

**SQM**

*Sensors Quality Management Inc.*

# Mystery Shopping Buyer's Guide

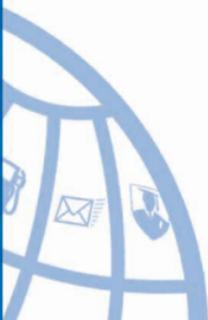




# Introduction

Mystery Shopping Programs play an essential role in grading the overall customer experiences of your organization. In order to maximize the effectiveness of any program you must find a company that possesses the experience, skill, and technology to get the results you need.

Your search begins here with the Mystery Shopping Buyer's Guide. There are many important questions that need to be considered before choosing a company and before you customize a Mystery Shopping Program. This guide will lead you to the answers necessary to make these decisions, and will serve as a step-by-step organizational plan for implementing an industry-leading Mystery Shopping Program.





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# What To Look For In A Mystery Shopping Provider



### **There should be a serious focus on client care and an immediate response to client needs.**

A specific team should be dedicated to serving you as a client, providing the attention your company deserves. An effective program requires a supplier with a strong ability to address issues and concerns in a timely and proactive manner.

### **Industry leading Internet technology brings clarity and simplicity to your Customer Feedback Program.**

An easy-to-use Internet solution relieves the administrative burden of running a Mystery Shopping Program. Changes can easily be made at little or no cost to your company.

A truly powerful Internet solution guarantees that information is securely and conveniently accessible through e-mail, Internet, corporate Intranet, or facsimile machine. Such flexibility allows effective distribution of the information you are gathering.

### **Flexible systems to accommodate clients' capabilities.**

Internet solutions greatly reduce the administrative burden of operating a Mystery Shopping Program. However, if Internet access is not readily available throughout the entire organization, a quality Mystery Shopping Provider should have the capability of delivering the information using a variety of different methods. These may include e-mail, fax, mail, and courier.

# What To Look For In A Mystery Shopping Provider



### **Shopper quality gives credibility to program results.**

Shoppers and Inspectors must be profiled, selected, trained, and continuously monitored for quality in order to maximize the accuracy and effectiveness of your Customer Feedback Program.

Mystery Shopper / Inspector training can be used to your advantage by selecting the appropriate level of insight. For example, Shoppers and Inspectors:

- (a) Can represent the expectation set by your average customer, or
- (b) Can be trained more intensively, thereby attaining a better understanding of your goals and objectives and rating you according to higher standards.

Effective programs require quality information. Mystery Shoppers must be fairly compensated for the training, time and effort necessary to produce quality feedback.

Mystery Shoppers may need to be rotated to avoid exposure and maintain an objective viewpoint within your program.

The result is a better program tuned to your specific goals and objectives.

### **Experience in each industry helps identify potential pitfalls before they arise.**

The Mystery Shopping Provider that you choose should possess a proven track record for handling clients in your particular industry. This will help to avoid a number of problems that may otherwise go unforeseen.

### **Insurance coverage for your protection.**

The Mystery Shopping Provider that you choose should have current Professional Liability Coverage. Should any legal actions be initiated as a result of the information your Mystery Shopping Provider collects, it is in your financial interest to be protected.

# What To Look For In A Mystery Shopping Provider



### **Information delivery must be timely, accurate, and useful.**

Effective programs deliver the results of Mystery Shopping in as flexible a manner as possible. You will need to work with your Mystery Shopping Provider in order to develop a plan that gets targeted job task-specific information to the right people in the right place at the right time.

### **Customized User Information Packages.**

Various user groups within your company will require information in job-specific formats (i.e. Operations interested in standards and procedures, Human Resources interested in training effectiveness, etc.).

The information must be provided in a powerful and intuitive manner for each user (i.e. Executives utilize statistical overviews, managers and front line staff require simple charts and graphs.).

Your Mystery Shopping Provider should be able to easily and cost-effectively create customized information packages specifically designed for each user's job functions.

Effective change results from targeting the right information, to the right people, at the right time.

### **The Mystery Shopping Provider should relieve the administrative burden and high cost traditionally associated with running a Customer Feedback Program.**

The provider you choose should possess the technology to run a cost-effective Mystery Shopping Program. By using the Internet, your company can almost entirely eliminate program administration costs.

### **Continuously Evolving Programs.**

Quality is a journey...not a destination. Your Mystery Shopping Provider should be pushing your organization along the path of continuous improvement.

As your organization improves, your expectations need to be raised. More detailed evaluation procedures, tougher scoring, and a greater demand on your employees will challenge your work force and instill a culture of positive change.



# Pre-Planning Stage

### **1. What is the overall vision of the Mystery Shopping Program?**

Your company must appoint an individual or a team that will take charge of your Mystery Shopping Program. A vision must be developed to guide the program toward the goals of your organization.

### **2. Have you consulted with internal users of the program (i.e. line staff, franchisees, head office management)?**

By collaborating with all users of the program, more effective programs are designed, employee participation is increased, and better results are obtained.

### **3. What are the goals and objectives of your Mystery Shopping Program?**

There are a number of areas in which your company can apply its Mystery Shopping Program. First, the results can be directly linked to operational issues, such as employee training and development, employee motivation, and profit building programs (i.e. up-selling, cross selling, and suggestive selling). Second, the program results can determine marketing decisions, such as which promotions should be run or which product lines should be added. Finally, there are occasions when Mystery Shopping is required for employee discipline, such as with cash control, liquor control, and integrity issues.

### **4. Which types of evaluations will take place?**

Depending on the nature of your business there are a variety of ways to extract customer feedback. Your Mystery Shopping Program may take the form of in-person visits, telephone calls, e-mail and website evaluations, competitive inspections, or any combination of these services.

# Pre-Planning Stage



**5. Which types of units will be included in the program (i.e. corporate or franchise)?**

Are any of the locations franchised? How many of them, if any, will be included in the program? In the event that the operation includes a combination of corporate and franchised locations, participation in the program must be agreed upon.

**6. How many units will be involved in the program?**

Select the total number of units that will be evaluated during the Mystery Shopping Program. Issues to consider may include geographic location, franchised operations, and new or closing units.

**7. What is the number, frequency, and distribution of Mystery Shops that your organization will require?**

You may wish to evaluate some locations or concepts more frequently than others. How many Mystery Shops will each receive, and how frequently?

**8. How will you arrange the Mystery Shopping schedule?**

Based on the requirements of your business, Mystery Shops can take place at any time of the day, and on all seven days of the week. While it is generally important to evaluate the operation during busy periods, off-peak times should also be examined. The Mystery Shopping schedule can be rotated to accommodate your needs.

# Pre-Planning Stage



**9. Will all units receive the same evaluation, or will different inspections be required for different aspects of the organization?**

Some units may contain different departments or features than others. In this case, it must be determined whether all units will receive identical inspections, or if each type will have a unique inspection format.

**10. Are there any language issues that need to be addressed by your customers and/or internal staff?**

The Mystery Shopping Program may be extended across various language borders. In this case, additional steps need to be taken to translate instructions, questionnaires, reports, etc. into the necessary languages.

**11. Will you need to design an effective questionnaire or customer feedback form?**

You may want to use an existing form that has already been developed. If one does not exist, it can be easily created around the goals and objectives of the program you wish to build.

Although an effective evaluation form includes both objective and subjective components, it is important that they be kept separate. While subjective commentary can be extremely valuable, employees need to be rated on objective criteria in order to avoid confusion and frustration.

**12. What is the desired demographic profile for the Mystery Shoppers/Inspectors?**

Depending on the nature of your program, you may wish to profile Mystery Shoppers / Inspectors by choosing from particular demographic categories such as age, gender, income, education, etc.

Occasionally, companies find it beneficial to complete inspections using non-typical customers in addition to their normal target group.



**1. Who is the main contact person within your organization?**

Designating one person to be responsible for the program facilitates effective communication between the Mystery Shopping Provider and the client.

**2. What are the time lines of your program?**

By what date will you need to implement and finish your test phase? By what date will you require ongoing evaluations to take place?

**3. Do you have a current and accurate store list that contains store numbers, contact information, and store hours?**

In order to set up the database for your Mystery Shopping Program and report distribution, a variety of information will be required.

**4. Who in your organization will require access to the information?**

Determine who will be receiving reports from your program. This will include head office management as well as those at the unit level.

**5. What are the levels of authorization for those with access to the information?**

After deciding who receives access you must determine the extent of the information each person will receive. A unit manager should not have access to the specific results of other individual units, while certain company-wide results may be of value.

**6. What type of information does each recipient require?**

The information should be filtered so that people receive only what they need for their specific job tasks. A unit manager will require the information provided on the individual Mystery Shop evaluations, while senior management may require complex statistical summaries. In addition, information can be divided by departmental responsibilities or geographical breakdowns.

# Program Implementation



- 7. What is the most appropriate reporting format for those receiving the information?**  
Information needs to be presented simply and powerfully. Many organizations use a combination of charts, graphs, and visual imagery to communicate the most important areas of concern. It may be more useful for some to receive graphs or charts, while others will require raw data. All data should be customized specifically for the person receiving the information.
- 8. How long of a test phase will be required?**  
A test phase assists in developing and refining all aspects of the Mystery Shopping Program before it is rolled out on a large scale.
- 9. How will you assess the test phase?**  
Upon completion of the test phase, you should evaluate it to ensure it is meeting the goals and objectives of the overall program. Decide on which criteria can best accomplish this.
- 10. Will you need to make any modifications to the program?**  
If all of your goals and objectives are not being met, you should make the changes necessary to correct this situation. This step must be completed before the rollout of the full, ongoing Mystery Shopping Program.
- 11. Begin the full, ongoing Mystery Shopping Program.**  
Once corrections have been made to the test phase, your full, ongoing Mystery Shopping Program is ready to begin. Keep in mind that it will still be necessary to monitor the program, even after the completion of the test phase.



# Using The Information Effectively



**1. Review the completed Mystery Shops and summary data.**

Once program data is made available to your company, you must closely analyze the information so that you can communicate it throughout the organization.

**2. Identify the strengths, weaknesses, problems, and opportunities.**

From the information you receive, identify all of the organizational issues that fall into these four categories.

**3. Prioritize the strengths, weaknesses, problems, and opportunities.**

Prioritize each of the four categories. From here, you can take action on the most pressing issues.

**4. Create an Action Plan.**

Your Mystery Shopping Program is only as useful as the Action Plan designed to make use of it. Specific Action Plans will provide a step-by-step approach for improving targeted areas of your operation.

**5. Implement the necessary changes to the overall program.**

Put your Action Plan to work. Decide on the most effective method for implementing it throughout the targeted areas of your operation.

**6. Follow up on your changes.**

Ongoing monitoring of your operation is necessary to follow-up on the changes that are occurring. Trend analysis allows companies to build momentum and track success stories that improve motivation.

**7. Frequently assess each aspect of your overall Mystery Shopping Program.**

Every aspect of your Mystery Shopping Program needs to be evaluated on a regular basis in order to maintain quality and value for all stakeholders. Determine if any aspects of your overall program need to be altered to better fit your organization.



Mystery Shopping is an essential component of any successful Customer Feedback Program and will become increasingly valuable with the addition of complimentary services.

### **Competitive Analysis**

No one operates alone. A variety of competitors need to be researched, tracked, and understood in real time in order to build a superior customer experience. Opportunity Search™ and Lost Opportunity Analysis™ provide information on your competitors' best practices and largest failings in comparison to your own. The complete picture helps you track the areas of greatest opportunity.

### **On-line Electronic Comment Card Programs**

On-line Electronic Comment Card Programs help to reduce the cost and manage the information from customer comment card programs more efficiently. The on-line format can be used to complement or replace existing programs.

### **Traditional On-Site Comment Card Programs**

Comment Cards provide management with valuable information and insight concerning the business. By providing a method of communication with management, stronger relationships are built between all stakeholders.

On-site Comment Card Programs can be combined with electronic versions to provide an additional means for gathering on-site customer evaluation.

# Complimentary Services



### **On-Site Exit Interviews**

On-Site Exit Interviews provide another means of gathering immediate feedback in a very detailed fashion. Interviewers can collect in-depth information while the experience is still fresh. This approach is an excellent way of surveying Non-Buyers who have visited your business.

### **Customer Satisfaction and Follow-Up Surveys**

One phase of achieving customer satisfaction involves obtaining direct customer feedback. Customer Satisfaction Surveys are an excellent method of gathering information about customer attitudes, purchases, intentions, and preferences.

In addition to traditional customer surveys, many progressive companies are examining their relationships with their internal partners, including employees, managers, franchisees, and suppliers.

### **Unbiased Third Party Audits and Inspections**

While Mystery Shopping evaluates the business from a customer's perspective, the operation of any company requires adherence to a wide range of standards and criteria. To ensure that they are consistently implemented, or even improved upon, a variety of Unbiased Third Party Audits and Inspections may also be required. Human Resources Audits, Kitchen Audits, and Integrity Inspections examine a range of issues, including company standards, employment legislation, labour laws, fire codes, health and safety guidelines, and liquor license regulations.

## USE MYSTERY SHOPPING TO...

Increase Profits  
Build Customer Loyalty  
Improve Customer Service  
Develop Employees  
Reinforce Training

SEE INSIDE TO FIND OUT HOW

