



by Craig Pendleton

## Utilizing Secret Shoppers and Maximizing Results

A Shopper's Report is a powerful tool that can greatly assist casino operators. To understand how to maximize the return on investment of a shopper's report, operators must first understand the different types and how to best utilize them. Typical shopper's services range from:

**Novice Shop** – Performed by a secret shopper that knows nothing about the business or type of industry. In many cases this may typify the level of scrutiny and awareness of the majority of customers and be the level desired by the business. This will provide a report of activities from the shopper's perspective but usually not show a full understanding of circumstances that may have been occurring during the actual "shop."

**Informed Shop** – Performed by a secret shopper that knows the industry but nothing about the specific operation being shopped. This provides a level of observation and a report that will compare the business to industry standards and the average experiences in the industry. The report will help the business to compare itself to industry competition and determine where operations stand in relation to these competitors.

**Targeted Informed Shop** – Performed by an industry specialist with some level of knowledge specific to the business. Often the shopper is provided access to manuals and procedures prior to the shopping visit to allow comparison of the desired goals of the trained staff's activities to actual performed activities during the shop. This shop may also be used as a follow up to a previous shop where reactive training has been performed to improve and change staff process and behavior allowing a review of the level of success of the changes.

To the ultimate report:

**Opportunity Assessment** – This is an in-depth total business assessment performed by an industry expert or team with or without knowledge of the specific business operation. A shopper's report is performed but also an assessment is made specifically determining areas of opportunity to improve service, business and financial results. This process results in a list of recommended revisions in practices with a breakdown of priority ranked by order of implementation and costs involved short term and long term.

This kind of study considers the business, staff, supervision, personalities, synergy of operations and may provide considerable financial opportunities for the business if some of the suggestions are adopted. Often long term items suggested involve development and training of staff that will increase retention over time and save recruiting, replacement and retraining costs. These financial benefits may not be seen immediately.

Only part of this process is performed secretly. The more open and forthcoming the staff is with the shopper the greater the resulting depth of report. This requires more time performing observations within the business but provides a much greater potential financial return for the business. The orientation is positive and consists of finding opportunities for the business.

### Sharing Report Findings With Staff

Each department reviews the specific observations and is generally tasked with explaining what happened when the shopper's reviews were not favorable. Operators who successfully utilize shopper's reports are those who understand that their business never runs at a perfect level of execution. There are always areas for improvements and even though staff may perform admirably the majority of the time, often there are periods of time when standards are not met. Staff members are human and as such subject to emotions and inconsistency of action.

A shopper who is not familiar with a specific business will be expressing their observations based upon their own feelings and past experiences. These feelings are typically similar to the same level of observations by regular customers. Regardless of how operators may justify and understand why certain things occur resulting in areas of concern, ultimately the acid test is how the customer feels about what occurred. Customer observations are subjective, not scientific, and as such should be viewed as valid. These are the areas that affect the "word of mouth" marketing of the business as opposed to how operators try and justify situations that may occur, negatively affecting customer experience. The actual shoppers must be available to review the final report and answer questions to provide full benefits for the operator.

Effective operators are relieved when problems appear in shopper's reports. These are indicators of common problem areas of execution and represent, in the form of feedback,

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situations that they would not be aware of. New strategies can be adopted, process and procedures revised and reassessment of new results captured. The challenge is to change the mindset of the staff and supervision to effectively change behaviors and processes on a consistent basis. Operators who effectively use shopper's services embrace all opportunities for positive reinforcement of all the great things that were pointed out during the process to avoid creating a negative stigma surrounding the shopper's report.

Success depends on determining which level of shopper's

report or opportunity assessment best fits the needs of the business. Though it is often an uncomfortable experience inviting a third party into a business to uncover problems and areas of improvement it is much more beneficial than not understanding what experiences may be affecting a businesses customers who never voice a concern and never return.

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