The surprising usefulness of simple measures: HappyOrNot terminals

Description

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as described in this very readable article by David Owen:
Customer Satisfaction at the Push of a *Button â?? HappyOrNot terminals look simple, but the information they gather is revelatory.* New Yorker, 2 February 2018, pages 26-29

In 2016, a European gas-station chain hired HappyOrNot, a small Finnish startup, to measure customer satisfaction at its hundred and fifty-plus outlets. One gas station rapidly emerged as the leader, and another as the distant laggard. But customer satisfaction can be influenced by factors unrelated to customer service, so, to check, the chain's executives swapped the managers at the best and worst performers. Within a short time, the store at the top of the original list was at the bottom, the store at the bottom was at the top, and one of the managers was looking for work.

By the standards of traditional market research, HappyOrNot's analysis was simplistic in the extreme. There were no comment cards, customer surveys, focus groups, or reports from incognito "mystery shoppers." There was just crude data collected by customer-operated devices that looked almost like Fisher-Price toys: freestanding battery-powered terminals with four big push buttons—dark green and smiley, light green and less smiley, light red and sort of frowny, dark red and very frowny. As customers left a store, a small sign asked them to rate their experience by pressing one of the buttons (very happy, pretty happy, pretty unhappy, or very unhappy), and that was all.

What HappyOrNot's gas-station data lacked in substance, though, they made up for in volume. A perennial challenge in polling is gathering responses from enough people to support meaningful conclusions. The challenge grows as the questions become more probing, since people who have the time and the inclination to fill out long, boring surveys aren't necessarily representative customers. Even ratings on Amazon and on Walmart.com, which are visited by millions of people every day, are often based on so few responses that a single positive or negative review can affect customer purchases for months. In 2014, a study of more than a million online restaurant reviews, on sites including Foursquare, GrubHub, and TripAdvisor, found that the ratings were influenced by a number of "exogenous" factors, unrelated to food quality—among them menu prices (higher is better) and the weather on the day the reviews were written (worse is worse).

A single HappyOrNot terminal can register thousands of impressions in a day, from people who buy and people who don't. The terminals are self-explanatory, and customers can use them without breaking stride. In the jargon of tech, giving feedback through HappyOrNot is "frictionless." And, although the responses are

Read the full article here

Points of interest covered by the article include:

1. What is so good about them
2. Why they work so well
3. Can people â??gameâ?• the data that is collected
4. The value of immediacy of data collection
5. How value is added to data points by information about location and time
6. Example of real life large scale applications
7. What is the worse thing that could happen

Other articles on the same subject:

- The smiley feedback buttons at airports do actually work â?? and they are changing the way we travel
- The HappyOrNot website

Rick Davies comment: I like the design of the simple experiment described in the first para of this article. Because the locations of the petrol stations were different, and thus not comparable, the managers swapped the â??treatmentâ?• given to each station i.e the staff they thought were making a difference to the performance of these stations.

Category

1. Magazine
2. Media

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