



Going Beyond Traditional Mystery Shopping to Understand Customer Experience

The 'New Normal' Begins with New Data Collection Strategies



What is CX and How Can Mystery Shopping Help? 4

Mystery Shopping: The 4-1-1 5

Can Mystery Shopping Help with Customer Experience? 6

Key Benefits of a Mystery Shopping Program 6

**Traditional vs Crowdsourced Mystery Shopping:
Which is Better?** 7

The Cost 8

How to Ensure Data Accuracy from Your Mystery
Shopping Programs 8

Four Steps to A Mystery Shop 9

Crowdsourced Mystery Shopping in Action 10

CPG and FMCG 10

Financial Institutions 10

Super Stores and Franchises 11

Bars and Restaurants 11

Starting Your Mystery Shopping Program 12



CCOVID-19 has impacted economic function. Whether the impact is temporary or permanent is largely unknown.

Consumer spending, sentiment and purchase patterns have been vastly altered since lockdowns began, leaving business decision makers without answers to key questions like:

- **How is our target market segmentation making purchases now and how will this impact their future purchase behavior?**
- **How do consumers perceive our products and our competitor's products in the midst of an essentials only economy?**
- **Is customer service up to par despite social distancing and mask requirements?**

Curating answers to these questions will allow your business to quickly address changing consumer behavior and keep up with competition in a time where future movement is unpredictable.

There are a variety of digital data collection tools available for widespread data collection and analysis at a low cost of entry. The key to tackling this rough terrain of the COVID-19 pandemic is agility; with digital resources like crowdsourcing, your business can collect qualitative data points over a preestablished period of time to determine positive or negative changes in sentiment and consumer behavior.

Traditional data collection methods using focus groups, bulk paper or digital surveys, or self-reporting methods advertised on the bottom of receipts are too slow, too costly or too far removed from the time and location of the original experience. Digital crowdsourcing your retail audits and mystery shopping campaigns ensures rapid, low cost and accurate data collection taking your data acquisition and actionable insights to the next level.

Retail audits by way of mystery shopping is a critical tactic that can unveil and dissect barriers to growth, create viable strategies to address and correct these barriers and collect unbiased, free-flowing intelligence data.

What is CX and How Can Mystery Shopping Help?

[1 in 3 customers](#) would stop doing business with a brand they loved if they had a bad customer experience and 92% of customers would stop doing business with a brand they loved after two or three negative customer experiences.

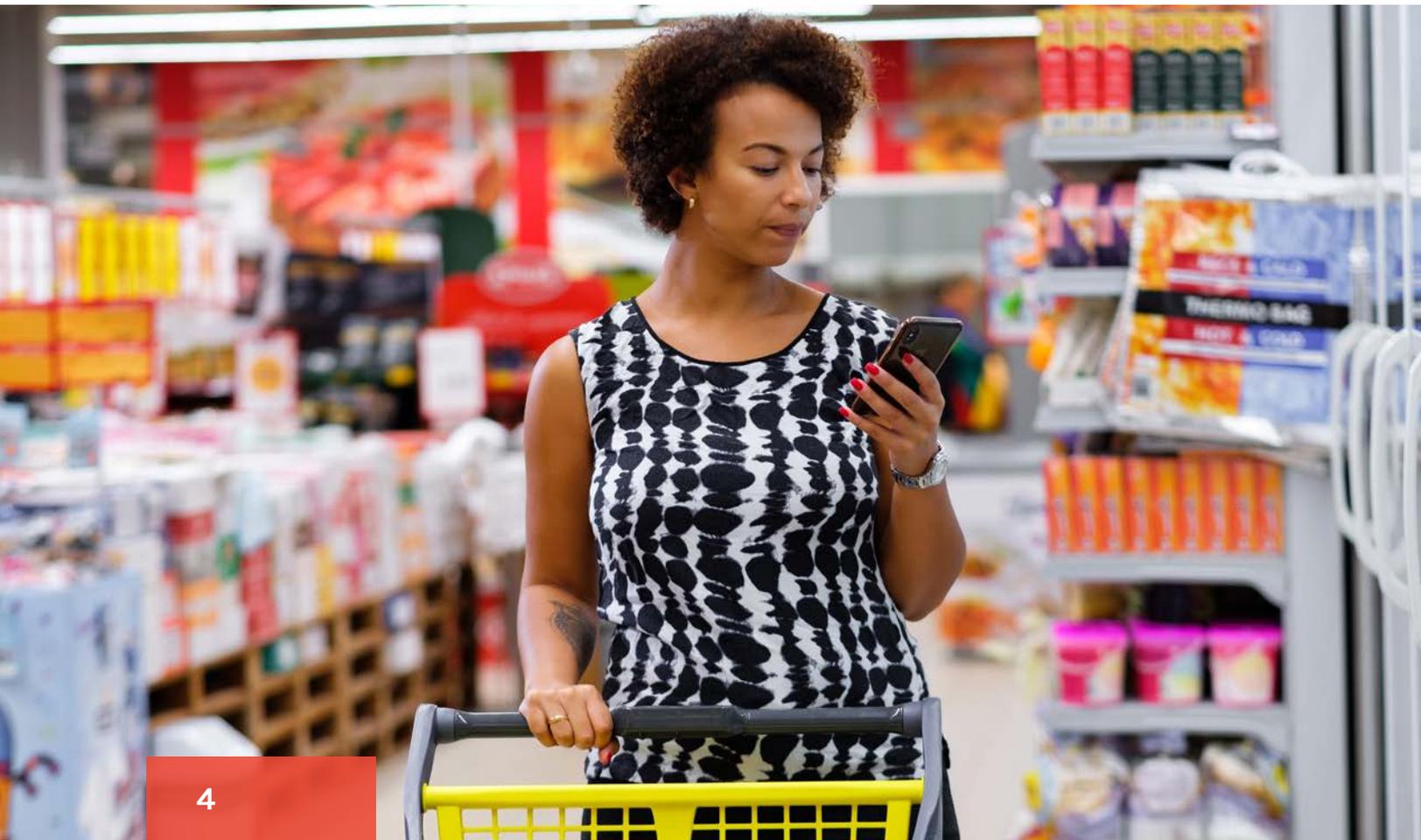
Customer experience (CX) is the combination of all touch points a consumer has with your brand from the research process to the post-purchase review and all touch points in between. It is imperative to achieve an overwhelmingly positive CX in order to increase customer lifetime value (CLV) and gain market share.

CX data tells you how customers perceive your products or services whereas mystery shopping data determines whether your brand's promises are actually executed: do all locations fall within

guidelines and standards deemed critical to the customer experience?

The answer needs to be overwhelmingly "YES."

The COVID-19 pandemic has created a wave of uncertainty for businesses with regards to consumer behavior and consumer expectations on their experience in public spaces. Consumers are rightfully fearful of contamination, which places a higher level of expectation on cleanliness, sanitation, social distancing among customer service representatives or employees, and more. Developing a pristine CX at this time is crucial to building consumer confidence, which will assist you in navigating this trying economic time.



MYSTERY SHOPPING: THE 4-1-1

A **mystery shopper** is an anonymous consumer hired to provide an unbiased evaluation of your company's operations through guided observation. There are four primary mystery shopping experiences that allow for a comprehensive analysis of the customer journey:

1. In-Person Mystery Shopping:

a shopper visits the brick-and-mortar location to assess the customer experience in your business or place of distribution.

2. Telephone Mystery Shopping:

a shopper is directed to assess the telephone communication through a phone call evaluation. This is often effective for call centers, help desks, IT departments, etc.

3. Internet Mystery Shopping:

a mystery shopper visits a business website to assess the customer experience from entry page to checkout and any subsequent follow-ups.

4. Multi-Functional Mystery Shopping:

intended for businesses with multiple distribution channels, a shopper is instructed to use a combination of in-person, telephone or internet mystery shopping to assess the customer journey from start to finish.

Mystery shoppers have a unique, hands-on experience that requires them to take a look at very specific aspects of their on location visit.

Restaurants, for example, can direct their mystery shoppers to submit pictures of the food, the outside of the building or snapshots of the bathroom's condition and detail their interaction with the waiter or support staff to get a comprehensive view of not just the dining experience but the ambiance and environment, as well.

A well-established mystery shopping program with a variety of diverse contributors allows your business to assess a wide variety of scenarios that would otherwise go unnoticed. The data collected from a mystery shopping program can unveil areas of weakness in all points of the customer experience creating a starting point from which to strategize and adjust process, product or protocol to establish consistency across all channels.

CAN MYSTERY SHOPPING HELP WITH CUSTOMER EXPERIENCE?

Without a mystery shopping program, certain aspects of the customer experience may be overlooked. Details are important to the overall customer experience, which makes using mystery shoppers to assess specific details of your business' function a key contribution to pushing your CX from "good" to "great."

Mystery shopping programs can also identify operational strengths like exceptional selling or productive merchandising and allow businesses to reward those strengths and efficiencies as they see fit (i.e. bonus programs or non-monetary rewards).

Key Benefits of a Mystery Shopping Program

Unbiased Data

Mystery shoppers provide unbiased and extremely useful quantitative and qualitative feedback on their customer experience from start to finish that can help businesses determine how actual customers would proceed through the customer journey.

Actionable Insights

Data acquired from mystery shoppers is compiled, sorted into patterns, and analyzed to provide actionable insights for businesses. These insights allow businesses to develop a strategic course of action to optimize operations and improve the customer journey.

Solving Problems and Rewarding Efficiencies

A mystery shopping program can uncover lapses in the customer experience that contribute to lost revenue, customer dissatisfaction and reduced market share and subsequently solve these problems through customer feedback or competitive data.

Traditional vs Crowdsourced Mystery Shopping: Which is Better?

In this digital age, a poor customer experience can doom your business. A single customer service faux pas and the interaction can go viral creating a public perception nightmare that takes months or years to recover from, if your business can recover at all.

While traditional mystery shopping programs maintain validity in both function and contribution, intelligent crowdsourcing has a huge potential for businesses of all sizes allowing for the proper regulation of data through the collection of real-time, unbiased information from diverse, reliable contributors.

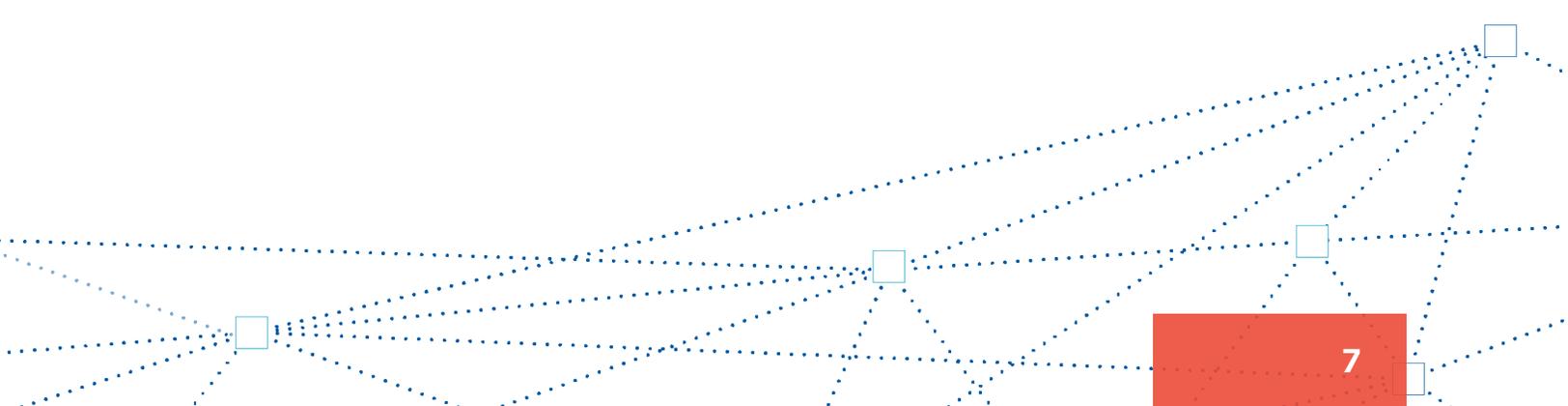
The traditional mystery shopping program requires far more startup bandwidth than crowdsourced mystery shopping programs. In the traditional model, you have to recruit, qualify, schedule, train and manage shoppers. In addition, traditional mystery shop interviews are conducted after the shopper leaves your place of business, reducing accurate recall and interfering with valuable, in-the-moment data and subsequent insights.

Crowdsourcing is a scalable process of solving problems by engaging a network of individual contributors to complete a series of tasks or projects, solve an impending business problem, or gather, organize and analyze vast amounts of crucial business data for strategic implementation.

With a crowdsourced mystery shopping program, as offered by Premise, you can spend more time preparing strategy for data findings and less time sorting through papers. You are guaranteed a network of verified shoppers at a mass scale that can complete tasks at a moment's notice while allowing you to access user acquired data and actionable insights instantaneously

Crowdsourced mystery shopping programs are low risk, quick and affordable while allowing you to see exactly what potential customers experience in-store, in your restaurant, at your bar, or any other place of business.

Data collected from crowdsourced mystery shopper programs is higher quality and more reliable than traditional programs due to reduced individual bias and statistical reliability with data reports revealing patterns or similarities due to the sheer volume of data collected.



The Cost

The traditional mystery shopper program typically ranges from \$50 to \$500 per shopper visit. While this may seem reasonable, traditional shopper programs can take months to set up, weeks or months to execute, and even longer to access data for actionable insights. This does not include time clocked by your employees and PM time wasted in the interim.

In present times, businesses of all sizes are affected by the individual state lockdown orders; budgets are tightening, furloughs are a reality and employees are stretched thin with new responsibilities. You need the maximum return on investment in order to justify any strategic initiatives.

The Premise Contributor network is engaged and ready to deploy with minimal startup energy with malleability to work within your budget. Each campaign is tailor made to your business' specific needs with a guarantee that you receive data you actually need within preset regions, demographic groups, volumes or locations, rather than data that may work with your strategic goals. The available customization with the Premise platform ensures your mystery shopping program stays within your budget.

How to Ensure Data Accuracy from Your Mystery Shopping Programs

With intelligent crowdsourcing, your mystery shopping program can capture verified data with maximum data accuracy.

In a crowdsourced mystery shopping program, your business can release shoppers to multiple locations at once and/or send multiple shoppers to single locations. Crowdsourcing permits a higher volume of data reports on the same sample allowing analysts to make assessments based on a more accurate average rather than a single data report. The higher volume of data helps to quantify uncertainty in data reporting, identifying trends in the form of a percentage. For example: if 44 of 50 mystery shopping

contributors claim that customer service at your business location is wonderful, analysts can quantify the certainty that the sampled location has "wonderful customer service."

Intelligent crowdsourcing is not a one-and-done exercise. Regular collection of data allows for a continuously accurate survey of business operations and CX helping analysts and businesses measure frequent changes that occur over time. Crowdsourcing is an affordable way to ensure a speedy collection of real-time data for an accurate analysis of your brand in the present moment, which is exceptionally prevalent in this tumultuous economic climate.

Four Steps to A Mystery Shop

STEP 1

Mystery shopper contributors are recruited based on regions, countries or other custom requirements established for the campaign.



STEP 2

The set of contributors visit the task marketplace of the Premise app and browse a list of available tasks. These tasks can include items like:

- Take a photo of the place of business from outside / Take a photo of the aisle on which XYZ products sit
- Take a picture of the shelves and merchandising for brand XYZ
- Describe your interaction with an employee
- Ask your waiter about the specials / order a complicated drink from the bar
- And so much more

STEP 3

Mystery shopper contributors visit the brick-and-mortar locations, taking note of the specific information requested and submit tasks during the visit. The mystery shopper aims to provide a detailed observation of the business' customer experience from start to finish. During this initial rollout, Premise ensures that data collected is up-to-par, making changes if necessary to achieve program success.



STEP 4

Once the visit is complete and all data is submitted to the Premise platform, the data is analyzed and inputted into valuable visualizations that can be shared with your team and used in strategic presentations.

Crowdsourced Mystery Shopping in Action

Premise works with clients around the globe to gather shopper insights and behavioral data through the Mystery Shopping SaaS subscription. Mystery shopping feedback has empowered our clients with immediate actionable insights to improve their customer service, increase sales and identify gaps in their current data collection methodology. Below are a collection of sample mystery shopping use cases to inspire your next project with Premise.

CPG AND FMCG



Potential Uses

- Non-Alcoholic Beverages
- Alcoholic Beverages
- General Packaged Goods

Problem

Due to a lack of control over the retail environment, CPG and FMCG brands can encounter out-of-stock, product misplacement and other retail issues that negatively affect customer experience and their brand.

Solution

Crowdsourced mystery shopping allows for a full analysis of the customer experience when distribution is blind. Whether your product is beer, baby formula or any other consumer packaged good, Premise can improve your distribution strategy by tapping into the vast global network of Premise Contributors. You can tailor your contributor database based on established markets to crowdsource data for store level information, product placement, competitive insights, pricing comparison, merchandising, shelf supply and more.

FINANCIAL INSTITUTIONS



Potential Uses

- Money Transfer
- Banks
- Credit Agencies
- Credit Cards

Problem

Consumers view financial institutions with an air of skepticism, particularly during the time of COVID-19 when economic uncertainty is prevalent. Ensuring a positive customer experience during this time is crucial to your business' success.

Solution

Premise can assist your business in monitoring and analyzing the consumer facing aspects of your business including customer interactions, transaction success and compliance. Premise also offers location verification, which will ensure contributors collect accurate, verified data regarding your particular locations leaving you with no unusable data.

SUPER STORES AND FRANCHISES

Potential Uses

- Car Dealerships
- Phone/Internet Carriers
- Grocery Stores
- Malls
- Home Improvement
- Drug Stores
- Gas Stations

Problem

As a result of COVID-19, consumer behavior is unpredictable, particularly when it comes to essential tasks in public spaces. How is the pandemic affecting customers in your location? Are health and safety regulations impacting the customer experience in a negative way? These questions need answers that you may not be able to provide with limited data.

Solution

Customer experience will differ from customer to customer, but you can identify patterns in behavior, purchase preferences, employee compliance and more, but you need a sufficient amount of data to establish patterns and statistical probability. The Premise platform leverages a vast network of crowdsourced Contributors that can collect high volumes of data within your desired timeline.



BARS AND RESTAURANTS

Potential Uses

- Bars
- Sit-down restaurants
- Fast food restaurants
- Quick serve restaurants

Problem

During this national pandemic, it is particularly important to comply with health and safety regulations to ensure a positive customer experience for customers. Bar and restaurant locations are always on their best behavior with scheduled visits by brand or company reps not to mention collecting data from all business locations is both extensive and expensive; crowdsourcing mystery shoppers to your locations will provide the proper discretion necessary to acquire sufficient data for an honest analysis of compliance and brand standards.

Solution

With Premise's enhanced location audit program, Contributors can collect observational data on health and safety compliance within the outlined requirements based on geographical locations like mask compliance, social distancing and more.



Starting Your Mystery Shopping Program

Individuals and businesses around the globe are currently faced with varying levels of uncertainty and fear as a result of the COVID-19 pandemic. Now, more than ever before, people are looking for entities they can trust to both protect their health and the health of their loved ones and provide products and services that increase "feel good" sentiments. Are you currently meeting your customer where they are rather than where they were before the pandemic?

Crowdsourcing your mystery shopping program is the best way to collect vast amounts of data from around the globe to assess your current CX and make improvements as you and your team see fit. Learn how Premise can help you launch a successful crowdsourced mystery shopping program to help your business improve the customer experience both during and post-COVID-19 by visiting <https://www.premise.com/retail-audit> or email info@premise.com.

We can't wait to help you become more data-driven.

Want to learn more about Premise solutions?

Visit us at [premise.com](https://www.premise.com)

Premise helps its customers unlock a world of ground-level data. By combining the power of a global network of on-the-ground Contributors with industry-leading data science and machine learning, Premise empowers decision makers with the high-quality, trustworthy data they need. Premise is headquartered in San Francisco, CA, with offices in Washington, D.C., and Seattle, WA. For more information, visit www.premise.com or follow us on LinkedIn, Facebook, Instagram and Twitter.

© 2020 Premise Data Corporation. All Rights Reserved.



PREMISE™

info@premise.com
www.premise.com

