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Defining and Pursuing Customer Satisfaction at Chrysler Group LLC

- Quality organization takes hold and demonstrates success
- Customer Promoter Score identifies issues, provides opportunity for quick resolution
- Chrysler Group quality the best in its 73-year history
- Quality defined through the eyes of the customer

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Since Doug Betts joined Chrysler Group LLC in 2007, he has been busy putting his mark on improving the company's quality as Senior Vice President - Quality. Under his leadership, Chrysler has refocused its efforts to ensure total satisfaction for Chrysler, Jeep® and Dodge customers. New Quality practices and teams are improving

Chrysler's product line and customer experience.

"My role is to foster collaboration across the company. The responsibility for customer satisfaction applies to all aspects of the company, no matter what role you play in the process of building and selling quality products," said Betts. "Satisfying our customers is the basis of our whole business."

Betts is responsible for ensuring that the "voice of the customer" is the guiding metric for all company decisions. He is responsible for corporate quality and all aspects of customer satisfaction with a long-term strategy.

"Too many companies give up on a plan before they have completely executed it. Make a good, simple, well understood plan, then try it and reflect upon it, improve, and try again," Betts said.

Customer Promoter Score

In January 2009, Chrysler launched Customer Promoter Score (CPS), which tracks customer satisfaction from the minute the customer drives the vehicle off the dealer lot to five years into the future.

To measure whether customers are "promoters," they are called at seven points during their ownership experience – right after they buy, 90 days after purchase, after their first customer-paid visit for service, after their first warranty visit, seven months after they bought the car if they have not come in for a paid or warranty visit, after three years and after five years.

During each contact, the customer is asked three questions – "Would you recommend the Dodge, Chrysler or Jeep brand," "Would you recommend the vehicle you bought" and "Would you recommend the dealer who sold you the car."

Every answer is given a numerical rating. Ratings of nine or 10 mean the customer is likely to promote the brand, the vehicle or the dealer to friends and family. A rating of eight means the customer is neutral and anything under seven is a red flag that requires further follow up. Because every call is recorded and accessible to any stakeholder interested in a customer's feedback, customer issues can be resolved immediately to turn that customer into a promoter.

"If I'm a dealer and I sold a car on Tuesday, Tuesday night that customer is going to get a call. On Wednesday, I can hear the recording of that call," explained Betts. "If the sales experience didn't go well, I can hear it. I can hear the customer's voice, and Wednesday afternoon I can call that customer, apologize, and do what it takes to make it right. Normally, it would have been 30 to 45 days before a dealer would know something went wrong at the point of delivery or an issue with the vehicle. Now it's overnight."

Customer Satisfaction Teams

More than a year after they were introduced, the Customer Satisfaction Teams (CSTs) are helping to minimize one of the classic issues associated with many Quality departments: problem solving ownership. Made up of cross-functional teams that measure their success only by their ability to improve defined quality scores, the CST structure is meant to eliminate the potential for a "not my fault" attitude.

"It's about putting people in the right place to foster a problem-solving mentality," said Betts. "Quality must be a shared ownership and CSTs create that environment."

Each CST is comprised of 6 - 15 problem solvers with a variety of expertise. Chrysler has 14 CSTs, one for each vehicle system (engine, interior, wiring, etc) encompassing the range of Chrysler, Jeep and Dodge vehicles. These teams are empowered to improve customer satisfaction for their system or area. They gauge their success only by how well they do that, without regard to the origin of the customer dissatisfaction.

As a result of the work of the CSTs, Chrysler now has the best quality in the 73-year history of the company. The company’s warranty claim rate has dropped by 30 percent in the past year, compared with an average 2.4 percent improvement over the previous seven years. The improvements made have saved more than $240 million.

Defining "Quality"

In the automobile industry, "quality" has been a broadly used term referring to many different aspects of customer satisfaction. At Chrysler, Quality has now been defined into six types, each of which could affect customer satisfaction: Ordinary, Dissatisfaction, Regulatory, Perceived, Performance and Service, both before and after the sale.

According to Betts, "It is important that everyone in the company have a common definition of quality, so we can speak the same language as we execute our plan to improve."

In order to work together across the entire company, it is equally important to established standardized measurements for each type of quality. One, company-wide criterion per quality type will be the target for all departments within the company.

"This clearly defined approach will remain consistent even if other company structures change. And it will help to channel our efforts and keep us from creating new plans," said Betts.

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