# ***The Cycle of Customer Interaction***

# Regardless of the type of business, or your lack of experience in that industry, you can confidently walk into any business and begin to identify critical measures. This is possible through the facilitation of **The Cycle of Customer Interaction** (CCI). In simple terms, the CCI process maps the flow of a customer transaction from start to finish throughout the business.

# As you facilitate this process with owners and key personnel, there is often disagreement about the actual timing and flow of activities as well as the expectations (or performance standards) associated with each of these customer contact points. This opens up a powerful discussion about the need for better-documented systems and training to ensure that all employees are performing their jobs according to the set standards. If there are no clear standards established for each point of contact with a customer, this needs to be done. The process of establishing performance standards can take some time, since you’ll want to include every department and team member in the process. By setting performance expectations for each point of customer contact with the team members, you’ll find greater ownership of the performance measurement process overall.

In very small businesses you may find the CCI process is more than adequate to begin a performance measurement engagement. Starting off with the simple distinction of Customer and Operational measures may be appropriate. In many cases, selecting just two or three measures associated with key points of customer contact, if paid attention to, could have a profound effect on the management and profits generated from that company. Once the company is doing well with those two to three measures, you can begin to expand the process by adding more measures and finally by pursuing a more formal hierarchy of measures.

In some ways it is better if you don’t know very much (or anything) about the business before beginning a CCI process. You won’t have any preconceived notions as you facilitate the development of the cycle. Your job is to “capture” and learn about the business cycle by asking questions – not by giving them the answers. This process generally yields a much better understanding of the entire company for EVERYONE involved, not just you. In essence, THE PROCESS IS THE PRODUCT!

Once you have mapped out the customer points of contact and set standards for each of these points, there is a logical impact on the operational side of the business. In other words, your client won’t be able to improve their interface with the customer without having it create greater demands from the operational side of things. In many cases, by focusing on improving just two or three key points of contact, like ripples in a pond, it will send performance improvement shock waves throughout the organization. Additionally, by focusing first on front-line team member activities, your client can begin to implement some very simple bonus programs to stimulate the performance they are looking for. This is a good first step toward introducing a performance based compensation program.

**How to Facilitate a**

**Customer Cycle of Interaction Process (CCI)**

Prep list:

* Large paper (approximately 4x6 ft.)
* Masking tape, thumbtacks, or pins
* Marking pens

Purpose:

Capturing a Cycle of Customer Interaction is much like any other process mapping activity except that it speaks to the cyclical/repeat nature of a customer relationship. It can be applied to any number of customer types as well as products and services. This exercise accomplishes several goals:

1. Brings a group to consensus on what their process steps actually are. Often times there is great debate over what is really happening in the organization.
2. Highlights the need for better systems and streamlined operations.
3. Illuminates the delicate balance between internal and external customer needs.
4. Evaluates the company from the customer’s point of view.
5. Helps owners and managers determine critical areas to focus on and measure.

Conducting the Exercise:

1. Attach the large paper to a wall with pins or tape. (Be sure to double up the paper so your markers don’t bleed through.)

2. Draw a large circle on the paper, leaving room around the circle for noting the various points of contact. (see below)

3. You begin by asking the question, “What is the first point of contact a customer has with this organization?” From there it is a matter of asking, “What comes next?” over and over again until the Cycle is complete. Be as linear as possible. In other words, put yourself in the role of the customer and see the business from their perspective. It is critically important that any part of the business the customer has direct interaction with be evaluated. For example, don’t forget about the bathroom, waiting area, or parking lot. Ask the question, “What would a customer perceive about this organization when using the restroom, waiting in our office, or walking across the parking lot?” “Is their perception consistent with the image we are trying to portray?”

Continue to capture each point of contact. In this first go round, it’s best to stay at the macro level; noting the sequence of events that make up a customer experience. If there is a particular area of concern or weakness it may be appropriate to do a more detailed process map for that activity at a later time.

1. Be sure the group is focused on capturing current behavior. Once you have mapped the points of contact, you can re-work the cycle from a “Future State” perspective. The contrast of these two diagrams often serves as a starting point for a basic flash report.

**Potential Outcomes:**

1. Map customer experience
	1. Articulate questions for a customer survey or focus group based on the various points of contact.
2. Identify gaps and redundancies to be streamlined.
3. Plan re-engineering of processes.
4. Identify champions for various re-engineering activities based on who has a direct impact of a given activity.
5. Establish Performance Standards for critical points of contact.
6. Document Systems, Processes, and Procedures
	1. For training purposes
	2. For new employee orientation programs

Cycle of Customer Interaction



# **On the next few pages you’ll find examples of two businesses and their corresponding CCI measures.** **Plumber (Service) Cycle of Interaction**

# **Points of Contact and Associated Measures**

#  **#1 Awareness**

# Repeat

# -recency, frequency

# Referral

# -source/type

# -source/average sale

# Advertising

# -source/type

# -source/average sale

# **#2 Walk-in / Phone-in**

# Time to respond to call

# Time from call to arrival on-site

# # of people who cancel

# **#3 On-site Estimates**

# On-time arrival

# Conversion Rate on Estimates

# Accuracy on Estimates

# % of jobs started immediately vs. schedule for later date

# **#4 Service Delivery**

* Dispatcher Efficiency

-average travel time

-average wait time

-% on-time arrival

-%customer not there or back out

* Average time of service by type of service
* Estimate to Actual
* Opportunity to Upsell vs. Actual Upsell
* Cost of Time and Materials by type of service and by technician
* Inventory

-damage

-quality, returns, credit memos, etc.

-turnover

**#5 Call Backs**

* Rework by:

-technician

-type of job

-customer

-average value

**#6 Billing**

* Cash, credit, check, invoice
* A/R days

**#7 Dormancy**

* Referrals
* Casual contacts

#  **Dentist (Professional Services) Cycle of Interaction**

# **Points of Contact and Associated Measures**

#  **#1 Awareness**

# Repeat

# -recency, frequency

# Referral

# -source/type

# -source/average sale

# Advertising

# -source/type

# -source/average sale

# **#2 Walk-in / Phone-in**

# On-time arrival

# Ease of directions

# Appointment vs. drop-in

* Appointment Book fill rate

# **#3 Check-in Protocol**

# Time to complete information

# Ease of completion

# Chart accuracy

# Patient expectation vs. Scheduled treatment

# **#4 Waiting Room**

* Duration of Wait
* Accessibility and usage of refreshments
* Age of Magazines

**#5 Operatory Waiting**

* Duration of Wait
* Walk-outs
* Comfort-feedback

**#6 Exam**

* Completeness of exam
* Opportunities for Upsell vs. Actual Upsell

**#7 Treatment-Back office**

* Actual treatment vs. scheduled treatment
* Pain/comfort of patient
* Average time in chair
* Ratio of assistants to patients/dentists
* Use. Of T.V., radio, walk-man, etc.
* Lifetime of instruments
* Inventory

-appropriate to needs

 age of product

 turnover

 returns, breakage, damage

* Lab – Supplier Quality

-fit of dentures, partials, crowns, bridges, etc.

-on-time arrival

-overall quality of product

**#8 Release**

* Time at front desk post-appt.
* Compliments, Complaints
* Pre-schedule next phase of treatment
* Billing intake

**#9 Follow-up**

* Based on a criteria for follow-up
* How many patients each day vs. actual contact
* Problems post treatment
* Re-work
* After hours emergencies

-due to dentist

-due to assistant

-natural causes

**#10 Re-call**

* % Appointment kept without change
* % reached 72 hours prior
* % no show
* Additional services sold at time of prophylaxis

**#11 Billing**

* Time from treatment to billing
* Accuracy of billing
* Average time to pre-authorize insurance work
* A/R outstanding
* # of files waiting for information

# **#12 Dormancy**

* # of casual contacts during appointments
* Social, newsletter, etc.