



MYSTERY SHOPPING – THE TOOL OF EMPLOYEE COMMUNICATION SKILLS EVALUATION

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Abstract. Mystery shopping is a tool often used for evaluation of providing services quality. It is also a tool, which enables to examine and evaluate communication skills of employees in order to identify their weakness and define the way of improvement. The reason is that their applied abilities are connected with customer's total perception of providing services. National post operators must learn to listen to their customers through their employees. This process is crucial for the market environment – it enables to gain customer's loyalty and trust. In order to ensure higher level of customer oriented behaviour between the employees, Slovak Post starts a pilot project called "Mystery Customer". Main goal of the project is to analyze behaviour of selected post office personnel towards the mystery customer. The paper also deals with the practical use of mystery shopping in conditions of Slovak Post.

Keywords: mystery shopping, communication skills, evaluation, quality, criteria, marketing research.

SLAPTOJO PIRKĖJO METODAS – DARBUOTOJŲ BENDRAVIMO ĮGŪDŽIŲ VERTINIMO PRIEMONĖ

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Santrauka. Slaptojo pirkėjo metodas yra priemonė, dažnai naudojama vertinti paslaugų teikimo kokybę. Be to, tai priemonė, kuri leidžia išanalizuoti ir įvertinti darbuotojų bendravimo įgūdžius, nustatyti jų bendravimo silpnąsias vietas ir kartu numatyti tobulinimo būdus, siekiant pagerinti vartotojų požiūrį į teikiamas paslaugas. Aplinkos veiksniai lemia šalies pašto operatorių pastangas atsižvelgti į vartotojų poreikius, siekiant didinti jų lojalumą. Šia paskirtimi, t. y. siekiant sudaryti sąlygas kuo geriau pažinti vartotoją, be to, pagrįsti darbuotojų mokymą, Slovakijos paštas nuo 2000 m. pradėjo įgyvendinti bandomąjį projektą „Slaptasis pirkėjas“. Projekto tikslas išnagrinėti pašto darbuotojo elgseną slaptojo pirkėjo atžvilgiu. Taigi straipsnyje nagrinėjamas slaptojo pirkėjo metodo pritaikymas Slovakijos pašte.

Reikšminiai žodžiai: slaptasis pirkėjas, bendravimo įgūdžiai, vertinimas, kokybė, kriterijai, marketingo tyrimas.

1. Introduction

The problematics of customers and relationship with them, their retention, impact on business profitability, factors of success on the market, etc. is very large and analysed in various ways and also for various sectors (Ginevičius, Krivka 2008; Korsakienė, Tvaronavičius, Mačiulis 2008; Jasilionienė, Tamošiūnienė 2008; Tamošiūnienė, Jasilionienė 2007; Žvirelienė, Bučiūnienė 2008).

One of the determining factors of success on the market is high satisfaction and loyalty (retention) of customers which is possible to achieve and maintain through the loyalty and motivation of employees. This includes their identification with company, relationships with sellers, suppliers and trading partners.

Assumption of high satisfaction and loyalty of customers is the satisfaction with providing services. Factor, which affects their satisfaction in great measure mostly by services, is the process of service providing linked with the proximate contact with service staff. The final impression depends on their communication skills which customer gets. Possible way how to examine and evaluate communication skills of employees is to identify their weakness and define the way of improvement through the mystery shopping.

Misunderstandings and bad human relations are evidence of malfunctions in communication. It is always necessary to learn the way of appropriate communication. On the world markets the contest for customer is performed in all spheres of business. One of the basic pillars of management work is to know how to communicate (Dicova 2007).

Through the evaluation of employee communication skills we can obtain feedback, i.e. information about the work results. Based on this information the employees can improve their future work performance and prevent the past mistakes, wrong procedures, or duplicity in work (Blaškova 2003: 139).

A fight for a customer is won by the companies that realize the task of a serious approach to business sufficiently. They are the companies that know their customers, they listen to their comments and they try offering them the best possible product for their needs. It is extremely demanding to achieve this status because success is in an unsure element – human behaviour here. The task of efficient management is - inter alia - to lead this behaviour in a correct way within specified ethic principles (Soviar, Strišš 2010: 92).

2. What is Mystery Shopping?

Mystery shopping is not marketing research (see Table 1); it is the practice of using trained shoppers to anonymously evaluate customer service, operations, employee integrity, merchandising, and product quality (Michelson 2004: 2; Potužak 2007).

Table 1. How mystery shopping is different from marketing research (Michelson 2004: 28–29)

Mystery shopping is a “cousin” to marketing research (related, but not the same)	Mystery shoppers are not real customers - they know what to evaluate before entering the store – they may not typically visit the store they are evaluating
Marketing research involves determining real customer and prospect opinions, perceptions, needs, and wants	Mystery shopping should not be used alone to determine customer satisfaction – it can compliment, but not replace, satisfaction research
Mystery shopping is typically more operational in nature than marketing research and is most often used for training and incentive purposes	Mystery shopping is not predictive of every customer’s experience – unless sufficient samples are taken and data analyzed in aggregate
Mystery shopping fills in a gap of information between operations and marketing	

The verification is performed using a simulated purchase by trained inspectors who verify the general quality of customers’ service at the fictitious order of the goods or services (selling processes, technical and social standards of a seller, their expert knowledge and professional behaviour) as well as general appearance and shopping area layout (exterior, interior).

A trained inspector poses as a client, and following the prearranged evaluation criteria, reviews the behaviour of workers including the ambience and atmosphere. The data and knowledge from mystery shopping can be used for enhancing and preventive measures to improve the quality of services to retain existing customers and gain the new ones (Clark 2008; Toptest 2008).

The intention of mystery shopping is not to prove the workers that they do their work wrongly. The goal is a permanent improvement of their attitude to customers and professional growth (Toptest 2008).

Mystery shopping provides companies with a means of monitoring service from the consumers’ perspective. It gives management the ability to be the proverbial “fly on the wall”. Mystery shopping is used in a wide variety of industries such as retail, manufacturing, hospitality (hotels, restaurants, resorts), property management, multi-family housing, banking/financial, petroleum and c-store, entertainment, travel, utilities, business-to-business, automotive service, medical care (Michelson 1997; Canning 2008; Mallett 2008; Agency of the week 2008; Mystery Shopper from ... 2008; Putting an end to ... 2008; The only mystery shopper ... 2008).

For companies in competitive industries where product pricing and assortment are no longer unique selling propositions, customer service is often the key to success or failure. Consider the following well known marketing mantras (Michelson 1997, 2004: 3):

- It costs 10x more to get a new customer than to keep an existing one;
- One unhappy customer will tell 10 other people of their bad experience with service. These people may then tell 10 others, and so on;
- Why customers leave:
 - 69% for poor customer service,
 - 13% for poor product quality,
 - 9% for competitive reasons,
 - 5% for other,
 - 3% move away,
 - 1% die;
 - “What gets measured, gets done” (Tom Peters).

The benefits of a mystery shopping program are numerous (Table 2). A well designed program can help train and motivate front-line employees. It effectively communicates to employees what is most important in serving customers. It can be used to measure customer satisfaction along with other methods. It is an important competitive tool in monitoring pricing, promotions and product quality. It can be used to identify potential problems before they develop into major problems (Michelson 1997).

Table 2. The benefits of a mystery shopping program (Michelson 2004: 4–5)

Monitors and measures service performance	Supports promotional programs
Improves customer retention	Audits pricing & merchandising compliance
Makes employees aware of what is important in serving customers	Allows for competitive analyses
	Compliments marketing research data
Reinforces positive employee/management actions with incentive-based reward systems	Identifies training needs and sales opportunities
Provides feedback from front line operations	Educational tool for training & development
Monitors facility conditions – asset protection	Ensures positive customer relationships on the front line
Ensures product/service delivery quality	Enforces employee integrity

3. The History of Mystery Shopping

Mystery shopping started back in the 1940s with financial institutions. A shopper would enter the banking establishment, make a cash deposit, and state that a receipt was not needed. Observations of how the transaction was processed or not processed were made. This type of assignment is called an integrity assignment and mainly deals with the potential act of theft. From this type of assignment, mystery shopping has developed into a rather large and

unique industry covering areas from auto repair to fast food. In fact, some fast-food restaurants are mystery-shopped three times a day and shoppers are rotated (Newhouse 2004: 2).

Mystery shopping got its start as a way to check on employee integrity and minimize theft primarily in the financial services industry. In the 1990’s, fuelled by the internet, the mystery shopping industry experienced rapid growth and acceptance. Into the 2000’s, the creation of software packages such as SASSIE and Prophet have revolutionized the industry (Michelson 1997, 2004: 6).

4. Mystery shopping in conditions of Slovak Post

Endeavour of Slovak Post is customer orientation. All steps in the human resources management, organization work and also portfolio improvement should be realized for the purpose of attracting customers. It is necessary to pay attention to the post offices, which as the contact point of the intercourse with the customers, form the concrete image of the whole company. The point is that the user of postal services should have good feeling by the entry to the post office and also by the exit. By providing of services the influence on the customer has a lot of effects. One of them is compliance of employees to show the interest about the customer’s needs and requirements. Important are also additional factors which affect the quality of providing services: employee behaviour, proficiency, service rate, work organization quality at the post office, arrangement and cleanness of interior, etc. Slovak Post continually educates employees not only in the proficiency, but also about the communication with the customers.

Therefore Slovak Post, for the support of higher level of customer awareness between employees with the aim to verify the validity of employee training, began from the year 2000 to apply a pilot project called “Mystery Customer”. The aim of the project is to find out the behaviour of counter employee of selected post office towards the mystery customer. From 2002 this project is realized through trained employees of University of Žilina.

Intent of realized evaluation is to perform homogeneous methodical procedure of reactions review and behaviour of counter employees by the application of experimental situations in selected post offices.

The subject of evaluation is an experimental situation, which is realized in the post office between counter employee and mystery customer. The experimental situation is designed and approved by the operations division of Slovak Post.

By performance of measurement particular reviewers have an important role. They act as mystery customers with intention to determine and evaluate behaviour, approach and proficiency of counter employees of selected post offices.

Scenario of experimental situation consists of proficiency requirement addressed from reviewer to counter employee, consequently of correct answer, as well as alternative of incorrect answer of counter employee. In connection with the answer correctness, it also includes the reaction of mystery customer oriented to reviewed criteria evaluation – tolerance.

The evaluation is oriented to verification of four areas of postal operations – letters, parcels, financial items and third-party activities. Eight scenarios of experimental situations are realized within each area.

The main goal is to evaluate the following criteria:

– *verbal communication:*

- greeting (greeting at the beginning and at the end of communication – from 2007),
- proficiency by solving the requirements of mystery shopper,
- tolerance to the customer (till 2007);

– *nonverbal communication:*

- eye contact,
- facial gestures and voice ton.

For the evaluation a two-level scale is applied – in the case that the counter employee achieves the required stage of evaluated criterion, he will receive 1 point, in the reverse case he will not receive any point. The results are inscribed in reports according to various experimental situations and evaluated criteria for the entire Slovak Post and also separately for each Regional Postal Centre (RPC). (Internal materials of Slovak Post)

4.1. Mystery shopping in conditions of Slovak Post in 2005

The number of realized appraisals was 648. The evaluation was realized in 4 stages, from August till November in 204 selected post offices all over the Slovak Republic.

Maximal sum of points, which was possible to achieve for the whole Slovak Post was 3240 (number of realized appraisals (648) x number of evaluated criteria (5)). The results of appraisals are presented in the Table 3.

Table 3. Total results of mystery shopping project (Internal materials of Slovak Post 2005)

Results	Sum of points	%
Maximal sum of points	3 240	100.00
Sum of attained points	2 604	80.37
Sum of zero points	636	19.63

Results of the project realized in 2005 (Table 4) showed that the most problematic area by the appraisal of employees of Slovak Post was *proficiency*, analogous to the year 2004.

Substantial inter-annual difference is evident by the criterion – greeting. Reason for decrease in this criterion was the change in the evaluation methodology. In 2005 it was approved by the methodology that the assigning of the point to the counter employee will occur in the case, that he greeted (spoke to) customer first. Mentioned change resulted from the need to synchronize the system of employees' evaluation with the Behaviour standards of employees – published on the intranet of Slovak Post.

In the year 2007 this criterion was split into two – greeting at the beginning and greeting at the end of communication. The tolerance criterion was eliminated from the evaluation, as it was very difficult to evaluate it objectively. The total results of the appraisal in 2007 are presented in Table 5.

Table 4. Results of evaluated criteria by mystery shopping project (Internal materials of Slovak Post 2004, 2005, 2007)

Evaluated criteria	2004 (%)	2005 (%)	2007 (%)
Eye contact	96.30	93.06	97.60
Facial gestures and voice ton	95.06	93.52	96.53
Greeting	76.85	67.75	–
Greeting at the beginning	–	–	73.47
Greeting at the end	–	–	55.47
Proficiency	50.46	51.85	69.33
Tolerance	95.52	95.68	–

Table 5. Total results of mystery shopping project (Internal materials of Slovak Post 2007)

Results	%
Sum of attained points	78.48
Sum of zero points	21.52

Defects determined by reviewers in verbal and also in nonverbal communication are presented and discussed with responsible employees of Slovak Post in order to take consequent actions and eliminate potential appearance of repeated defects in the future.

In order to evaluate the quality of services provided by employees of the post office with consecutive determination of deviation from the level of provided services in the former year, Slovak Post will continue with the realization of this project also in the next years (Internal materials of Slovak Post 2007).

5. Conclusion

In market environment it is crucial that national post operators are sensitive to customers' requirements through their employees in order to retain their loyalty.

This art of thinking is also typical of Slovak Post. They take high costs for the project realization and also realize Mystery Shopping several times in the year by trained external personnel.

Slovak Post is trying to improve communication skills of their employees in order to improve general impression of organisation in the customers' eyes.

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