

guest XM

by Black Box Intelligence

Turn Data into Results:

Detailed Examples of Operationalizing Your Customer Feedback



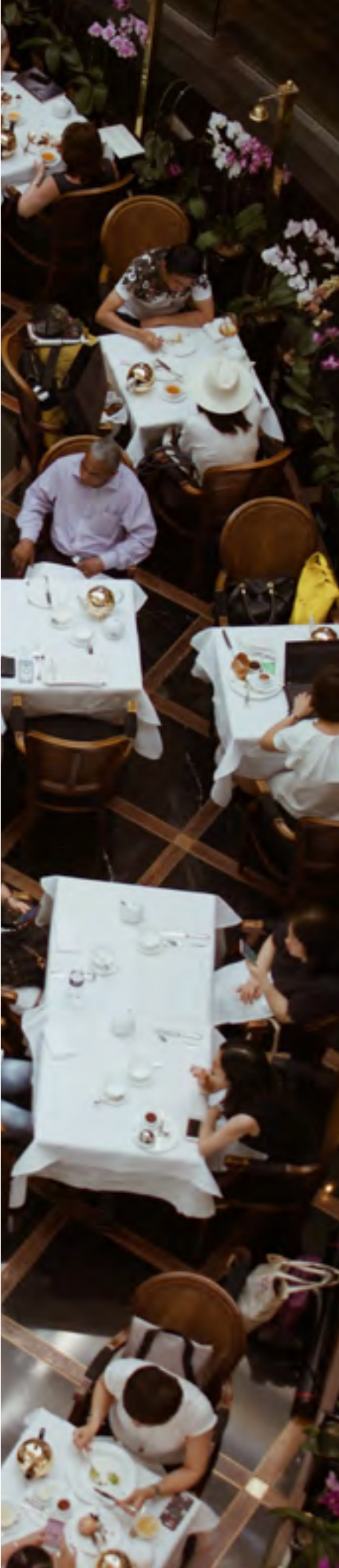


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Becoming a best-in-class brand in customer experience involves collecting, analyzing, and operationalizing customer feedback data.

This is without a doubt true, given that customers today have access to more channels than ever before to voice their opinions, providing vital insights into the customer psyche.

At GuestXM, we can't emphasize the importance of customer feedback management enough, but this statement in and of itself doesn't particularly carry weight. So today, we're going to talk more about what exactly customer feedback management entails and what it looks like to operationalize both direct and indirect feedback, providing use cases so to create a clearer picture of the entire process.



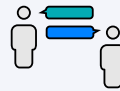
From Surveys to Reviews to Omnichannel Success

Branded surveys can help restaurants not only uncover blind spots across customer interactions but also stay ahead of negative customer reviews. According to Salesforce, “62% of customers say they share their bad experiences with others.” It is, therefore, crucial to address any customer experience issues proactively to prevent them from becoming publicly visible.

Indirect, or unsolicited feedback, is collected via public-facing online review channels such as Yelp, Google My Business, Zomato, social media platforms, etc. As customers frequently express their unfiltered opinions online, companies can no longer disregard the impact reviews have on their brand reputations. In fact, according to GuestXM research, guest sentiment and review sites remain key drivers of year-over-year increases in guest traffic.

Omnichannel feedback is the practice of collecting and integrating both direct and indirect customer feedback to gain a more comprehensive understanding of customers’ experiences and preferences.

Direct customer feedback is solicited feedback collected via surveys; for example:



Net Promoter Survey

An NPS score identifies a guest's willingness to recommend a restaurant, an important leading indicator of future business and revenue growth.



Customer Satisfaction Survey

A CSAT score indicates how satisfied diners are with a restaurant’s food, service, and overall experience.



Customer Effort Survey

A CES score is an indicator of how easy or difficult it is to dine at or order from a restaurant.



Operationalizing Feedback

Operationalizing customer feedback involves the systematic process of turning customer insights and suggestions into actionable changes within an organization's operations, products, or services.

This entails collecting feedback through various channels, as we mentioned previously, analyzing it to identify trends and priorities, and then implementing specific measures to address those findings.

By integrating customer feedback into day-to-day practices, brands can enhance customer satisfaction, drive continuous improvement, and align their offerings more closely with customer needs and expectations.



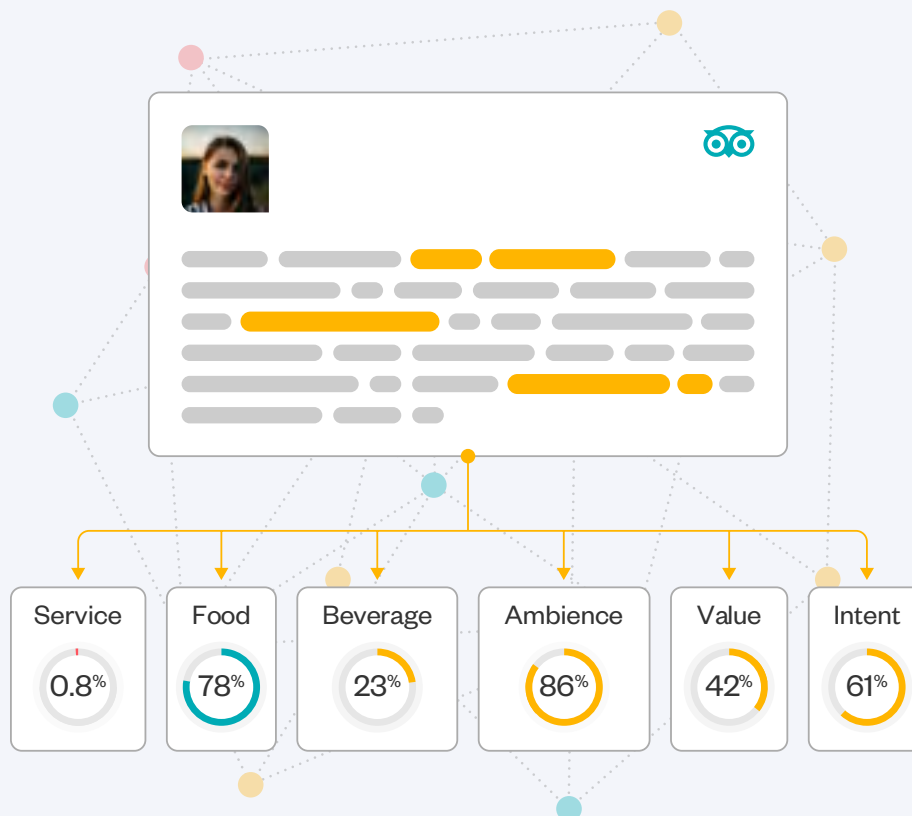
Data Management Solutions & Intelligent Analysis

What tools can restaurants employ to effectively manage the influx of feedback data from various channels and extract actionable insights through analysis?

A unified data solution should allow a brand to aggregate and assimilate vast amounts of online customer feedback data across multiple review channels, leverage Artificial Language Processing (ALP) to analyze human speech and highlight key concerns and trends, automate the administration and delivery of surveys to collect and analyze feedback at scale, and engage with customers in near real time, which includes replying to guests' negative, neutral, and positive feedback.

Furthermore, an AI-driven data solution should provide restaurants with the capability to assess correlations among variables to uncover patterns, dependencies, or potential cause-and-effect relationships. For example, did a recent change in supplier result in a decrease in customer sentiment regarding food quality, or was the decrease a result of appointing a new head chef?

Highlight Key Concerns with Artificial Language Processing (ALP)



Cause & Effect

In data analysis, cause and effect refer to the relationship between variables, where one variable (the cause) influences or leads to changes in another variable (the effect). This relationship is often explored to understand the impact of one variable on another.

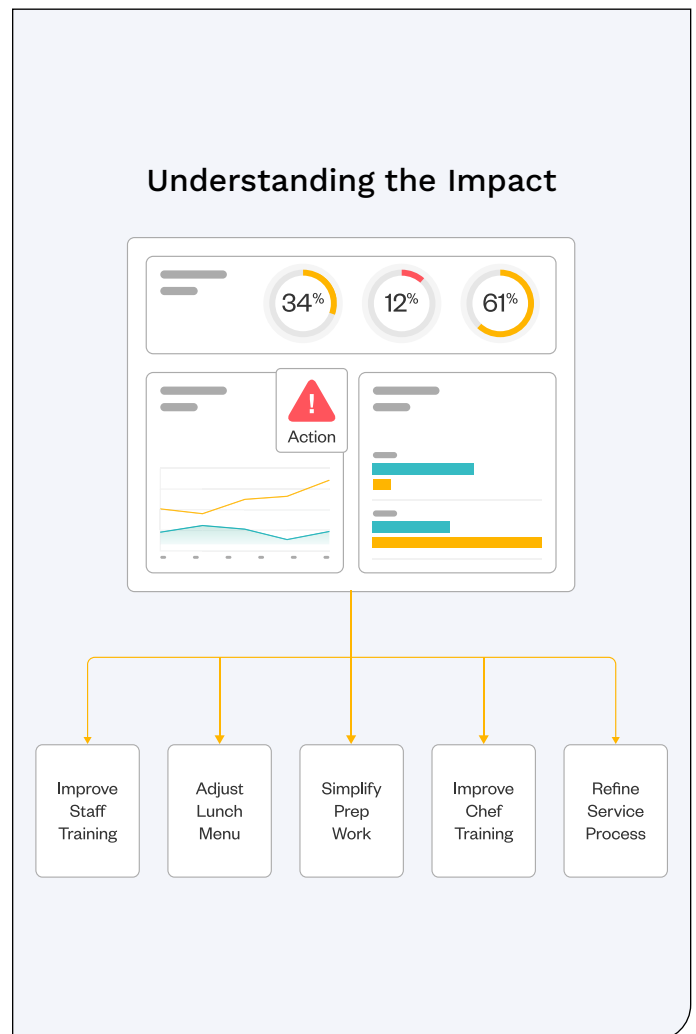


For example, if a restaurant is analyzing data on customer behavior, they might want to determine the cause-and-effect relationship between raising menu prices (cause) and guest traffic (effect). By examining the data, they can determine whether changes in menu prices have a significant impact on changes in guest traffic.

Analyzing cause and effect in data often involves statistical methods such as regression analysis, correlation analysis, or experimental design. These methods help brands identify and quantify the strength and direction of the relationship between variables and make predictions or draw conclusions based on the data.

Once collected, this feedback should be regularly reviewed and analyzed to identify common themes or recurring issues, such as slow service or food-quality concerns. The next step involves implementing concrete changes in response to this feedback, such as improving staff training, making menu adjustments, or refining service processes.

Additionally, fostering a culture of customer centricity among restaurant staff, where feedback is valued and acted upon promptly, plays a crucial role in ensuring continuous improvement and maintaining a positive dining experience for patrons.



Operationalizing Feedback Use Cases

EXAMPLE 1: INGREDIENT CHANGE



DIRECT FEEDBACK INPUT:

Customers complained via feedback surveys that the restaurant's famous secret sauce tasted completely different.



INDIRECT FEEDBACK INPUT:

Comments on various online review channels reflected the same complaint, which led to a drop in star ratings.



INFERRED INSIGHT:

The restaurant had changed suppliers approximately five months ago and replaced a key ingredient from said supplier.



OPERATIONAL INVESTIGATION:

After comparing the new formula with the old via numerous "taste tests," it was confirmed that the new ingredient changed the original taste of the secret sauce.



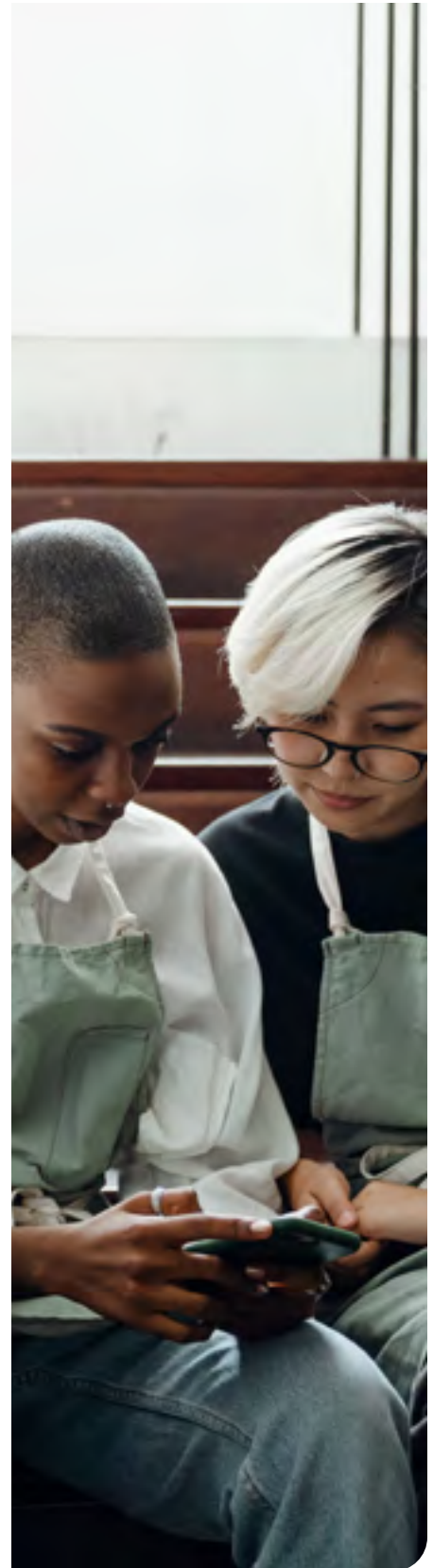
ACTION:

The company decided to switch back to the original supplier and kept a close eye on customer feedback and star ratings.



RESULTS:

In this hypothetical, the brand saw an increase in positive online reviews and customer satisfaction.



Operationalizing Feedback Use Cases

EXAMPLE 2: INCREASED MENU PRICES



DIRECT FEEDBACK INPUT:

Customers complained via surveys about an increase in menu prices and that the quality of the food did not necessarily justify the price increase.

The restaurant saw a decrease in customer traffic and sales.



INDIRECT FEEDBACK INPUT:

Comments on various online platforms reflected the same complaints, which led to more negative and neutral feedback and a drop in star ratings.



INFERRED INSIGHT:

The brand had increased menu prices three months ago to offset inflation.



OPERATIONAL INVESTIGATION:

By analyzing guest sentiment and financial metrics, it was concluded that the rise in menu prices directly impacted guest sentiment regarding value and food quality, resulting in a decrease in traffic and sales.



ACTION:

The company decreased menu options as well as current menu prices so that more focus could go into food preparation and customer service.



RESULTS:

In this hypothetical, the brand:

- Gradually saw an increase in guest sentiment scores and star ratings, specifically regarding food quality and service.
- Foot traffic increased to the original numbers.
- Customers were more willing to accept a slight increase in menu prices when food and service quality increased.



Operationalizing Feedback Use Cases

EXAMPLE 3: ORDER INACCURACY



DIRECT FEEDBACK INPUT:

Customers complained via feedback surveys that when they ordered food via drive-through, their orders were often inaccurate.



INDIRECT FEEDBACK INPUT:

Free-form field text collected via surveys was assessed at scale using artificial intelligence analytics software. Sentiment on order inaccuracy vs. understaffing was analyzed.



INFERRED INSIGHT:

The fast food restaurant was operating with limited staff, resulting in higher-order inaccuracy.



OPERATIONAL INVESTIGATION:

After analyzing both direct and indirect customer feedback as well as workforce feedback, the brand discovered that there was a direct correlation between understaffing and scheduling and order inaccuracies.



ACTION:

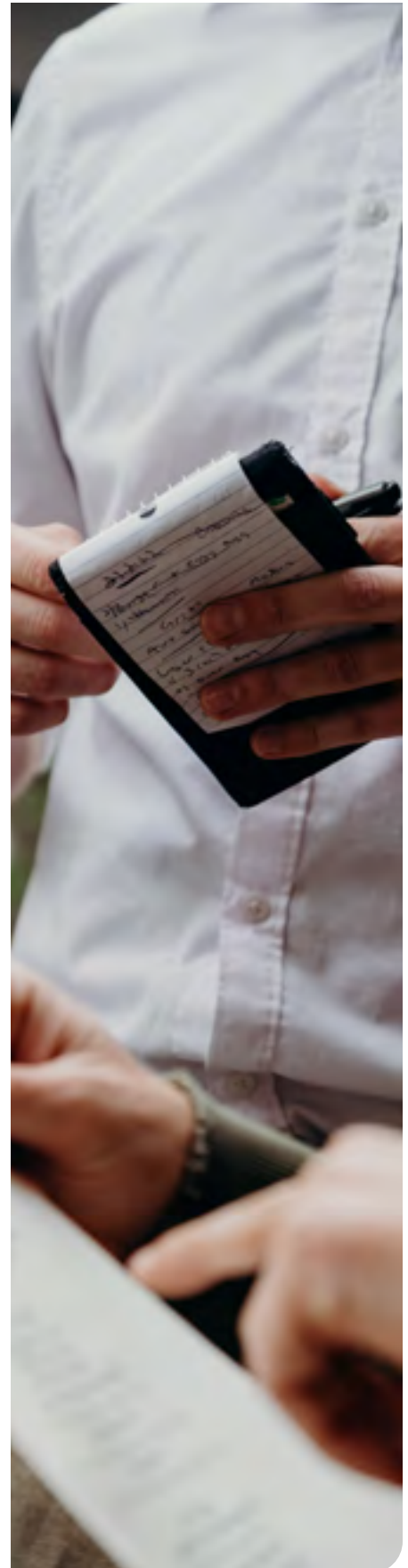
The restaurant opted to optimize staff schedules to match peak hours and customer demand to improve order accuracy by ensuring adequate coverage during busy periods. They also invested in an AI-powered voice system to help alleviate staff shortages and increase order accuracy.



RESULTS:

In this hypothetical, the brand:

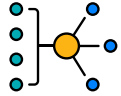
- Alleviated workforce load
- Improved order accuracy
- Improved customer satisfaction



Additional Examples

Scenario 1

A restaurant wants to improve their customer service and overall satisfaction ratings. They decide to analyze customer feedback data to identify factors that may influence customer satisfaction.



Variables:

- **Customer Satisfaction (Effect):** This is the dependent variable representing how satisfied customers are with their dining experience, typically measured on a scale from 1 to 5, with 5 being highly satisfied.
- **Wait Time (Cause):** The restaurant suspects that the time customers have to wait for their food may impact satisfaction. They measure this as the time in minutes from ordering to receiving their meals.
- **Staff Friendliness (Cause):** Another factor they suspect is staff friendliness. They ask customers to rate the friendliness of the waitstaff on a scale from 1 to 5.



Data Analysis:

The restaurant collects customer feedback data over several months, including satisfaction ratings, wait times, and staff-friendliness scores. They then use statistical analysis to explore the cause-and-effect relationship between these variables:

- **Correlation Analysis:** They might find that there's a strong negative correlation between wait time and customer satisfaction. In other words, as wait time increases, satisfaction tends to decrease.
- **Regression Analysis:** They use regression analysis to quantify the impact of wait time and staff friendliness on customer satisfaction. This helps them estimate how much customer satisfaction is influenced by these factors.



Findings:

Based on their analysis, the restaurant finds that longer wait times are indeed associated with lower customer satisfaction scores. They also discover that higher staff-friendliness scores are positively correlated with higher satisfaction ratings.

Action Steps:

Armed with these insights, the restaurant can take several actions to improve customer satisfaction:

✓ ACTION 1: REDUCING WAIT TIMES

They can work on optimizing kitchen operations and staffing or introducing a better reservation system to minimize wait times.

✓ ACTION 2: TRAINING STAFF / WORKFORCE SENTIMENT AND BENCHMARKING

They can provide training to staff to enhance their friendliness and customer service skills. Moreover, satisfied and motivated employees are more likely to provide excellent customer service. The restaurant can measure and benchmark this by tracking customer-satisfaction scores, obtaining feedback directly from customers, conducting employee-satisfaction surveys, and analyzing key performance indicators (KPIs) such as staff-turnover rates and productivity. By comparing these metrics against industry benchmarks or competitors, they can gauge their performance, identify areas for improvement, and work toward creating a harmonious environment that benefits both employees and customers.

✓ ACTION 3: MONITORING PROGRESS

Involving stakeholders from various departments such as marketing, operations, IT, UX, customer service, sales, and fulfillment can also bring valuable perspectives and insights to the table. Collaborating as a team to establish goals and methods for an omni channel approach will ensure everyone is on board with advocating for the process in their respective areas of influence.



Scenario 2

Imagine a restaurant named "Venetian Eats" that specializes in Italian cuisine. We'll consider a few customer reviews for this restaurant:



Monica



Absolutely delicious!

"Absolutely delicious! I had the lasagna, and it was probably the best I have ever had. The service was fantastic, and the ambiance was perfect for a romantic dinner. Will definitely come back!"



Jeff



I expected more

"Decent place, but I expected more. The pizza was good, but the wait time was longer than I'd like. It's a bit pricey for what you get."



Trish



Expand the menu

"I'm a regular here, and for a good reason. The pasta dishes are consistently tasty, and the staff is friendly. My only suggestion would be to expand the menu."



Alex



Won't be returning!

"Terrible experience! The food was cold, menu options were sparse, and the server was rude. I won't be returning."

Analysis:



Positive Reviews (5 stars, 4 stars): These reviews highlight the strengths of the restaurant, including delicious food, good service, and a pleasant ambiance. Positive reviews can attract more customers and build a positive reputation.



Mixed / Neutral Review (3 stars): This review provides constructive feedback about the wait time and pricing. It's an opportunity for the restaurant to consider improvements in these areas.



Negative Review (1 star): This review points out serious issues with cold food, rude service, and menu issues. Negative reviews can be concerning for a restaurant's reputation and require immediate attention and remediation.

Action Steps:

Based on these reviews, "Venetian Eats" can take the following actions:

ACTION 1: ACKNOWLEDGE POSITIVE FEEDBACK

Express gratitude to customers who left positive reviews and encourage them to return. Consider using excerpts from these reviews in marketing materials.

ACTION 2: ADDRESS CONSTRUCTIVE FEEDBACK

Responding to neutral reviews is just as important as responding to positive and negative feedback. Take the feedback from the mixed review seriously and work on reducing wait times and evaluating pricing strategies.

ACTION 3: CREATE AN ALL-STAR OMNI CHANNEL TEAM

Reach out to the customer who left the negative review to apologize for their bad experience and offer to make amends. Investigate the issues raised and take corrective actions.

ACTION 4: BRING YOUR MEASUREMENT PROGRAMS TOGETHER

Consider expanding the menu, as suggested in two of the reviews, to cater to a wider range of preferences. Furthermore, compare menu, pricing, and offerings with those of competitors or industry standards. This analysis helps assess a brand's positioning in the market, identify areas for improvement, and make strategic decisions to stay competitive.

Scenario 3

Imagine a restaurant named "Urban Spice" that offers a diverse menu, but customers frequently complain about poor customer service in their online reviews.



Mark



Service was consistently slow

"The food is decent, but the service is consistently slow and inattentive. We waited 20 minutes for a menu and another 30 minutes for our food."



Lisa



We left after waiting an hour

"I can't even comment on the food because we never got it. The staff seemed disinterested in serving us, and we left after waiting for an hour without any acknowledgment."



Paul



Service is a hit or miss

"The restaurant has potential, but they need to step up their customer service game. I've been here a few times, and it's always hit or miss in terms of service quality."



Emily



Lackluster service

"I came here for a special occasion, and it was ruined by the lackluster service. The servers seemed disorganized and untrained."



Analysis:

Consistent Complaints About Service: All four reviews mention poor customer service as a major issue, including slow service, inattentive staff, and disorganization. This consistent feedback is a red flag indicating a recurring problem.

Action Steps:

Based on these reviews, "Urban Spice" should take the following actions to address the consistent complaints about customer service:

✓ ACTION 1: STAFF TRAINING / WORKFORCE SENTIMENT

Invest in comprehensive staff training programs to improve service quality, including attentiveness, efficiency, and communication skills. Measure employee satisfaction to uncover areas of improvement.

✓ ACTION 2: MONITORING AND FEEDBACK

Implement systems for monitoring service quality during each visit and encourage customers to provide feedback directly to the restaurant. Use this feedback for continuous improvement.

✓ ACTION 3: APOLOGIZE AND MAKE AMENDS

Reach out to customers who left negative reviews, and neutral reviews if applicable, to apologize for their poor experiences and invite them back to the restaurant with a complimentary meal or offer.



Scenario 4

"Cozy Bites" is a restaurant known for its comfort food, but customers have been consistently mentioning issues with cold food in their survey responses.



Customer Survey Question:

On a scale of 1 to 5, how satisfied are you with the temperature of your food during your visit to Cozy Bites?

Response:

- ★★★★★ 5 (Very Satisfied)
- ★★★★★ 4 (Satisfied)
- ★★★★★ 3 (Neutral)
- ★★★★★ 2 (Dissatisfied)
- ★★★★★ 1 (Very Dissatisfied)

Customer 1:



Dissatisfied

"The flavor was good, but my main course arrived cold. It's disappointing because I've experienced this issue on multiple visits."

Customer 2:



Neutral

"The service was nice, but my food seemed lukewarm. I expected it to be hotter, especially for a dish like lasagna."

Customer 3:

Very Dissatisfied

"Unfortunately, my entire meal was cold. I raised it with the server, but the replacement dish wasn't much better. This is a recurring problem."



Analysis:

Consistent Complaints: All three responses consistently mention the issue of cold food, indicating that it's not an isolated incident but a recurring problem.

Variability in Satisfaction Ratings: While some customers express dissatisfaction with low ratings, others might be more lenient, giving neutral ratings. This variability suggests that there might be inconsistencies in food temperature across different experiences.

Action Steps:

Based on these survey responses, "Cozy Bites" should take the following actions to address the complaints and ratings:

✓ ACTION 1: TEMPERATURE-CONTROL CHECK

Conduct an internal review of kitchen processes to ensure food is prepared and served at the appropriate temperature. Implement checks at various stages of food preparation to identify and address any potential issues leading to cold food.

✓ ACTION 2: STAFF TRAINING

Provide additional training to kitchen staff to emphasize the importance of serving hot dishes promptly. Reinforce the procedures for maintaining food temperature from the kitchen to the customer's table.

✓ ACTION 3: CUSTOMER COMMUNICATION

Communicate with customers to acknowledge the issue and inform them of the steps being taken to address it. Encourage customers to provide real-time feedback during their visits if they encounter issues with food temperature.

✓ ACTION 4: FOLLOW-UP SURVEYS

Conduct follow-up surveys specifically addressing the issue of food temperature to assess whether improvements have been noticed by customers.

✓ ACTION 5: STAFF FEEDBACK

Gather feedback from kitchen and serving staff to understand any challenges or obstacles they face in maintaining food temperature.

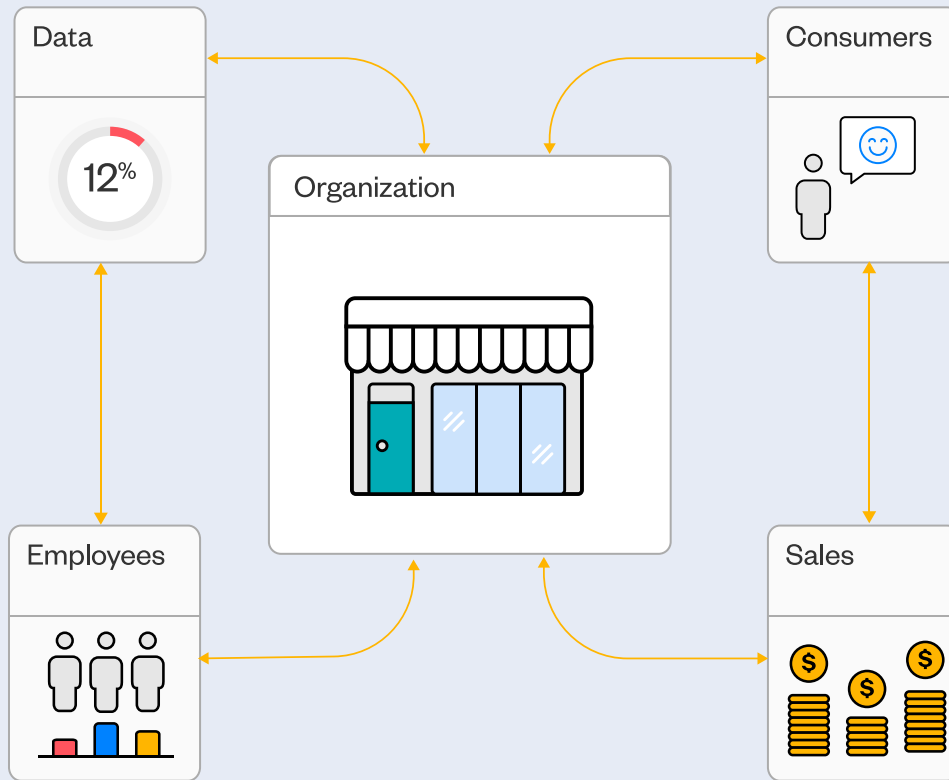
✓ ACTION 6: CONTINUOUS MONITORING

Continuously monitor customer reviews, both via surveys and online platforms, to identify any new instances of temperature complaints and address them promptly.

✓ ACTION 7: MENU ADJUSTMENTS

If certain dishes consistently pose challenges with temperature, consider menu adjustments or alternative preparation methods.

In sum, customers form the backbone of any business. Their feedback acts as a vital guide for ongoing improvement. Operationalizing their feedback means actively leveraging customer insights to refine and enhance business operations, fostering a responsive, customer-centric approach essential for sustainable, long-term growth.



About GuestXM

Gain full control of your brand—from how it's perceived to how it performs—so you know exactly what impact your team can make to transform your brand's hospitality and deliver remarkable restaurant experiences.

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