

# Solving customer problems and building loyalty with CX

Actions based on CX insights drove a 12 ppt increase in customer likelihood to return and an 11% increase in potential revenue

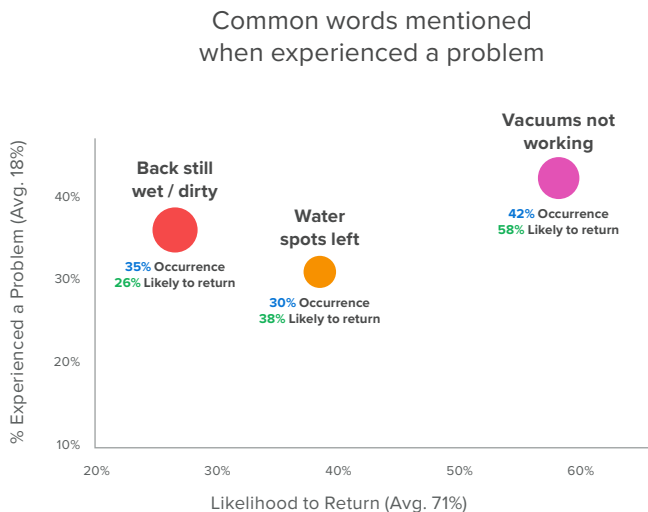


Unhappy customers will leave you bleeding repeat business, an essential revenue stream in service industries. So, how do you find the issues your customers are having, keep them from happening, and ensure reported problems get solved? One car wash brand leaned into their partnership with SMG to address high problem occurrence, customers not reporting issues, and poor problem resolution to unlock huge potential revenue through return visits.

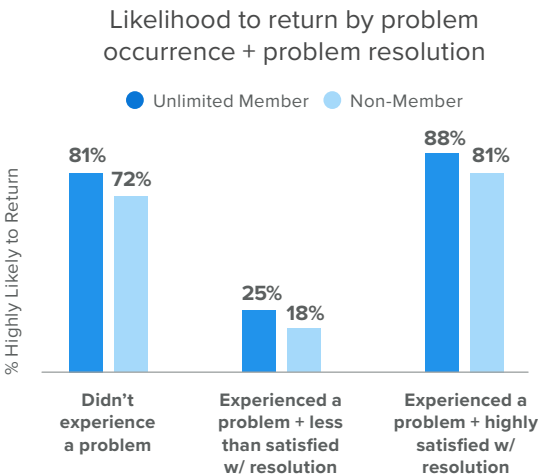
## Insight

### Finding problem spots and their potential

The right solution starts with having the right data and knowing to ask the right questions. Through best-practice data collection and analysis with SMG, the brand found its most impactful problem areas were leaving cars with unfinished washes + broken vacuums on location. These issues, when unresolved, made customers less likely to return.



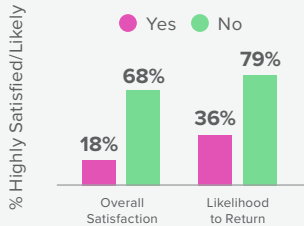
In addition, customers who had a problem resolved satisfactorily were more likely to return than customers who didn't experience a problem at all, meaning these issues are opportunities to increase loyalty.



### What's the risk?

Customer problems have a significant impact on key loyalty metrics, jeopardizing repeat business.

### Customer reported a problem



## Action

### SMG helped strategize to close the loop and prevent problems

Based on the data + insights—and with SMG’s coaching and operational support to identify top priorities—the brand has implemented:

- 1 A feedback tagging system to help analyze customer comments for the most-reported problems. SMG also uses data analysis to find location-level trends for proactive field coaching + training. This level of location-level insight encourages wider engagement with the CX program, leading to more usage, more impact, and a greater return on company-wide efforts.
- 2 Templated responses for reported problems to help quickly and consistently respond to customers while reducing the demand on labor.
- 3 A close-the-loop survey to follow up on customer complaints—ensuring the problem reported is addressed satisfactorily.

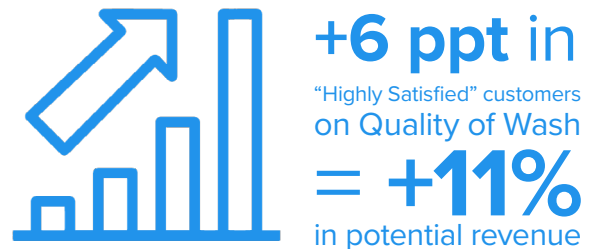
## Results

### Keeping customers happy + coming back

As a result of SMG’s data, insights, and consultation, the brand saw improvement in several key areas. The **number of customers requesting contact decreased 7 ppts** year-over-year and the **total rate of problems dropped 4 ppts**, saving the brand time and labor.

The brand also saw a **2 ppt increase in likelihood to return** and a **6 ppt increase in both overall satisfaction and quality of wash**, showing that both service performance and customer perceptions improved.

The payoff on this improved customer satisfaction—and quality perception leads to financial returns from more business from returning customers. **Data also shows stores with higher customer satisfaction rates also enjoy 5 ppts more volume than bottom-performing stores and a 12 ppt higher likelihood to return**, meaning those happy customers keep coming back.



Reach out to your SMG team today to collaborate on finding the right data, the right questions, and the right actions for your most burning issues more often.

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#### About Service Management Group

SMG is a leading experience management (XM) provider, accelerating value by changing how brands act on customer + employee insights. With a rich 30-year history rooted in The Service Profit Chain, SMG is the industry’s only software with a service (SwaS) provider—uniquely pairing an enterprise platform with professional services to help brands generate new revenue, grow existing revenue, reduce churn + detractors, and drive operational efficiencies. To learn more about our customer, employee, and brand experience management solutions, visit [www.smg.com](https://www.smg.com)