

# Creating an Effective Mystery Shopping Program Best Practices



## BEST PRACTICE GUIDE

**Congratulations!** If you are reading this paper, it's likely that you are seriously considering implementing a mystery shop program for your company. If successfully executed, a mystery shop program will:

- » Provide insightful perspective into your customers' experiences.
- » Measure your company's proficiency at providing memorable customer experiences
- » Help align your company's focus on consistently exhibiting the key behaviors that result in customer delight, customer loyalty, and improved sales and profitability

There are four crucial steps you should follow in order to create an effective mystery shop program:

1. Ensure Everyone is on Board
2. Partner with a Leading Mystery Shopping Company
3. Create a Manageable survey
4. Use the Results to Drive Improvements

## STEP ONE: ENSURE EVERYONE IS ON BOARD

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Before attempting to launch a mystery shop program, think through the various people and departments it may affect - from Human Resources and Training to Marketing and every level of management. Your goal in Step 1 is to ensure everyone in the company understands that the ultimate purpose of the mystery shop program is to improve the specific behaviors that will create customer delight and positively impact sales and profitability.

Be well prepared with your reasons for why you believe a mystery shop program will help the company and how the results of the shops should be used. Share your plan with as many departments as you can and ask for their partnership; it is better to error on the side of informing too many people versus forgetting to include someone. If people have a chance to hear the plan and provide their input before the program is finalized, they will be much more likely to support the program, feel some sense of ownership, and be ready to take action based on the results.

It is best to have personal face-to-face meetings with the appropriate executives or upper management; you want to ensure that they have a chance to ask questions, and you have a chance to understand their point of view.

Do NOT surprise your frontline (customer-facing) associates with a mystery shop program. The associates and managers who work with your customers every day are the ones who will be mystery shopped, and it is especially important that they are willing and prepared to act upon on the results. Frontline employees sometimes view mystery shopping as an attempt to "catch them doing something

wrong.” Part of an effective [mystery shopping](#) program depends upon the organization’s ability to remove this stigma and show that the real benefits come from “catching them doing something right.”

**Before the program is implemented:**

- » Promote the benefits of mystery shops, such as:
  - Discovering if customers are receiving consistently superior customer service at every location
  - Identifying gaps in training needs
  - Aligning company-wide focus on improving the customers’ experiences
- » Share exactly what types of questions will be on the mystery shop (or even the exact questions if this doesn’t put the shoppers’ anonymity in jeopardy).
- » Be very clear that the purpose of the mystery shop program is NOT to criticize, assign blame, or publicly embarrass anyone, and the results of mystery shops will NEVER be used as a reason for punishment.

Another great way to further encourage positive buy-in from customer-facing associates is to offer some kind of reward to those who get exceptionally high scores on their shops.

If the benefits of a mystery shop program are communicated effectively, managers should embrace mystery shops as an irreplaceable way to help them succeed by truly understanding what their customers experience. EVERY shop should be seen as an opportunity to more deeply understand exactly what customer delight-driving behaviors look and sound like, and EVERY shop should be used for recognition and/or for positive, constructive coaching.

## STEP TWO: PARTNER WITH A LEADING MYSTERY SHOPPING COMPANY

There are hundreds of companies offering mystery shopping services, and it can be overwhelming when faced with choosing one partner out of the crowd.

Almost all [mystery shopping companies](#) will tell you that they will bend over backwards to work with you and customize your shop, that they can offer accurate, reliable data, and that they can ensure that 100% of your shops are completed exactly when and where you want them completed. Unfortunately, many companies seem to be unable or unprepared to keep these promises once the contract has been signed. When you are responsible for providing your company with reliable data, you can easily end up in an extremely stressful situation if you do not choose the right mystery shopping partner.

There are many variables to consider when choosing a mystery shopping provider, but three critically important elements should help you narrow your choices to a manageable list of quality companies:

### 1. Exceptional Quality Assurance Processes

The MOST important aspect of a mystery shop program is the accuracy of the data. Inaccurate mystery shop data will inevitably result in corporate and field management teams spending their valuable time challenging shop scores and trying to get shop errors corrected versus focusing on how to improve the customer experience. Too many inaccurate reports will cause the program to lose credibility, and at that point, even the accurate reports will no longer be taken seriously.

Find a mystery shopping provider that puts exceptional ***emphasis on the following***:

- » Shopper Selection
- » Shopper Training
- » Shopper Scheduling
- » Shop Auditing
- » Shopper Support

## Shopper Selection

All mystery shopping companies will claim that they have a shopper database of tens of thousands or even hundreds of thousands. In actuality, these numbers are meaningless. Any mystery shopping company can allow potential shoppers to sign up online and be added to their shopper database. What's truly important is how many of these shoppers have the talents and skills necessary to conduct your shops.

Look for a mystery shopping provider that has strict hiring criteria in place. Shoppers should need to prove that they can effectively communicate before they are ever even entered into a quality mystery shopping company's database. Look for a company that takes the following actions before allowing shoppers to shop with them:

- » Speaks directly with all potential shoppers
- » Requires potential shoppers to pass writing proficiency tests
- » Collects detailed information about the shoppers, including demographics and other characteristics that will help the company match the right shoppers to the right shops

## Shopper Training

Find a mystery shopping provider that:

- » Offers web-based training.
- » Provides their shoppers with extremely detailed, but simple to understand instructions along with a completed sample survey and a blank survey for the shopper to use immediately after the shop is conducted
- » Requires all shoppers to pass customized certification tests for each assignment
- » Requires ongoing training and re-certification whenever a shop is modified
- » Requires extensive narrative from the shoppers that supports the scores they give on the shops, including actual quotes from the interactions
- » Assigns scores to every single shop that represent how well the shopper performed

The company should closely monitor shopper performance by tracking online behaviors such as:

- » How long shoppers spend reading their shop instructions
- » Whether or not shop instructions and other materials are reviewed or printed before the shops are performed
- » How long shoppers spend completing the online survey
- » How the shoppers score their shops (in order to identify those individuals who consistently give high or low scores and may need to be coached or removed from the program)

## Shopper Scheduling

Many shop projects require a specific number of shops to be conducted during certain times of the month, week, and/or day. In addition to time requirements, many shops require that shoppers have specific knowledge and/or fit specific demographic or segmented criteria (e.g., certain age, income, gender, etc.). A mystery shopping provider that has an extremely well controlled scheduling system can flexibly enforce these types of requirements and ensure that EVERY one of your shops is done at the right time by the right shopper. Even if you don't think you will have complicated scheduling requirements at the onset of your shopping program, it is important to keep in mind that your needs may change.

Look for a mystery shopping provider that uses customized software to ensure your shops are scheduled correctly AND has IN-HOUSE schedulers who speak directly with shoppers. Before schedulers are authorized to schedule your shops, they should be intimately familiar with your specific program requirements, so they can provide reminders or any necessary additional instruction to the shoppers.

## Shop Auditing

There are some mystery shopping providers who allow mystery shopper results to post directly to their clients' websites without the content first being audited. These providers are likely able to offer the lowest mystery shop prices, but you often get what you pay for. . .low quality and high inaccuracy.

No matter how sophisticated the shopper selection and training processes are, there inevitably will still be shoppers who make mistakes or complete a shop without putting their best effort forward. Furthermore, if shoppers know that their work is not being closely reviewed, they will be much less motivated to provide top quality information.

Look for a mystery shopping provider that has a team of quality editors who are NOT outsourced and who audit EVERY SINGLE SHOP performed. A quality mystery shopping provider will ensure that if there is a breach of methodology, question of credibility, or insufficient detail in any report, the shop is rejected before you ever even see it, and they will send another shopper at no added expense to you.

### ***Shop auditors should:***

- » Need to pass strict hiring requirements, including written tests
- » Undergo extensive on-site training
- » Verify that every shop strictly follows assigned scenarios and methodologies to ensure that performance is measured against consistent criteria.
- » Score every shop using a clear and consistent grading methodology (in order to track shopper performance)
- » Audit every shop within 48 hours of submission
- » Regularly contact shoppers to give them positive and/or constructive feedback

### ***Shop auditor performance should also be closely monitored by tracking behaviors such as:***

- » How long auditors spend reviewing each shop
- » How often auditors make changes to shops and exactly what content is changed
- » How often auditors contact shoppers for follow-up information or positive coaching

A senior auditor should score the performance of new shop auditors by second-auditing all their shops for at least the first few months. In addition, senior auditors should second-edit shops associated with new projects for a certain period of time and consistently second-audit the shops of all auditors on a random basis.

## Shopper Support

Look for a mystery shopping provider that maintains a full time call center staffed with IN-HOUSE employees available seven days a week. Shoppers should be able to directly contact knowledgeable, helpful support staff via telephone and email for any methodology, scheduling, or other questions they may have. Shoppers who speak directly with their schedulers and get regular, direct feedback from editors are MUCH more likely to deliver high quality shops.

## 2. Vast Geographical Coverage

As previously mentioned, all mystery shopping companies will claim that they have a shopper database of tens of thousands or even hundreds of thousands, but you need to know if your potential mystery shopping partner has enough shoppers who can produce quality work in the locations you want shopped.

It is important that your mystery shopping company has enough qualified shoppers to not only complete the shops in the locations you need them, but to also adhere to a strict shopper rotation. For example, if Johnnie Shopper just shopped a particular location last month, you don't want him back in that same location for at least two months in order to prevent him from being identified as a mystery shopper. Vast coverage is even more important if you ever need your shoppers to fit specific demographic criteria (e.g., certain age, income, gender, etc.).

Look for a mystery shopping company that has a proven record of conducting shops nationally (or internationally, if applicable). You should ask your potential mystery shopping providers to give you examples of when they were able to complete 100% of the requested shops in areas that were difficult to cover. Before you even contact potential mystery shopping partners, you can often find client lists on their websites which should give you a good idea of whether or not they can offer national coverage.

Numerous mystery shopping companies struggle to find qualified shoppers in many areas. This can be due to several reasons, such as a company simply not having the necessary staff or resources to maintain a large enough shopper database. However, another key reason only a handful of mystery shopping companies can provide vast QUALITY coverage is because high-performing shoppers prefer to shop only for these exceptional companies.

Mystery shopping companies vary greatly in terms of how well they treat and communicate with their shoppers. Shoppers are more likely to work for a mystery shopping company that sets them up for success with very detailed and clear instructions, compensates them fairly and quickly, and has direct and consistent contact with them. A great way to research whether or not a company can provide enough quality shoppers for you is to review what mystery shoppers are saying about your potential mystery shopping providers on blogs such as [volition.com](http://volition.com). Mystery shopping companies that have a good reputation in the mystery shopping community are the ones that are better equipped to complete your shops 100% of the time and provide quality results.

Keep in mind that every mystery shopping company is likely to have some negative and some positive comments said about them. If you decide to visit online blogs, it is a good idea to take the time to read enough comments to understand the trends and consistencies versus focusing on outlying remarks.

## 3. Availability of Internal IT resources/Customizable Software Solutions

Look for a company that has their own staff of IN-HOUSE web and software programmers.

Almost all mystery shopping companies now offer web-based reporting, which offers quick turnaround of shop results and provides various summary reports. However, most mystery shopping companies use off-the-rack software that limits your ability to see your results in ways that deviate from the traditional reporting structure. Other companies say they can provide customized reports, but charge an exorbitant hourly rate to have those reports created for you because they need to outsource the IT work.

Also, what happens if there is a technical problem, or you need changes made to your reporting website right away? Companies that have in-house IT employees can quickly react to technical requests, while companies that need to outsource this work are put in a priority order queue to wait their turn for a solution.

## STEP THREE: CREATE A MANAGEABLE SURVEY

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If you have done a good job on Step 1 (ensuring everyone is on board), you likely have several people and/or entire departments who are excited to get the mystery shop program started. Each one of these interested parties likely also has an idea about what questions should be included on the shop form. This is another reason why it is invaluable to choose an experienced, sophisticated mystery shopping company as a partner; your mystery shopping company should be able to help you turn your survey question wish list into a survey that is both actionable and focuses on performance where it matters most. Most mystery shopping companies offer similar formats, so listen carefully to each provider. An effective form will allow you to distinguish delighting behaviors from very good or fine behaviors as well as dissatisfying behaviors from customer-detracting behaviors. This is critical to the success of your program. A quality mystery shopping provider will guide you through the form development process and allow you to capture feedback in a non-subjective manner while still offering performance behavior distinction where it matters most.

For the sake of accuracy, the shop must be short enough for the shoppers to remember all of what is being asked and not beyond the scope of what is realistic to remember, distinguish, or document. As a general rule of thumb, limit your shop to twenty questions or less. To maximize value, make sure your shop questions are aligned with internal training, focus on actionable and crucial criteria that distinguish your company from your key competitors, and measure the specific behaviors that have the highest impact on creating customer delight and loyalty. To get a feel for what potential shoppers will have to go through, try to conduct the shop yourself. If you have difficulty answering the shop questions after the interaction, shorten the shop!

## STEP FOUR: USE THE RESULTS TO DRIVE IMPROVEMENTS!

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If you have gained your buy-in up front with the right internal partners, they will be ready to institute process changes based on the results of the shop. Also, the customer-facing associates will be ready to listen to and act upon the positive and constructive feedback the shop results provide.

In order to make the results as actionable as possible, it is imperative that the results are clear, easy to digest, and focused. Many companies go through the process of collecting customer feedback and/or mystery shop data, but then find that they are overwhelmed by the massive amounts of data, and they aren't sure what to do next. This, again, is why it is important to partner with a quality mystery shopping provider. Your mystery shopping provider should be able to help you determine the best way to report and summarize your data. They should also be able to recommend the SPECIFIC actions your company should take to raise shop scores, improve your customers' experiences, and ultimately improve your bottom line.

### Contact BestMark

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## About BestMark

BestMark was founded in 1986 to help leading companies close the gap between the promise of service excellence and its actual delivery. Today, BestMark is one of the nation's largest customer experience measurement and mystery shopping companies, and our Fortune 500 clients represent some of the most innovative and successful customer-focused organizations in the world. Simply put, our approach is designed to isolate the key behaviors that drive customer delight and show our clients how to leverage this information to increase customer loyalty, advocacy and profitability.

## About the Author

In 2008, Celine Nelson joined BestMark, a leading provider of mystery shopping and customer experience measurements. Prior to joining BestMark, Celine worked for Best Buy Co., Inc. (NYSE: BBY), a Fortune 100 company and the largest specialty retailer of consumer electronics in the United States and Canada. During her eight-year tenure at Best Buy, Celine led various initiatives to measure company performance and gather deep consumer insights to direct business decisions. She hired and managed the work of numerous mystery shopping companies and learned first-hand what criteria to look for when identifying a high quality mystery shopping provider.