisation insight into its customer experience and allow it to use customers' reviews for marketing purposes. While choosing a customer experience software partner, the organisation therefore looked for:

•   Data ownership (you want to stay in control of your data)
•   The option to use your own corporate style
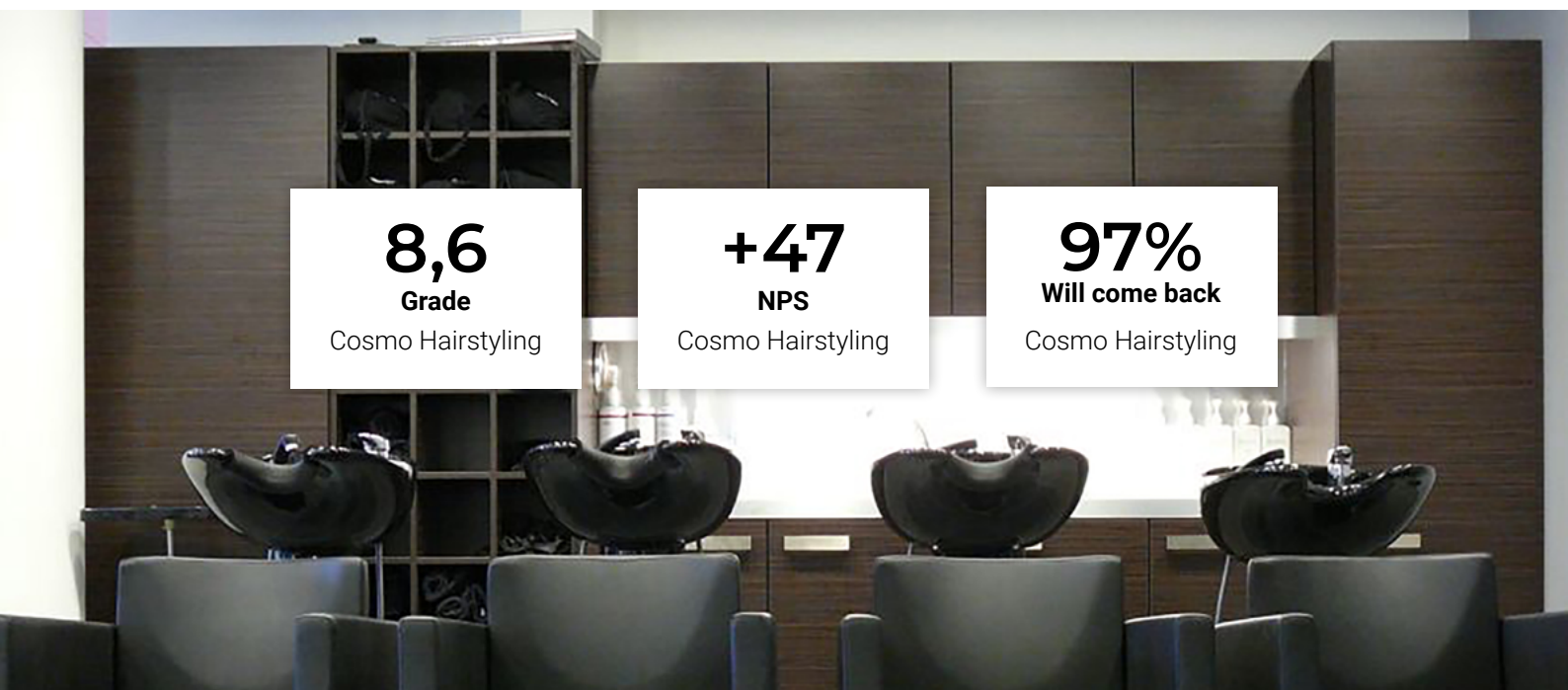•   Optimisation for Google

A personal invitation for every customer

The first step is inviting customers via email to fill out a survey. This is done immediately after their visit to the salon, while their experience is still fresh in mind. Of course, all communication towards customers should be as inviting as possible, but that first email is particularly important. If you lose customers at this stage, it is almost impossible to bring them back.

To achieve maximum conversion for the survey, we are careful not to ask too many questions. Customers receive no more than four surveys per year. These include very brief surveys (with a maximum of two questions) and a more in-depth NPS survey (with a maximum of five questions). This method allows you to gather feedback constantly without annoying your respondents.

What do we measure?

• CSAT
• NPS
• Main driver (predefined)
• Subdriver (predefined)
• Feedback (open)
• Social proof #sharethegoodhair

8,6
Grade
Cosmo Hairstyling

+47
NPS
Cosmo Hairstyling

97%
Will come back
Cosmo Hairstyling

Added benefit: an online reputation booster!

In addition to the innovation that these surveys allow for, you can also use customers' reviews and ratings for your online reputation management purposes. The answer to the open question included in the survey is a kind of review in its own right. You can then post this review on your website or Facebook page.

When you post reviews on your website, Google views this as 'user-generated content'. User-generated content means content written by an organisation's customers. This type of content will boost your Google ranking!

Review Snippet: Google's five yellow stars

In addition to reviews on your website, you can also include your average customer rating in the paid search results. After receiving enough reviews, you can start using Google's 'review snippet'. These are the well-known five yellow stars that will allow you to stand out among the other search results (for both SEO and SEA). For Provalliance, this resulted in more website traffic and more online appointments.

From complaint to ambassador

Customers for whom you resolve issues quickly and effectively will often be among your most valuable and loyal customers. Every company makes mistakes now and then. That's okay. What really matters to consumers is how you handle these mistakes.

With the help of Insocial, Provalliance gathers feedback that is immediately put to good use. The organisation uses the reviews on its website and social media channels. This gives you the freedom to choose what reviews to approve and show on your website. However, if you only publish reviews with a score of 9 or 10, they will soon lose their credibility. You should therefore also show reviews from critical customers - but only after resolving their complaint first. Your response will be placed alongside the review in question. This shows customers that you will be there for them when a problem occurs.

How does this work?

Here's how it works: the customer leaves the salon and receives a survey. This results in a positive (6+) or negative (6-) rating. Depending on the score, the review is immediately published on the website or first sent to the employee in question, allowing them to respond to the negative feedback.
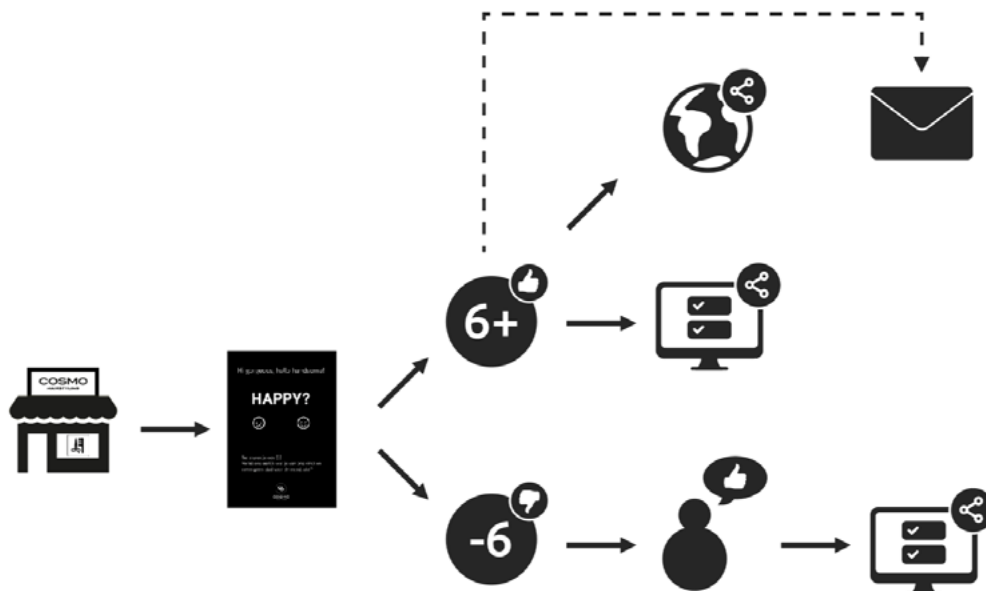
Making innovations with improvement loops

The reviews gathered by Cosmo Hairstyling and Team Kappers can be analysed with Insights. Insocial's Insights dashboard presents a wealth of valuable information in a clear manner to the franchisee, the stylists and Provalliance's head office.

Initially, the focus is on the NPS, which is linked to customer usage (the purchase of products and services). This is crucial management information for the regional management team.

Provalliance also has a 'training' department. Every week, 900 stylists receive training in its salons. This can now be done much more effectively, since you have insight into each individual employee's points of improvement. Customers tell you what they are. Per salon, you can see who is performing above or below expectations. In a way, this serves as a staff management tool for the franchisee (another added benefit!).

Most importantly, Provalliance can use these reviews to implement improvement loops throughout its entire organisation. Customers' reviews form the foundation for these improvement loops. The innovations made based on the reviews can vary in nature, e.g. product innovations, improvements to the customer experience or transparent rates.

Innovations made by Cosmo Hairstyling & Team Kappers

Cosmo Silent Chair

Problem
• Common wish: some time for myself
• The stylist talks a lot, I would rather have some peace and quiet.

Innovation
• Cosmo Silent Chair: choosing a chair where the stylist does not engage in needless chitchat.

SMS service from Team Kappers

Problem
• Waiting times at TEAM Kappers

Innovation
• At TEAM, you can get a haircut without an appointment. If the waiting time is longer than twenty minutes, customers will receive a text message ten minutes before it's their turn.

Dos & Don'ts of customer feedback

What did we learn?

Dos

1. When renewing a brand (e.g. by adopting a new corporate style), it is advisable to ask customers about their satisfaction and feedback. You can then substantiate the differences with data!

2. An omnichannel approach where you put the customer first is highly effective.

3. Social evidence in the form of reviews helps you boost the number of online appointments that are made.

Don'ts:

1. Only gathering feedback in a centralised manner and not giving employees the opportunity to see what their customers are saying about them.

2. Focusing only on the scores. Instead, you should look at the answers to open questions and use this information to train hair stylists.

3. Sending out too many surveys and frustrating your respondents. Like Provalliance, you should alternate between brief and slightly longer surveys.

Result

All innovations have led to great results. The so-called "flywheel" marketing, improvement loops in the salons' operations and services have brought in more new customers, led to increased revenue and brought about a cultural shift among the franchisees. The value for Provalliance as the franchisor has also increased. Provalliance has to unburden franchisees and stylists when it comes to marketing, training, operations and the business formula.

Insocial

FEEDBACK SOLUTIONS

With Insocial, you can measure every interaction between your organisation and your (potential) customers, acquire actionable insights that you can use to make real improvements and make Customer Experience a core aspect of your organisation.

Would you like to know more?

In our free demo, we explain exactly how our feedback solutions work and how you can implement them in your own organisation! The demo is entirely free of any further obligation, so there are no strings attached!

Request a demo

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