

MMC survey of AEA customers

1. In September 1991 we sent a postal questionnaire to 179 current customers of AEA Technology taken from a list supplied by AEA which covered all the major customers, as well as samples of the smaller customers of each business. In the case of certain major customers, such as HSE and DEn, with several distinct AEA contracts being reported on, multiple returns to the questionnaire were prepared. Out of a maximum possible response of 191, a total of 141 questionnaires were returned, a response rate of 76 per cent, after removing from the total five customers who felt unable to respond either for policy reasons or due to the brevity of their experience of AEA's services.

2. A copy of the questionnaire is shown at Annex 1. The 141 respondents were grouped in the contract size ranges shown in Table 1.

TABLE 1 **Customers by contract size**

<i>Annual contract size</i>	<i>Number of customers</i>
£1m and over	28
£500,000 to under £1m	7
£250,000 to under £500,000	10
£100,000 to under £250,000	14
£50,000 to under £100,000	29
Less than £50,000	<u>53</u>
Total	141

Source: MMC survey.

Responses are equally weighted in the tables below and no account is taken of the relative contract sizes.

Aspects of customer service

3. Customers were asked to rate AEA's performance on various aspects of customer service on a scale from 1 to 8 where 1 was completely satisfactory and 8 not satisfactory. The following guideline was given:

- 1-Completely satisfactory
- 3-Substantially satisfactory (but some problems)
- 6-Only partly satisfactory (major problems)
- 8-Not satisfactory

Customers were also asked to rate AEA's performance overall.

4. Where the customers considered that AEA had competitors they were asked to supply similar ratings for its performance compared with its main competitor. The two sets of aspects of performance are shown together in the tables below. In general the comparative scores were favourable for most aspects of the quality of products or services provided. These were usually rated better than those of the competitors. Thirty-seven of the 141 customers considered that AEA had no competitor for their contracts, or that no comparison could be made. In general these customers rated AEA's performance slightly higher than the remainder.

5. Comparative average satisfaction scores for nuclear and non-nuclear contracts are shown below. Non-nuclear customers were on average more satisfied with AEA's overall performance, with nuclear contracts being assessed significantly more favourably in respect of AEA's understanding of customer needs, as shown in Table 2.

TABLE 2 Comparison of average customer satisfaction scores, nuclear v non-nuclear

	Average customer satisfaction scores (on scale from 1 to 8)	
	Nuclear customers	Non-nuclear customers
<i>Quality of products or services provided</i>		
How well did product/service meet agreed requirements?	2.5	2.6
How well did AEA understand your company's needs?	2.1	2.4
How helpful in identifying precise requirements?	2.4	2.3
How satisfactory was performance on technical aspects?	2.3	2.4
How businesslike was contract administration?	3.6	2.9
How well did AEA deal with customer problems/complaints?	2.6	2.5
How well did AEA perform in achieving deadlines/milestones?	3.2	3.1
How well did AEA staff liaise with you during contract?	2.4	2.2
How clear and comprehensible were AEA's written reports?	2.5	2.1
How close to your requirements were form of written reports?	2.6	2.2
How satisfactory was marketing and pre-contract information?	2.8	2.9
How helpful were AEA's staff generally?	2.0	1.8
How satisfactory was AEA's performance overall?	2.9	2.5
<i>Comparison with AEA's main competitor</i>		
Technical skills	3.0	3.1
Meeting agreed quality specification	3.4	3.3
Customer liaison	3.5	3.4
Meeting contract deadlines	4.2	3.6
Value for money	3.7	3.6
Quality of written reports	3.1	3.4
Marketing and pre-contract information	4.0	4.0
Helpfulness of staff	3.0	2.9
Contract administration	3.8	3.8
Overall services	3.6	3.3

Source: MMC survey.

6. To highlight the differences in customer perception, Table 3 shows the scores as indices relative to 'overall performance'. The various aspects of service are shown in declining order of customer satisfaction. Contract administration and meeting deadlines and milestones emerge as the main weaknesses.

TABLE 3 Satisfaction scores as indices relative to overall performance in declining order of customer satisfaction

	All customers
<i>Quality of products or services provided (overall = 100)</i>	
How helpful were AEA's staff generally?	72
How clear and comprehensible were AEA's written reports?	85
How well did AEA staff liaise with you during contract?	87
How close to your requirements were form of written reports?	88
How well did AEA staff understand your company's needs?	89
How helpful in identifying precise requirements?	90
How satisfactory was performance on technical aspects?	90
How well did AEA deal with customer problems/complaints?	96
How satisfactory was AEA's performance overall?	100
How well did product/service meet agreed requirements?	100
How satisfactory was marketing and pre-contract information?	107
How businesslike was contract administration?	115
How well did AEA perform in achieving deadlines/milestones?	121
<i>Comparison with AEA's main competitor (overall = 100)</i>	
Helpfulness of staff	86
Technical skills	90
Quality of written reports	98
Meeting agreed quality specification	99
Overall services	100
Customer liaison	102
Value for money	108
Meeting contract deadlines	112
Contract administration	113
Marketing and pre-contract information	115

Source: MMC survey.

Trend in overall service

7. A significant number of customers said that they believed that AEA's overall service was getting better, as shown in Table 4.

TABLE 4 Change in overall quality of service over time

	<i>Number of customers</i>	<i>% of responses</i>
<i>Would you say that AEA's overall service is getting better or worse?</i>		
Better	60	54
No change	43	39
Worse	8	7
Not stated	<u>30</u>	-
Total	141	

Source: MMC survey.

Quality specification

8. As indicated in Table 5, most customers were satisfied with the level of the quality specification in AEA's work.

TABLE 5 Quality specification

	<i>Number of customers</i>	<i>%</i>
Quality specification about right	107	79
Would prefer higher specification/higher price service	3*	2
Would prefer lower specification/lower price service	7	5
Not stated	<u>19</u>	14
Total	136*	

Source: MMC survey.

*Five others would have preferred a higher specification, if this were available at a lower price.

Reputation

9. Table 6 shows responses to the question on AEA's reputation. This suggests that AEA needs to publicise its services more.

TABLE 6 AEA's reputation as supplier of products and services to industry at large

	<i>Number of customers</i>	<i>%</i>
Very well known	10	7
Well known	29	20
Fairly well known	60	43
Little known	28	20
Very little known	5	4
Not stated	<u>9</u>	6
Total	141	

Source: MMC survey.

Customer recommendations for improvements in AEA marketing and services

10. Respondents suggested a number of ways in which AEA might improve its marketing; these may be grouped as follows:

- more brochures on services and products on offer;
- advertising and publicity in technical journals and elsewhere;
- seminars, video presentations; and
- mail shot campaigns for targeted prospects.

11. Asked about improvements which might be made in AEA's products and services, certain customers said that AEA would benefit from employing personnel with direct experience of the customer's industry. At the same time several suggested that AEA needed to be more aware of customer needs and should be more market-oriented in its approach.

AEA strengths and weaknesses compared with other suppliers

12. By general agreement among respondents AEA's strengths were its technical expertise and its facilities. A number of customers were highly complimentary, with references being made to AEA's technical excellence, 'world leadership' in its field, and the wide range of specialist knowledge available. References to weaknesses tended to relate to AEA's limited commercial acumen and bureaucratic procedures.

AEA TECHNOLOGY INQUIRY: CUSTOMER SURVEY

Quality of products and services supplied by AEA Technology

A. Product/service details

Please supply brief details of products or services purchased from AEA:

1. AEA business used:
2. Main products or services used:
3. Approximate value of products or services used in last financial year (please tick appropriate box):
 - Less than £50,000
 - £50,000 and over, but less than £100,000
 - £100,000 and over, but less than £250,000
 - £250,000 and over, but less than £500,000
 - £500,000 and over, but less than £1 million
 - Over £1 million
4. Approximate number of orders or contracts placed each year:
5. About how many years has your company been a customer of AEA?

B. Customer views on quality of products or services provided

Please rate AEA Technology's performance on each aspect of customer service on a scale from 1 to 8 by ticking the appropriate box eg:

- 1 - Completely satisfactory
- 3 - Substantially satisfactory (but some problems)
- 6 - Only partly satisfactory (major problems)
- 8 - Not satisfactory.

Please add any additional comments at the end of this section or after each question.

1. How well did AEA Technology's products or service meet the agreed requirements?

(Please tick appropriate box):

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

2. How well did AEA understand your company's needs?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

3. How helpful was AEA in identifying your precise requirements for its products or services?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

4. How satisfactory was AEA's performance on the technical aspects of the work?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

5. How businesslike was AEA's contract administration (eg contract negotiation and invoicing)?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

6. How well did AEA deal with any customer problems or complaints?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

7. How well did AEA perform in achieving contract deadlines or milestones at the agreed times?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

8. How well did AEA's staff liaise with you during the contract?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

9. (Where appropriate): how clear and comprehensible were AEA's written reports?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

10. (Where appropriate): How close to your requirements was the form of any written reports?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

11. How satisfactory was AEA's marketing and pre-contract customer information?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

12. How helpful were AEA's staff generally?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

13. How satisfactory was AEA's performance overall?

1	2	3	4	5	6	7	8
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1 = Completely satisfactory 8 = Not satisfactory

14. Would you use AEA again or recommend it to a colleague?

Yes

No

Uncertain

15. (Where appropriate): Would you say that AEA's overall service is getting better or worse?

Better

Worse

No change

16. Is the quality specification of AEA's service about right, or would you prefer a higher or lower specification service (assuming that any change in the specification would be reflected in higher or lower prices)?

About right

Would prefer higher specification/higher price service

Would prefer lower specification/lower price service

17. How well known do you consider AEA to be as a supplier of products and services to industry at large (ie not just nuclear services)?

Very well known

Well known

Fairly well known

Little known

Very little known

18. In what ways could AEA's marketing and pre-contract customer information be improved?

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19. How else could AEA improve its products and services?

.....

20. *Other comments:* Please add any additional comments on AEA's quality of goods or services:

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C. Comparison with other suppliers

1. Which company (or companies) do you consider to be the closest competitor to AEA for the products or services you require?
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2. Would you normally invite competitive tenders for this type of work?
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3. What do you consider to be AEA's main strengths and weaknesses?
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4. How does AEA compare with its main competitor for technical skills, product or service quality, and business/commercial skills? Please rate each area on a scale from 1 to 8 by ticking the appropriate box eg:

- 1 - AEA much better than competitor
- 3 - AEA better than competitor
- 6 - AEA worse than competitor
- 8 - AEA much worse than competitor

	AEA Technology relative to main competitor							
	Much better		Better			Worse		Much worse
<i>Rating</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
Technical skills								
Meeting agreed quality specification								
Customer liaison								
Meeting contract deadlines								
Value for money								
Quality of written reports								
Marketing and pre-contract information								
Helpfulness of staff								
Contract administration								
Overall services								