

Why Harding & Yorke Measures?

There are some key advantages of our measurement methodology:

- We measure the subjective (how it feels to be a customer) and objective (how we are processed across all channels and functions of a business (including internal functions and business meetings)).
- Our measures are interpreted to identify micro and macro cultures of the business – thus opening up strategic and local development opportunities.
- Our measures can go down to the level of the individual and can immediately be used for reward and recognition programmes with confidence. They can't be manipulated.
- All measures are directly comparable (i.e. they are not dependent on channel or function for like-for-like comparisons).
- Our methodology has been academically proven to be both reliable (Cronbach's Alpha) and to correlate directly with profit (as measured by Return on Capital Employed). It is the only service-related measure in the World to do this – despite many other claims! It should be noted however that this correlation was carried out in a Contact Centre environment and whilst we believe the correlation relates to the measurement of 'how you make your customers feel' generally this still has to be confirmed in a retail environment.
- We already carry out a standard competitive benchmark which is accessible through the internet at very competitive rates. We can also use this portal for commissioned bespoke reports giving users both a familiar and easy to use tool to access core data and for comparisons.
- We can evidence our measures with soundbites, video-clips, scans and screen captures so that the data comes alive. Your people actually get to understand and experience how their behaviours relate to the findings and what good and bad Empathy sounds and feels like.
- Our solutions team can help you to adapt your internal performance measures so that these are consistent with group aspirations and the H&Y Empathy measures. This means that you are not dependant on H&Y for all on-going measurement needs.
- All our measures are highly actionable at both operational and strategic levels. Harding & Yorke's solutions team have a comprehensive skills-transfer programme.
- We can include bespoke questions to fit your particular needs. These may be akin to advocacy questions used in NPS or relating directly to your particular brand values (although we may not be able to provide competitive data against the same questions). We can identify 'tipping points'. i.e. at what point on the scale does a customer buy more / recommend / leave or bad mouth.
- The FSA have accepted that the methodology provides good and impressive evidence for their 'Treating Customers Fairly' – TCF initiative and we continue in talks with the FSA about monitoring financial services organisations. Our measures can be upgraded to include more TCF requirements such as 'right product' analyses etc.
- Harding & Yorke's measurement methodology is not dependent on customer expectation at a particular moment in time. The score will only move if your agent or advisor behaves in a different way and this behaviour affects the customer.



- The H&Y measurement methodology can be used in situations where there is no 2-way human interface. It relates to internet, correspondence and technology interfaces too (i.e. ATM's, mobile phones, workplaces, environments etc. – you only need one human being to generate a feeling!).

As far as NPS is concerned. This is a relatively inexpensive way of engaging your people and, advocacy measures should always be applauded however:

- Some companies are already expressing doubts over its value.
- Some claims made by NPS have been academically disproven (articles attached).
- We know that customers do not always say what they mean (never meaning to actually lie) leaving the score open to interpretation from the outset.
- Unless supported by numerous other questions the reasons for advocacy (or not) are not clearly identifiable.
- Although there are arguments for and against using NPS measures for reward schemes, Fred Reichheld himself feels that NPS should not be used for reward schemes for at least five years after its introduction (ECMW Conference – London 2008).
- Some areas of the business are not suitable for NPS – nor is it totally appropriate in saturated markets (e.g. a customer is unlikely to refer a friend or colleague to a particular mobile phone network as they will feel that they are already committed).
- Advocacy measures are based on a customer's expectations and these change frequently (i.e. a customer in a hurry doesn't want to queue and have polite conversation whereas the same customer when they are not in a hurry may not mind – the advocacy answer is often dependent on the customer's state of mind at that time and not always the individual serving them).
- NPS can be manipulated by staff – though influencing the customer or colleague by the directness of the contact or other means – i.e. the customer may feel that unless they answer positively they may be treated differently.

Compathy Limited owns outright the IP and empathy measurement methodology developed by Harding & Yorke over 18 years.

The methodology and support services are available throughout the world under license. For more information please contact:

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