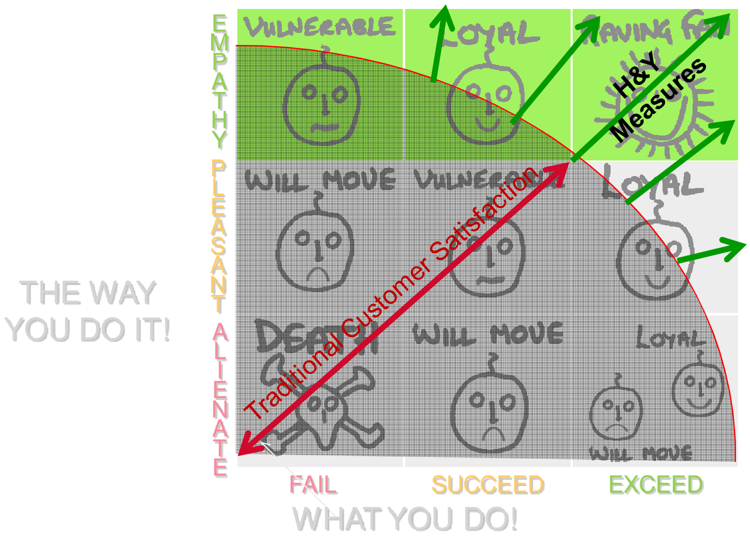
Introduction – Why Empathy

It is very hard to argue that traditional Customer Service initiatives, designed to improve the relationship between companies and their customers, have worked and yet many Customer Satisfaction Indices (CSIs), which are often seen as the appropriate measure, are at all time highs.

More recently advocacy measures (such as NPS) have been implemented throughout the world. Undoubtedly this is an improvement on the traditional Customer Satisfaction metrics however NPS has a number of recognised limitations and its value in informing and driving change is continually challenged.

Harding & Yorke was founded to deliver a measurement that would both provide better accuracy on how it really feels to be a customer of an organisation and ensure that the measure would be sustainable over time and programme change. In addition, the measures were designed to catalyse action, engage employees, and inform change programmes and local initiatives.

The HYM Sheet



The Harding & Yorke methodology extends traditional measures into an emotional dimension. Research suggests that it is in this area that customers react more favourably and build brand loyalty. Harding & Yorke's ERIC Benchmarking methodology is the only known service-related metric to be academically proven to correlate directly with Profit and to be judged 98.9% reliable.

Intuitively, we can all appreciate that if we like a particular service provider we would naturally be drawn to them. This makes it all the more surprising that a direct correlation to profit has not been identified previously. Our contention is that there are two reasons for this:

1. The wrong things are being measured
2. The way things are measured is wrong

So what is different about the Harding & Yorke methodology?

We explore below 6 key differences that make the difference.

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Key Difference #1 – who we measure

Harding & Yorke approach

- •High Ratio
- •Statistically Significant
- •Easily Segmented
- •Comparable
- •Highly Focussed
- •Validated
- •Easily Actionable

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#1 – We research the level of empathy displayed by the employee towards the customer. We know that relying on customer feedback alone can give misleading results for a number of reasons:

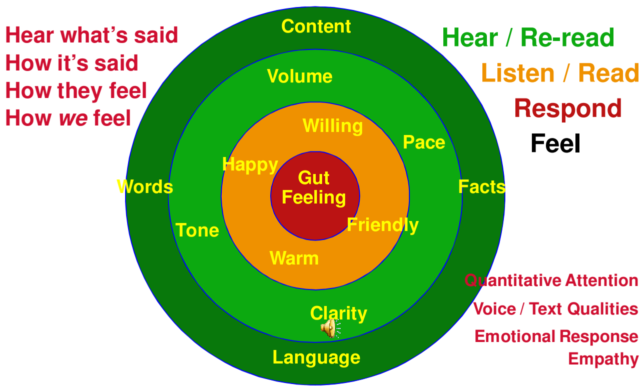
- Customer feedback tends to be logical rather than emotional
- There are huge levels of expectation which can't be catered for
- Confusion over whether feedback is Product, process or relationship geared

#2 = Our analysis starts with a 'Gut Feeling'. There are 4 key stages:

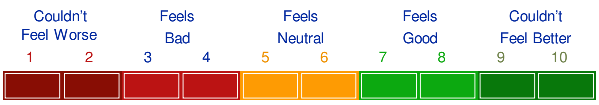
1. Immediately after an interaction we measure how we feel.
2. We then determined how the employee felt.
3. Our analysis determines how they say what they say which supports how they felt.
4. Finally, and yet very importantly, we capture what is said.

Most measures start at #4 and fail to capture the 'Gut Feeling' which drives the majority of our actions.

Key Difference #2 – what we measure



Key Difference #3 – how we measure



- Very broad
  - from *'couldn't feel worse'* to *'couldn't feel better'*
- Based on feelings, not intellectual
  - Without expectation, human based.

#3 - We have devised a simple and yet highly effective 'absolute scale' to capture our analysis.

It is combination of 'verbal' and 'numeric' scales and is very easy to use.

It is proven to be highly accurate, fair, reliable and sensitive – all the key ingredients for sustainable research capture.

Soundbites, video clips and scans are used to demonstrate points on the scale.

The scale can change depending on the questions being asked.

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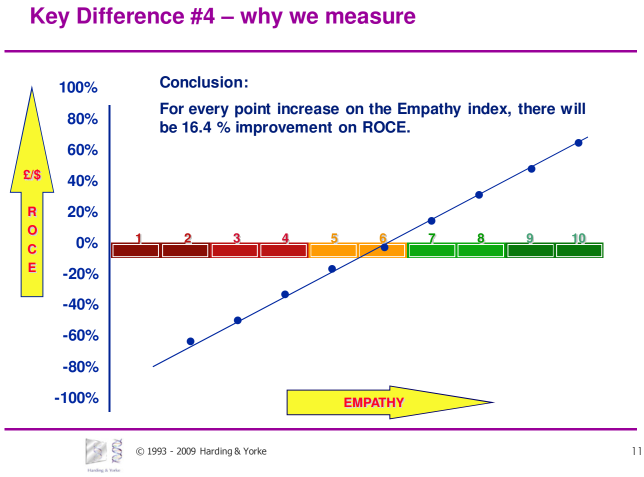
#4 - The Harding & Yorke measurement methodology is the only known metric to correlate directly with Profit (as measured by Return on Capital Employed ROCE).

The correlation with ROCE was defined by Professors Merlin Stone and Yuksel Ekinci of Oxford Brookes University Business School. They determined a very high correlation of .85

Whereas:

NPS correlates with 'Revenue Growth'

ACSI correlates with 'Stakeholder Value'

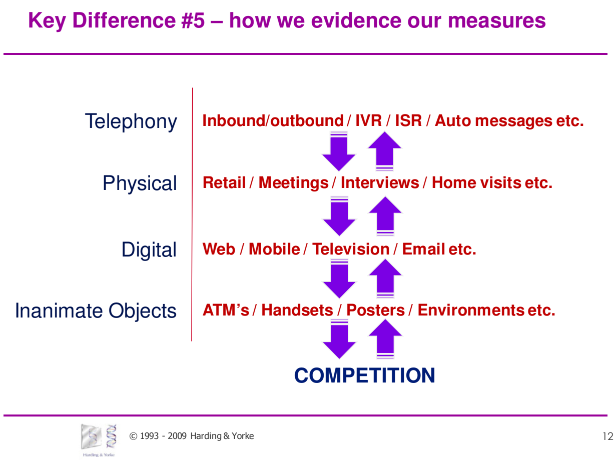


#5 - Our measures are both consistent and comparable through every channel and function of an organisation. This is because we are measuring 'how it feels' and not the specific product or service.

Interestingly, we also make direct comparisons across industries and over national borders as 'Empathy' is about how appropriately you meet each individual customers physical and emotional needs.

In support of our findings we provide physical evidence by way of soundbites, video clips or scans that demonstrate both the corporate trends and examples of better practice.

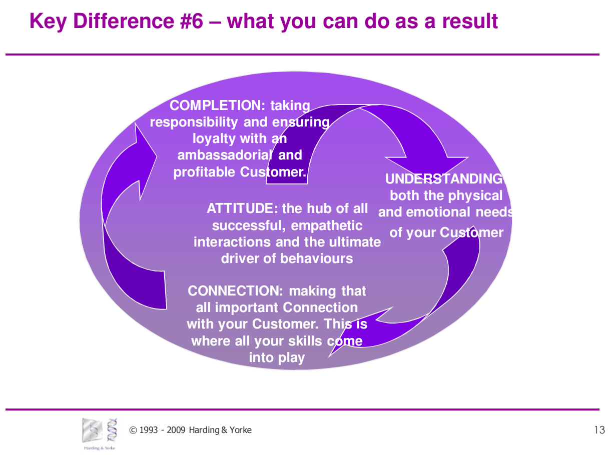
In this way your people are engaged and have the opportunity to experience what a great customer experience sounds, feels and looks like.



#6 – Many measures leave clients bewildered and baffled over what to do with the results. Not so with ours. All our measures and the reporting of them are designed to engage all your people, catalyse them into action as well as informing the organisation, at both a micro and macro level, what they can do in the short, medium and long term.

Solution teams aim to inspire and motivate all your people to achieve something better.

We can equip your people with the understanding and skills to communicate and connect with every customer in all situations.



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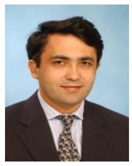
In their makeup measures of your businesses performance should be:

- Consistent
- Fair
- Accurate
- Reliable
- Sensitive
- Valid

Academically proven by Professors Merlin Stone and Yuksel Ekinci of Oxford Brookes University Business School.



Through:

- Linear Correlatations
- Exploratory Factor Analysis (EFA)
- Multiple Regression (Ordinary Least Squares)
- Cronbach's Alpha (Reliability)

In their performance they should be:

- Informative
- Actionable
- Engaging
- Catalytic
- Trackable

We can make the measures come alive and inspire and motivate teams and individuals to achieve remarkable results.

Through facilitation we can devise internal quality performance measures that are bought into by your people and will ensure sustainability of improvement and engender a culture of self-improvement.

What makes our solutions programmes the right choice?

- Our interpretation of the empathy analysis
- Learned and experienced based understanding
    - Multitude of industry sectors
- Skill transfer as a preferred approach
    - Although capable of full roll-out
- Experiential
    - Training / Coaching / Mentoring / Facilitating
    - Participative, practical and fun
- Working with people who are already engaged by the delivery of the empathy findings
- Use best of proven technique
    - Plus some of our own!
- Channel specific expertise with comparable modules
    - Email; letter writing; telephony; retail; web etc.
- We are delighted to work with internal and external teams to achieve the best result for you.

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Working ‘Stand Alone’ or with other measures / needs

- ✓ **Customer Satisfaction** (CSat, ACSI, UKCSI etc.)
- ✓ **CMAT** (Ogilvy / Reap)
- ✓ **Advocacy Measures** (NPS etc.)
- ✓ **Regulatory Requirements** (TCF etc.)

Harding & Yorke adds VALUE:

- ✓ Highlights the reasons **WHY**
- ✓ Makes it come **ALIVE**
- ✓ **ENGAGES** all your people
- ✓ Catalyses **ACTION**
- ✓ **EVIDENTIAL**
- ✓ Full Range of **Support Services**
- ✓ Provides a clear road map to **CHANGE**
- ✓ Identifies ‘**cultural**’ reasons
- ✓ Cross Functional / Channels
- ✓ No geographic borders
- ✓ In your face (nowhere to hide)
- ✓ Un-intrusive / **Highly Visible**

Our measures work alone or in conjunction with other internal or external consultancies – whether they are solutions or measurement based.

We believe we have a huge ‘value add’ and can make programmes come alive and change initiatives sustainable. We can add that differentiating factor so important in today’s customer led economy.

In addition, we support requirements laid out by regulatory authorities, such as the FSA (Financial Services Authority). We are able to provide independent evidence of a company’s intent and actions in Treating Customers Fairly and to put in place action plans that show willing to develop a sustainable culture commensurate with the requirement. For a full support service we can add analysis on product and process in relation to customers’ needs and requirements.

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Harding & Yorke's 'raison d'être'

Since its formation in 1993, Harding & Yorke's development has been very much client led with each new offering and service complimenting both current needs and future aspirations.

The Harding & Yorke methodology is, to our knowledge, the only one able to conduct measures across companies, functions, media and channels in a comparable way and reflect back from the captured data a powerful insight into exactly how customers feel when interacting with a company, what the behaviours of staff are that create these feelings, the attitudes lying behind the behaviours and the culture that creates the attitudes.

In 2008/9 it was identified that Harding & Yorke measures are the only academically proven service-related metrics to correlate directly with profit (as measured by Return on Capital Employed). Professors Merlin Stone and Yuksel Ekinci found a correlation of .85 and a reliability of nearly 99% between over 3 million points of data supplied by Harding & Yorke over a period of three years and the pan-European financial database 'Amadeus'. Techniques used included: Linear Correlations; Exploratory Factor Analysis (EFA); Multiple Regression (Ordinary Least Squares) and Cronbach's Alpha for reliability.

Through these techniques, we now know that for every point increase in Empathy there appears to be a corresponding 16.4% increase in ROCE thus providing the world's first proven financial basis for moving towards a service culture.

In 2011, Compathy Limited acquired the Intellectual Rights over the Harding & Yorke methodology together with Goodwill, trademarks (both registered and unregistered) and on-going Contracts. This was done so that the methodology could be licensed out to a limited number of licensees in four key regions: UK & EMEA, Americas, Asia and Australasia.

All the operational services previously supplied by Harding & Yorke are available to Licensees as accredited suppliers, plus many of the Licensees have expertise and methodologies that, when combined with those of Harding & Yorke, add value to clients.

Over the next few pages we explore in more detail some of the key points of the Harding & Yorke methodology.

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Products and Services

Licensees are entitled to learn from the H&Y's history and to build and develop their own products and services. Harding & Yorke were proud to be constantly developing and improving their products and services to best meet the needs and wants of our clients, however there are some consistent products that meet consistent needs and clients find great value for money. They include:

1. The Customer Empathy Audit™
2. ERIC Benchmarking Programme™
3. Interviewing
4. On-site Discovery

5. Tools and techniques for capturing interactions for analysis
6. Measurement Workshops / Correlations
7. Empathy Solutions - Measurement and Management

A description of each is below:

The On-going empathy Research programme will continually add content and value to empathy related products and services.

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1. Customer Empathy Audit™

Overview

The delivery of benchmarking and tracking of the customer experience using our Customer Empathy Audit™ approach. This approach provides you with practical insight on how it feels to be a customer through the analysis of your employee's behaviour in real interactions you have with your customers.

Set Up

This involves the design of the research process, including gaining an understanding of your business and managing the logistics of capturing and analysing customer interactions. The actions during set up are:

- Attend a set up meeting with the key project sponsors to agree:
    - **Project plans** - Inputs, outputs, milestones, change control and timeline.
    - **Questionnaire** - Any bespoke questions you would like us to create, measuring:
  - Brand values, Mission statements, Customer charters, Service initiatives and Process issues.
    - **Access Methods** – Establish how we are going to access your business to enable us to capture customer interactions:
  - Recordings of real customer calls, face to face visits or correspondence.
  - 'Mystery shopper' calls, visits or correspondence carried out by our research team.
  - Internet access – sales and service
    - **Target Areas** – Identify and agree a matrix of the homogenous areas from where we will capture customer interactions. This could include:
  - Telephone Calls, face-to-face interactions (sales or service), letters, emails or internet service.
  - Sales, Service, Technical Support or Help Desks
  - Call type A v. call type B.
- Establish a day to day client project contact to arrange the capture / recording of customer interactions, agree the story boards for mystery shopping interactions, agree the questionnaire and arrange the final presentation of results.
- The Harding & Yorke project manager will design a bespoke questionnaire for analysis of the interactions, set up the database for analysis and brief our researchers.

Research

At this point our Empathy Researchers measure the customer experience by listening, watching or reading the customer interaction and analysing it by putting themselves into the customer's shoes.

- In-depth analysis of the customer experience using Harding & Yorke's empathy measurement questionnaire together with any agreed bespoke questions.
- Questionnaire with all the elements and attributes of excellence in an interaction between an organisation and a customer. The full questionnaire will consist of several hundred points of analysis.
- Measures the levels of excellence provided by your people, analysing each of the key dimensions of an interaction:
    - Getting Though - When and how you welcome us.
    - Developing the Relationship - How you as people impact your customers.
    - Handling the Task - How your processes make us feel.
    - Promoting Yourselves – If and how you compel us to do business with you.
    - Handling Problems – How you deal with us if we have a grievance.
    - Wrapping Up - How you end the interaction.
    - Delight - How far you exceed our expectations.

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- Corporate Characteristics - How your culture draws us in or repels us.
- Bespoke Questions – How far you deliver against your brand values and service initiatives.

Data Analysis

This is the process where our project team draws together the data, multimedia evidence and conclusions from the empathy research into a presentation of the customer experience.

- Quantitative analysis of performance:
  - Using our 1-10 Empathy Rating™ Scale, we will calculate the mean and the trend for each element and attribute of the customer experience.
  - This provides an 'Empathy Rating™' which is the overall indication of how good or bad it feels to be a customer of your organisation.
  - Empathy Ratings™ and data trends will analysed from a variety of statistically significant views.
- Qualitative analysis of the root causes of the cultural issues that drive employee behaviours.
  - Drawing together behavioural trends to provide insight to the client.
- A definitive assessment of the customer experience:
  - Multimedia examples (sound, video and scans of correspondence) demonstrating the real experience backed up by empathy data.
  - Areas of best (and better) practice and those with room to improve.
- PowerPoint presentation with data, charts, comments, advice and multimedia clips.

Presentation of Results

These presentations normally contain 3 stages:

- Preview - We recommend that a Preview of the results is shared with the key sponsors of the programme, providing input on the presentation's positioning. We recommend this is carried out at Harding & Yorke's head office in Oxfordshire.
- Presentation – ½ day presentation of the results / action planning workshop to the client management team, facilitated by Harding & Yorke Programme and Project Managers.
- CD Rom with multimedia for internal communications and collateral for training and development.

Closure

This process ensures that all documentation is archived for future reference, returned to the client if required or destroyed according to compliance legislation.

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2. ERIC Industry Benchmark Reports

ERIC is the UK's most comprehensive Customer Experience syndicated research measuring:

- How it feels to be one of your Customers
- How it feels to be processed as one of your Customers
- Sales and Service Channels
- Industry Syndication

Overview

ERIC – the Empathy Rating Index Company. ERIC was a subscription programme that gave its members insights into what it feels like to be not only their own customer, but also their competitors'. It also provides cross-industry benchmarking data and current best practices so that an organisation can continually improve the customer experience it delivers.

All Licensees are entitled full access to all the ERIC historic data.

Approach

The insight into the customer experience is provided though the publication of 12 individual industry benchmark reports. The on-line reporting structure means that you can access not only the overall industry figures, but also reports on each company in turn. As the format is common across all reports it also enables cross industry benchmarking in both the sales and service environments.

Companies within some industries have agreed to share data on particular functions and syndicates, managed by Harding &Yorke, have been formed. Typical functions included within these syndicates include: Sales; Service; Billing; Complaints; Help Desks and Claims.

The individual company reports include the ERIC rating™ – the actual empathy measure together with an insight as to how you perform across a set of common values; a Process rating; their overall Balanced Emotional Scorecard score and verbatim comments taken directly from our own researchers and customers. In practice this means that you can not only gauge how effectively your own operation is at engaging with your customers at an emotional level, but also how good your competitors are.

On commission, the ERIC team compliments the core findings with soundbites demonstrating both trends and better practice. This makes the data come alive in a very memorable way.

The recognition and development of cross-industry 'better' practice can easily be achieved through a self-administering programme of activities that might include such things as non-competitive Study Tours.

Access to ERIC findings is online however most clients include a physical presentation and soundbites for at least their initial set of data. Thereafter we can train internal teams to analyse and present the data.

Industries included in the standard benchmark include:

Life Insurance	Home Insurance	Loans
Health Insurance	Telephone banking	Catalogue Clothing
Mortgages	Mobile Phones	Motor Insurance
Credit Cards	Savings	Utilities

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Standard Benchmarked Companies

CATALOGUE CLOTHING

1 Additions Direct
2 Boden
3 Charles Tyrwhitt
4 Fat Face
5 Freemans
6 Grattan
7 Hawkshead
8 JD Williams
9 Joe Browns
10 Kays LS/Choice For You/Essential
11 La Redoute
12 Lands' End
13 LX Direct (Littlewoods)
14 Marks & Spencer
15 Marshall Ward
16 Next Directory

CREDIT CARDS

17 Marks & Spencer - &More
18 American Express
19 Barclaycard
20 Capital One
21 Egg
22 Halifax - HBOS
23 HSBC
24 Lloyds TSB
25 MBNA
26 Nationwide
27 NatWest
28 Sainsbury's Bank
29 Tesco
30 The Co-operative Bank
31 The Royal Bank of Scotland
32 Virgin Money

HEALTH INSURANCE

33 AXA PPP
34 BUPA
35 HSA
36 Aviva
37 Pruhealth
38 Standard Life
39 Tesco
40 WPA Direct

HOME INSURANCE

41 Abbey
42 Britannia
43 Churchill
44 CIS
45 Direct Line
46 Esure
47 HBOS
48 ING Direct
49 Lloyds TSB
50 MORE TH>N
51 Nationwide
52 Aviva
53 Sainsbury's
54 Tesco

LIFE INSURANCE

55 Direct Line
56 HBOS
57 Legal & General
58 Aviva
59 RBS
60 Sainsbury's Bank
61 Scottish Widows
62 Standard Life
63 Tesco
64 Virgin Money

LOANS

65 AA
66 Abbey
67 Alliance & Leicester
68 Asda
69 Barclays
70 Britannia
71 Co-operative Bank
72 first direct
73 Halifax
74 HSBC
75 Marks & Spencer
76 Nationwide
77 RBS
78 Sainsbury's Bank
79 Tesco

MOBILE PHONES

80 Three
81 Carphone Warehouse
82 Dialaphone
83 O2
84 Orange
85 Phones 4u
86 T-Mobile
87 Tesco Mobile
88 Virgin Mobile
89 Vodafone

MORTGAGES

90 Abbey
91 Alliance & Leicester
92 Barclays
93 Britannia Building Society
94 Cheltenham & Gloucester
95 Direct Line
96 First Direct
97 Halifax
98 HSBC
99 ING Direct
100 Nationwide Building Society
101 NatWest
102 Royal Bank of Scotland
103 Standard Life Bank
104 Tesco
105 The Co-operative Bank

MOTOR INSURANCE

106 AA
107 Admiral
108 ASDA
109 Aviva
110 Churchill
111 Cornhill Direct
112 Direct Line
113 Esure
114 Kwik-Fit Financial Services
115 Marks & Spencer
116 MORE TH>N
117 Post Office
118 RAC
119 Sainsbury's
120 Tesco
121 CFS
122 Zurich

SAVINGS

123 Abbey
124 Alliance & Leicester
125 Barclays
126 Bradford & Bingley
127 Britannia
128 Egg
129 First Direct
130 Halifax
131 HSBC
132 ING Direct
133 Lloyds TSB
134 Nationwide
135 NatWest
136 RBS
137 Sainsbury's Bank
138 Standard Life
139 Tesco

TELEPHONE BANKING

140 Abbey
141 Alliance and Leicester
142 Barclays
143 Citibank
144 First Direct
145 Halifax
146 HSBC
147 Lloyds TSB
148 Nationwide
149 NatWest
150 RBS
151 The Co-operative Bank
152 Yorkshire Bank

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In 2011 under Compathy, it was decided to up-date the ERIC Benchmarking Programme to include the Aspire60™ questions.

Specifically this retains all the correlations with Profitability but adds a new dimension by asking 4 key questions at particular points of the analysis:

Question 36: *Answered only at the end of 'Developing a Relationship'*

Based solely on the relationship with the person who handled your interaction how would you rate this company to a friend or colleague?

Questions 42: *Answered only at the end of 'Handling the Task'*

Based solely on the process you have encountered how would you rate this company to a friend or colleague?

Questions 51: *Answered only at the end of 'Promotion' – and only if we feel able to rate a particular product or service*

Based solely on the interaction how would you rate a particular product or service to a friend or colleague?

Questions 60: *Answered only at the end of the analysis*

Overall how would you rate this company to a friend or colleague?

In each case we continue to use the 1-10 Absolute scale and through the secondary analysis of these questions we can support companies in their need to understand why people say they would refer (or not) their organisations.

The answers to the 4 questions above are not included in the overall ERIC Rating so that all previously recorded historic data is still entirely comparable.

Some industry syndicates continue to use the ERIC benchmarking model and Aspire60™ questions will be automatically added to these results.

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3. Interviewing

Within the accredited suppliers researcher base there are trained and accredited interviewers that are able to offer clients consistent and high quality outputs from customer (internal or external) interviews.

A number of techniques can be utilised and individual interviews can be conducted either on-line, face-to-face or by telephone. Group Interviews can be carried out in both formal and informal focus groups as well as in events such as Open Space Technology.

The key to deriving valuable information from interviews is to ensure that the information is appropriate, captured and fair. Our researchers are trained to use Spontaneous Open Response questioning and can deliver both trend analysis and quantifiable research data.

The format of the questions are developed by the research management team to create measures that do not 'lead' by the way the question is asked or rated and are able to reflect the true picture. All interviewers are fully briefed on every question and monitored by our quality team.

Reporting formats and timescales are agreed with each client as appropriate.

Types of Interviewing

Event Driven – immediately after an interaction the interviewee is contacted and interviewed

Vox-Pop – the view of the 'man in the street' captured by our interviewers on sound or video tape

Telephone – Interviewees are contacted at specific hours / days and our interviewers conduct qualitative and quantitative interviews as prescribed by your client.

Face-to-face – We arrange a time to meet interviewees and conduct the interview. This can be done at either client or other premises although better results can often be obtained from off-site (neutral territory) venues.

Online – We can prepare online questionnaires for interviewees. The key is to ensure each question is answered without conscious or sub-conscious connection to entirely unrelated questions (unless needed). This can be done by distracting the mind momentarily through 'clear mind' illustrations. We maintain a number of licenses for online capturing and reporting tools for clients use (e.g. Snap)

(Data Protection Note: Clients must contact and seek permissions for interviews from the people to be interviewed. We are not allowed to make initial contact without this permission first being sought.)

Our philosophy on Interviewing is to provide a high value qualitative output at a cost commensurate with more quantitative research.

Typical Interviewees

- Customers (Consumers)
  - New / Existing / Leaving / Left
- Employees (at all levels)
  - New / Existing / Leaving / Left
- Partners
- Suppliers
- Clients (B2B)
  - New / Existing / Leaving / Left

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4. On-Site Discovery

Overview

We can health check the customer experience by carrying out interviews and observations on-site. By talking to your people, we can gain a good understanding of what's happening in your business and what's driving customer facing behaviours. This allows us to focus on what you can do to encourage your people to make your performance even better and to tailor any future change programmes to suit your people and the culture of the organisation.

Deliverables

- We typically spend one, two or three days on site (depending on size and geography) carrying out interviews and observations with your employees
- Observe your staff speaking to customers
- Conduct discussion groups with a cross section of customer-facing staff and first line Managers
- Observe team leaders / coaches / quality teams as they carry out coaching, quality monitoring and other management tasks
- Conduct discussion groups with team leaders / coaches and other Managers.
- Interview any key personnel that impact the customer experience (e.g. MIS, IT, Forecasting, Training, HR, any other support services.)
- Gain an understanding of your current Quality Measurement, Performance Management and Coaching practices:
    - Understand the existing or potential effect on the customer's experience.
    - Understand how these processes are managed and communicated.
- Assess how the team delivers against key measures:
    - Efficiency measures - resource plans, work volume and staff utilisation.
    - Attendance measures - absence and attrition levels against industry standards.
- Review effectiveness of your management style (all methods of management communication including face to face, email, documents and the environment.)
- Understand how your people feel about and deliver against the required customer experience.
- Identify what is working well in the current environment.
- Identify areas where changes are needed to improve efficiency and effectiveness.
- Determine what approach is likely to work best for both managers and front line staff.
- Understand the skills people already have and what they'll need to deliver to customers in the future.
- Presentation of results
    - We will present findings to your team (together with the Empathy Audit findings if applicable) and facilitate discussion and action planning in order to identify core issues driving the customer experience and agree actions to address these issues, with owners and timescales.
    - We will produce a document containing actions, with owners and timescales.

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5. Tools and techniques for capturing interactions for analysis

Supplied Calls

Companies can supply recorded interactions for our researchers to analyse. Typically we will ask for 120 calls to be supplied for each homogenous area to be rated. Calls should be collected form a 3-week period so as to be entirely inclusive of the target area.

Each of these recordings is filtered by our quality team for fairness, quality, appropriateness and security.

***Fairness** – we want to make sure that the interaction is fair on the agent and that the customer enters the conversation from a similar standpoint (i.e. level Neutral etc.)*

***Quality** – the call quality should be such that the diction is easy to comprehend and distinguish*

***Appropriateness** - The Agents should be qualified to answer each query set by the customer*

***Security** – During the filtering phase any sensitive information contained on the recordings is removed or disguised for security purposes*

Once filtered, a total of between 40-50 calls will be distributed to the our researchers for analysis.

Researchers are selected because of their deep sensitivity of the needs of the customer and their ability to articulate emotional aspects. They are employed on a self-employed homeworker basis and each is CRB checked so that you can be absolutely sure of the security of your recorded interactions.

Researchers listen to each interaction and carry out the prescribed analysis online. During the analysis they select soundbites to demonstrate particular elements of their findings. These soundbites are logged for use during the presentation stage of the process.

Quality Monitoring

There are two phases of quality monitoring at this early stage. The first is an automated alert programme that notifies the quality team of scores that reflect unusual entries from either the Researcher (i.e. outside their normal range) or the specific project in hand. The second is conducted by the quality monitoring team themselves. They are able to monitor the researcher findings both in real-time and historically.

On some occasions clients may not have the facilities to record the calls for analysis. In these cases either we can supply the equipment to record and capture the calls, or our researchers can go onsite to carry out analysis directly from the call, or we can initiate the call themselves (see below).

Initiated Calls

Our Researchers can initiate the interaction themselves. This is more usual during the ERIC Benchmarking Programme where access to anything other than ‘sales’ agents requires the support of the participating companies.

Researchers are briefed on the story and scenario and will make unscripted calls into the Contact Centre at prescribed times of day and dates. Once completed the Researcher will immediately assess how they feel before taking a more thoughtful approach to the rest of the analysis.

All the same processes and quality checks are adopted as with the Supplied Calls at this point.

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Store / Branch Visits

Our researchers are equipped with covert equipment which allows them to capture and record physical interactions for later analysis. The camera element is a wide-angled colour lens which can be disguised in articles of clothing consistent with the types typical customers would wear. These include; ties, bags, rucksacks, buttons, shoulder straps, hats etc.

In a physical interaction it is probable that more than one interaction can be captured so each is analysed on its own merit. We edit each video clip prior to distribution to our Researchers for analysis and to blur out any confidential information captured 'by accident'.

Researchers are trained to use the equipment and how to present themselves naturally so as to capture the most appropriate view. In addition to the empathy assessment the environment and physical layout of the location are also assessed by the researcher.

Home Delivery

Either the same covert equipment or static cameras can be used to capture home delivery. Home delivery is often one part of the customer journey that is out of the immediate control of the client company and yet Customers do not easily make this distinction. Analysis is carried out as per any physical encounter.

Meetings

Meetings can be recorded in the same way as any physical interaction using the latest covert video recording equipment. Because of the eclectic make up of the Researcher team, we can quickly appoint a researcher who will 'fit in' with client needs.

Web Analysis

The internet can be measured in any number of ways. Typically there are 3 common areas in which we are involved:

1. The access the web page(s) and make an assessment of its appeal, usability and general appearance. This is normally carried out in relation to competitor sites.
2. We can use data collection software to collect views from users. We can design the questions and questionnaire to ensure greatest possible collection net and honesty (whether subliminal or overt).
3. Users are contacted within a specified time period having used the site and are interviewed by our researchers. Their responses are collected and analysed to create a trend report to be fed back into the business.

However the data is collected we are keen to make direct comparisons between the Internet and other channels (Retail, Telephony and Correspondence (email and snail mail).

Correspondence / Email

We measure how it feels to receive correspondence. The originating message is analysed to identify both the physical and emotional drivers behind the media. It is in relation to this that we are able to assess the level of empathy demonstrated by the business.

Scans of the 'trail' are used to make the experience come alive and to demonstrate the cultural influences on the corporate responses. It is not unusual to find similar influences across all the channels.

Self Service Machines (e.g. ATM's)

It only takes a single person to have a feeling and we have developed techniques to capture the way an object can make us feel – whether this be an ATM machine, a TV advert, a mobile phone handset, a poster on the M4 corridor, or the use of a drag'n'drop desktop application. All can be measured for the way they make us feel. This is not pure 'Empathy' but an expression of feeling.

This expression of feeling can be compared with the feelings generated from other 'manned' channels.

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There are currently over 60 analysis questions for the inanimate object assessment (based on ATM's)

Internal Interactions

Internal interactions can be captured in exactly the same way as external ones. In fact, our description of a 'Customer' is anyone who you need to treat well in order to thrive and includes all the key stakeholder groups.

This applies even when two parties are well known to each other. Empathy is only ever apparent when you can meet the physical and emotional needs of the other party in an appropriate manner. Obviously if the parties are well known to each other then the dynamics should be better honed.

The onsite discovery section below is also used to capture the feelings and frustrations of internal channels.

Observation

In cases where recording the interaction is not possible or permission have not been given then it is possible to capture the essence of the interaction by immediately carrying out analysis or by being interviewed by one of our researchers. It is vitally important that the assessment is done within a few minutes of the interaction finishing and that all aspects of the interaction are re-played in the customer's mind.

Simple observation techniques are always useful to assess. Simply by sitting in a reception area and observing others reactions is a very powerful way to capture the culture of an organisation. We all do it – all of the time – our researchers simply capture the observations is a consistent and fair way.

Footfall can also be captured, analysed and assessed for a complete picture.

Software

We can use a variety of software packages to capture customer views. Questions and questionnaires are designed and translated into the most relevant software package.

We can use subliminal messaging to ensure that feedback is as honest as possible (e.g. the sight of a blue circle will break a question sequence in a customer's mind thus ensuring that each question is answered independently).

So as to ensure that the client receives the best possible feedback, we will often work with technology companies.

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6. Measurement Workshops / Correlations

Data Analysis

This is the process where our project team draws together the data, multimedia evidence and conclusions from the empathy research into a presentation of the customer experience.

- Quantitative analysis of performance:
  - Using our 1-10 Empathy Rating™ Scale, we will calculate the mean and the trend for each element and attribute of the customer experience.
  - This provides an 'Empathy Rating™' which is the overall indication of how good or bad it feels to be a customer of your organisation.
  - Empathy Ratings™ and data trends will analysed from a variety of statistically significant views.
- Qualitative analysis of the root causes of the cultural issues that drive employee behaviours.
  - Drawing together behavioural trends to provide insight to the client.
- A definitive assessment of the customer experience:
  - Multimedia examples (sound, video and scans of correspondence) demonstrating the real experience backed up by empathy data.
  - Areas of best (and better) practice and those with room to improve.

PowerPoint presentation with data, charts, comments, advice and multimedia clips.

Our preferred reporting tool is through experiential presentations. We collate all the findings from measurement and other capture techniques and prepare a presentation that brings the findings and their conclusions to life. We use soundbites, videoclips and scans that represent trends of the research to engage the audience(s). Presentations can be prepared for specific audiences and are often followed by a workshop which we facilitate.

Presentations normally contain 3 stages:

- Preview - We recommend that a Preview of the results is shared with the key sponsors of the programme, providing input on the presentation's positioning. We recommend this is carried out off-site as we prefer minimum distractions.
- Presentation – ½ day presentation of the results / action planning workshop to the client management team, facilitated by our Programme and Project Managers.
- CD Rom with multimedia for internal communications and collateral for training and development

In addition we can either cascade the presentation to all your people or train your own people to do the same. Often an independent source delivering the results can be more powerful.

Please be aware that a presentation has to be built and our presenters are required to dry-run each presentation before delivering it to clients.

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7. Empathy Solutions - Measurement and Management

Our Empathy research is based on the analysis of an organisation's behaviour against our definition of the elements and attributes of best practice in an interaction with a customer. Ultimately, this is a measurement system that balances behavioural and process issues and reports them back to clients in a motivational, multimedia format to provoke change.

We believe that change is best delivered by your people, therefore one of the key strands of our work is to help our clients develop their own measurement systems, balanced between behaviour and process in the same way as our Empathy research approach, and delivered back to the internal client using motivational coaching.

A typical Measurement and Coaching programme would be:

- Regular internal measurement of the Customer Experience delivered back to individuals through motivational coaching to drive a change in employee behaviour:
    - Clear definition of the elements and attributes of the Customer Experience, ensuring this definition is best practice.
    - Involve all stakeholders, most importantly those who are delivering the experience to your customers, to define this experience.
    - Create a cross-functional internal quality measurement system of the behaviours that drive the Customer Experience.
    - Provide a platform for motivational coaching with a measure of interaction quality.
    - Deliver skills training to ensure that all managers can drive behavioural change through regular coaching of their direct reports, peers and managers.
    - Develop a culture of 'coaching the coach' from middle and senior management to ensure the standard of coaching will deliver the Customer Experience.
    - Build these quality and coaching measures into your organisational measures, to ensure that it becomes 'business as usual' within your culture.

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