

If you ask your customers to rank the importance of several elements that make up a business relationship, such as *“sales relationships”, “administrative effectiveness”, “product quality,”* etc. more than likely, the answers they give won't be accurate.

### Why?

People are unable to definitively state what is important to them because circumstances, environment, and their attitudes change; moment-to-moment, event-to-event.

Consider the following responses to the same question asked under different circumstances:

**“The Computer System is working just fine.”**

*Two days later...*

**“The computer system crashed last night – service technicians responded according to contract – saved our entire monthly inventory roll-up.”**

Q: How important is your computer service contract?

A: “Nice to know it is there” -

On a Scale of 1-10:

5

Q: How important is your computer service contract?

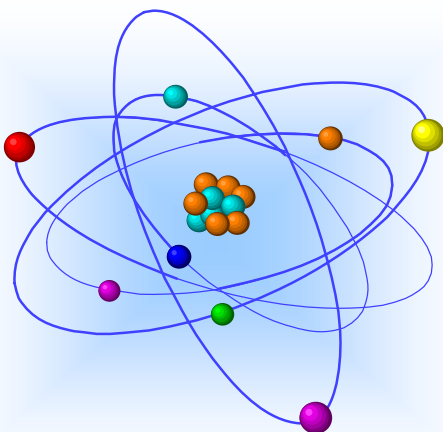
A: “We would be out of business without it” -

On a scale of 1-10:

10

Strategic business decisions, based upon a momentary collection of “feelings” could be *very* risky.

QuantaMetrics® pinpoints the most “sensitive” customer issues without actually asking them *“what's important?”*



QuantaMetrics® is a highly-sophisticated analysis tool used to identify what *is* important to customers. It pinpoints the areas of a business that have the *greatest impact* on, *customer's overall satisfaction*, while indicating a *customer's re-purchasing intentions*.

QuantaMetrics® goes farther than any traditional analysis method. It not only confirms “what” problem may be important to customers, but it reveals “why” issues are occurring, and to what extent these issues may be hurting business.

QuantaMetrics® reveals information about your customers so that you may confidently set priorities and allocate resources to significantly improve your business relationships.

# How does QuantaMetrics® work?

## Background

QuantaMetrics® is based upon Neural Network Technologies, a form of Artificial Intelligence that simulates the reasoning and generalizing processes of the human brain. Though certainly not as complex as the human thinking process, a Neural Network is very effective in “learning” and identifying patterns of data based upon the information it receives.

Today, Neural Networks are used to detect changes in credit card holder’s purchasing behavior, to distinguish submarine sonar patterns from whales, and to design airplane wings. First used in 1995 by Development II, QuantaMetrics® is the first application of Neural Networks for opinion analysis. It has been proven to be extraordinarily effective to identify customer-sensitive issues and to pinpoint those issues that are *most important* to customers.

## Customer “Segments” & Strategies

When analyzing customer opinions, different populations have unique characteristics. *Totally Satisfied* individuals are more likely to repurchase from the same supplier, they will generally recommend only the supplier to others, and when considering alternatives, the supplier is always on the top.

Conversely, *Somewhat Satisfied* individuals are significantly less likely to repurchase, may recommend their supplier along with others, and may be considering alternatives to their existing supplier relationship.

*Dissatisfied* individuals are devastating to a business. They actually have a negative effect on potential revenue by their tendency to communicate unfavorable opinions. An existing supplier relationship is probably one step away from extinction.

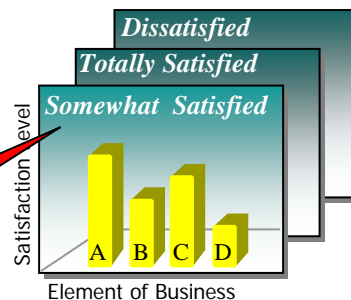
QuantaMetrics® segments each population and highlights the areas of “sensitivity” that have the greatest impact on a customer’s overall satisfaction. Strategically, the population of *Somewhat Satisfied* is critical. They are the “fence sitters” who could lean toward dissatisfied or *Totally Satisfied*, based upon the resolution of their critical issues.

## Reports & Planning

### First...

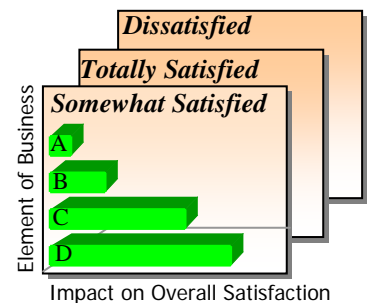
We determine the levels of satisfaction with each element of business for each of the three populations: *Totally Satisfied* Overall, *Somewhat Satisfied* Overall, and the *Dissatisfied* Overall.

Most Strategic Group



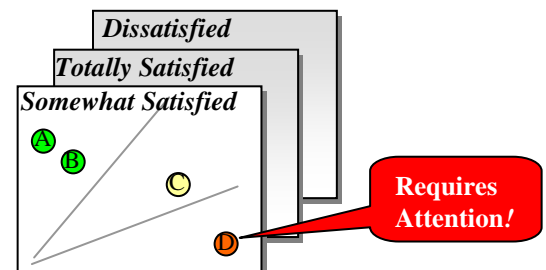
### Second...

We use the Neural Network to map the “sensitivity” of each element of business. In other words, we answer the question: “how much will an increase in each element affect Overall Satisfaction?”



### Third...

We combine the two graphs. Areas of higher satisfaction and low impact (A and B) require little attention. Areas of less satisfaction and higher impact should be watched closely (C). Areas of low satisfaction and high impact require careful review and steps for issue resolution (D).



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