



How to Set Up a Mystery Shopping Program

Mystery shopping is the only way a business can get a truly objective view of how its customers are treated, and what it is like for a customer when they visit or contact a business. At its best it provides invaluable information about

- What customers like and don't like
- Whether they will return and recommend
- What could have been done to make the experience better
- How the competition measures up.

Set up correctly, it can provide invaluable information, motivate employees and improve day to day operations.

Unfortunately, mystery shopping programs often fall far short of this, and many companies fail to get any real benefit from their mystery shopping program.

WHY DOES THIS HAPPEN?

The problem is not in mystery shopping as a business tool, but in the way mystery shopping programs are set up and implemented. Designed and implemented correctly they provide information that it's impossible to get any other way, and are run with minimal administration from the business. Programs designed and implemented without the right knowledge and skills will almost certainly provide no advantage to the business, and prove to be administratively time consuming and costly.

RETAIL BACKGROUND IS NOT ENOUGH

Most mystery shopping companies are run by people who have come from a retail background and have no wider expertise in program design and statistical analysis. While this at first may seem an advantage, it is also the reason why many companies do not get any benefit from their mystery shopping program.

Mystery shopping is an information gathering and analysis exercise and needs specialist skills in these areas. Expertise in research design and questionnaire constructions is essential, as is knowledge of how the human brain observes, catalogues and remembers information. Without these skills, mystery shopping programs will be poorly-designed and inflexible, producing a disappointing and frustrating exercise.

SPECIALISED EXPERTISE

As well as research design, a successful program requires an in-depth knowledge of statistics and statistical analysis. To enable the information from the mystery shopping program to be put in the context of the business, it is important that integration of data and the linking of performance data to incentives and training is set up in such a way that it motivates the employees to enhance the customer experience.

WHAT NOT TO DO

Although mystery shopping is essential to finding out what your customers experience, the sad fact is that many mystery shopping programs are worse than useless. Let's look at some typical questions that we have seen in real mystery shopping programs:

Example 1: Was the coffee good? (Yes / No)

A simple question like this, which is in many mystery shopping questionnaires, is quite valueless. What is 'good'? Does everyone have the same opinion of what is 'good'? And who is giving the opinion? What do they know about coffee? Is what they think of as 'good' the same as what a typical customer thinks is 'good'?

If you have a shopper who is not of your customer profile answering that question, then you have to wonder what value is in the answer. If you have a speciality coffee shop, and you have a shopper whose only experience of coffee is at a Starbucks then why would you base any decisions on their answer?

There may be many reasons why a coffee is not 'good' that have nothing to do with the taste. It could be:

Shadow Shopper

Keeping an eye on business

- Too cold
- Too small
- Served in an inappropriate or dirty cup
- The wrong type of coffee (e.g. a latte instead of a machiatto)
- Slopped into the saucer, or down the side of the cup / glass
- Served incorrectly (e.g. choc sprinkles on a latte)

None of these relate to the taste of the coffee.

Think how much better to ask:

1. The coffee was: (tick all that apply)

- a. The right temperature
- b. The right amount
- c. Served in an appropriate cup / mug / glass
- d. Served correctly (in the appropriate cup / mug / glass)
- e. The crockery / glass and spoon was clean
- f. There was no spillage
- g. None of the above

All of these give you factual information, and you can identify any areas of improvement. Then, if your shoppers are of the same profile as your customers, you can ask:

2. When the coffee was served it:

- a. Was what you ordered
- b. Was what you expected
- c. Looked attractive
- d. Smelled pleasant
- e. The right strength
- f. The right taste
- g. None of the above

3. Please comment on the coffee.

The reliability of the answers to these questions depends on the shopper knowing the product and the business. For example, if a 20yr old shopper, whose experience of fine dining was limited to McDonalds, went to check out a 5 star restaurant the quality of the information would be very poor. Conversely, a shopper used to fine dining, who never ate fast food might be quite traumatised by their McDonalds experience.

Example 2: Describe everyone in the reception area (min description: height / build / sex / hair color/style/length), what they were wearing (inc name badges & company shirts / Polos) and describe what each was doing when you walked into the foyer, and how they greeted you.

Shadow Shopper

Keeping an eye on business

OK – where do we start? Surprisingly this is not a made-up question – it’s a real question from a national hospitality group mystery shopping questionnaire. It may seem reasonable at first glance, but let’s look at some of the problems.

- ‘Describe everyone in the reception area’. Shoppers have to remain incognito. The reception area of a large hotel may have 5 or more people on duty. How could a shopper act nonchalantly when they are tracking down and remembering a large number of details of all visible staff?
- Height. What if they are sitting down? Or leaning over a desk?
- Name Badges. May not be visible if someone is more than 3 metres away, or not facing the shopper.
- What they are doing. If they are facing the customer and the computer screen is between them how can the customer possibly know? At best it will be a guess.

The main problem is the volume of information being asked for in this question. Answers would simply not be reliable. Let’s redesign the question to get better information:

1. **When you entered the foyer how many staff were visible?**
 - a. 5 or more
 - b. 4
 - c. 3
 - d. 2
 - e. 1
 - f. None
2. **When you approached the reception desk how many people were staffing it?**
 - a. 5 or more
 - b. 4
 - c. 3
 - d. 2
 - e. 1
 - f. None
3. **How many other customers were waiting at the reception desk:**
 - a. 5 or more
 - b. 4
 - c. 3
 - d. 2
 - e. 1
 - f. None

Shadow Shopper

Keeping an eye on business

4. **When you approached reception:**
 - a. Came to help you right away
 - b. You had to wait less than 1 minute
 - c. You had to wait 1 – 2 minutes
 - d. You had to wait more than 2 minutes
 - e. You had to wait more than 5 minutes
 - f. No-one came to help – I had to approach another staff member
5. **When you were served the person was:**
 - a. Polite & courteous
 - b. Helpful
 - c. Trustworthy
 - d. Professional
 - e. Well groomed
 - f. Wearing a uniform (logo tshirt / shirt / dress)
 - g. Wearing a name badge
 - h. None of the above
6. **The person who served you was**
 - a. Interested in your query
 - b. Able to answer your query
 - c. Checked to see that you had the information you needed
 - d. Asked if there was anything else you needed
 - e. Farewelled you politely
 - f. None of the above
7. **What was the name of the person who served you?** (if not wearing name badge give Shadow Shopper Description Checklist)

And as delayed questions not seen until all factual questions have been answered:

8. **What was your overall impression of the staff in the foyer** (all staff, not just the person who served you)
 - a. They looked professional
 - b. They seemed ready to help guests
 - c. They were not talking amongst themselves
 - d. They were not ignoring guests
 - e. They were not obviously engaged in non-work activities
 - f. None of the above
9. **Please comment on your impression of the staff.**
10. **Did you notice anything unexpected that we should know about?**
11. **Did you feel like a valued customer? (y/n)**
12. **In real life would you be likely to stay here? (y/n)**
13. **If not please explain why:**
14. **On a 1 – 10 scale, how likely would you be to recommend this place to a friend or colleague?**

There are more questions, but fewer bits of information in each response. The answers are going to be more reliable, and in a form that can be used to identify what is really happening. As a rule of thumb the more information being asked for in a question the less likely the answer is going to be useful.

OBJECTIVE v SUBJECTIVE

If the mystery shopping program is linked to an incentive program, some employees will question results and try to discredit the mystery shopper. To avoid this it's important to set up the questionnaire correctly, separating the objective (what actually happened) from the subjective (what the customer thought).

Many questionnaires do not differentiate between the two, and indeed there is even some confusion over the meaning of an objective question. There are 2 ways it can be used:

- Objective / text questions – in this context objective refers to the **FORMAT** of the question. In other words, you pick a response from a selection, rather than writing a text answer.
- Objective / Subjective – in this context it means whether the answer sought is **factual** (objective) or an **opinion** (subjective).

In mystery shopping we use the term objective to mean 'as opposed to subjective', and nothing to do with the *format* of the question.

An objective question is looking for a factual answer – How many people were in the queue at the checkout? How much did the coffee cost? How long did you have to wait to be served? Answers to objective questions do **not** vary depending on the person answering them. For example:

- How many people are in the queue? **Ans: 5.**
- How much does the coffee cost? **Ans: \$5.**

A subjective question is where the customer (or mystery shopper) is being asked for his or her opinion. For example, 'Was the queue very long?' Some people might consider a queue of 5 people quite OK, while others might think it too long.

- The **fact** is that there are 5 people in the queue,
- The **opinion** is that it is too long.

Another way of looking at it is that objective questions have 'right' answers, and subjective questions do not – just opinions. A coffee may cost \$5 (an objective answer) and someone could think that this was 'value for money' (a subjective answer) whereas someone else might think it expensive (another subjective answer).

Shadow Shopper

Keeping an eye on business

So why are businesses interested in both objective and subjective questions?

- Objective questions make sure that *things are happening the way they should*. For instance, that if more than 5 people are in a queue another checkout gets opened. That all customers are greeted as they walk in. That people are offered a free cookie with their coffee. *Objective questions let the business know that the standards are being kept up.*
- Subjective questions find out *what the customer thinks about the business*, and the standards. Whether the customers like the coffee. Whether the customers felt like a valued client. Whether the customers would be likely to return to the business. *Subjective questions let the business know that they have the right standards.*

DELAYED QUESTIONS

When a customer leaves the premises, they retain an impression of what happened, how they felt and this determines whether they will return to that business. Asking these questions before the visit means that the answers are not the 'real' answers. Delayed questions, where the shopper only sees them after they have completed the factual answers, are the best way to get accurate answers.

Delayed questions are also essential to test recall and recognition. Asking a customer upfront if the promotion was displayed at the entrance is completely different to a delayed question asking if the customer noticed any special promotions? Or had seen the TV adverts? And if it had changed their buying intentions?

If your mystery shopping program does not incorporate delayed questions then you are missing out on great information and not getting full value.

QUERY PROCESS

Setting up a formal query process is important, so that employees have a formal procedure to check any of the results. This in itself reduces the 'whinge potential'. If employees feel that they have a channel where they can raise problems, and that they are dealt with appropriately within a given time then they are less likely to try to discredit the program.

By having an appropriate query channel, any queries are raised appropriately, are monitored and dealt with within a given time frame.

GET STAFF ON BOARD

Letting staff know that a mystery shopping program is happening, and getting them on board is a great way of getting the most out of it. Knowing that *any* shopper could be the mystery shopper, and that they have a chance to star and be recognised improves performance all round. Not getting this buy-in can lead to counter-productive behaviours.

Shadow Shopper

Keeping an eye on business

For example, if your mystery shopping program is linked to an incentive program that has been set up without engaging frontline support, employees can go to great lengths to identify mystery shoppers. We have seen some extreme behaviours– like trying to identify the mystery shopper by checking security camera videos and matching the time of the shop with the people in the store. The sad thing is that the effort put into ‘springing’ the mystery shoppers could be so much better directed into servicing the customer.

THE BOTTOM LINE

The best advice is to partner with a mystery shopping company that has the knowledge and experience needed. It may seem commonsense that someone who has worked in a retail organisation for some years knows how to set up and implement a mystery shopping program – until you think about it.

It’s not the same knowledge and expertise that’s needed. Would you trust your accountant to remove your appendix? Your dentist to fly your plane? Your hairdresser to do your tax? No, because their skills are in a different area.

It’s the same as accessing any professional advice. You need to make sure that the professional is in the right profession and has the right knowledge. A Mystery Shopping partner must have the right skills and expertise to set up and implement a great mystery shopping program.

© 2010 Shadow Shopper P/L
All Rights Reserved