

**The Service Pro:  
Creating Better, Faster,  
and Different Customer  
Experiences**

*Rick Tate*  
*Josh Stroup*

**HRD Press**

# The Service Pro

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and Different Customer  
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Rick Tate  
Josh Stroup

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# Introduction

## Too Much Talk, Not Enough Action

While businesses have talked a great deal about being “customer driven” in the past, the challenges of tomorrow require much more than just rhetoric. The “Close to the Customer” section of the Peters and Waterman management blockbuster, *In Search of Excellence*, was thought of as somewhat revolutionary at the time. Since then, much has been written about the need to be even more customer driven. Communications from books to conference speeches have bombarded the business world with exhortations about “close to the customer” in some context or another.

But believing in and talking about a customer-driven approach is one thing. Delivering it is quite another. To judge from what we see around us, many people (and far too many organizations) have changed what they say—but not what they do. When you look around, you don’t see a dramatic change in the level of service that is offered. To see such changes we must

- ✓ Approach jobs with a sense of personal responsibility to make the customer's experience worthy of his or her return business
- ✓ Incorporate people skills that center on courtesy, initiative, and empathy
- ✓ Change the way we traditionally manage people

We have seen very little change in any of these areas! The potential of the human spirit in the workplace and the ability to deliver superior service remain relatively untapped.

You might expect a dramatic change in service quality, given that everybody now preaches the customer message in some form or another. But, too often, service excellence is still the *exception*, rather than the *norm*. In fact, over the past several years, service performance as well as the customer's evaluation of service has declined in virtually every industry in the United States. This has occurred in spite of the increase in the past ten years of journal articles preaching the value of improved service and improved technology that has the capability to enhance service well beyond what was thought possible a few years ago. It's now time to begin to turn words into action.

# Understanding Customers: The Key to Success

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With the enormous power customers have today and their ability to take their business elsewhere any time they don't receive their desired value, businesses must have a thorough understanding of customer needs and demands, and know how to serve customers in better, faster, and different ways. This is not happening now. Organizations and managers still fall short in providing the right kind of customer information to people in the workplace. In a customer-controlled world, gathering and sharing customer information should be a top priority.

In short, with some exceptions, organizations really haven't demonstrated they know how to operate routinely with a focus on customers. They give customer care short-term efforts, laced with platitudes and slogans, but then quickly fall back to business as usual. What will result if organizations don't initiate major changes in their treatment of customers? There may be a high-minded principle (*great customer care equals profits*) that everyone admits is a winner, a principle that gets lots of lip service, but a principle that is rarely acted upon. And those organizations' customers will look elsewhere to spend their money.



Customers are at the heart of the new economy and they now play a very different role. No longer the *passive* recipient of goods and services, customers now play an *active* role in the marketplace. This issue, perhaps more than others, threatens past practices and endangers most traditional ways of doing business. It's fair to say that most people today recognize the changes that are taking place. It is also true that many are not reacting as fast as necessary to meet the challenges of those changes.

While this book will not reprise the past or take a detailed, speculative look at the future, it will seek to validate the need for new types of business practices regarding customers. It provides a "view from above" of the characteristics of the new economy and heightens awareness of the need to share customer information with people in the workplace and prepare them for the competitive challenges that are present in the marketplace.

## Information + Deep Relationships = More Profits

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In an economy in which the customer has power, customer retention belongs to businesses that develop deep relationships with their customers.

Data available today validates the notion that customer loyalty increases profits—the lifeblood of all businesses. The *depth* of customer relationships will become more important and meaningful than the quantitative customer satisfaction numbers on which most companies currently rely.

Organizations that “own” the relationship with the customer will own the customer’s revenue stream. And those who own the relationship will be the ones who collect the best and deepest information on their customers and disseminate it to all their employees so that they can make an emotional connection with customers. Strong relationships are based in large part on intangibles like trust, care, special treatment, and confidence. You must make the effort to understand which methods of doing business will

- ✓ Create or destroy trust
- ✓ Demonstrate care and concern or indifference
- ✓ Make the customer feel unique or just one of many
- ✓ Build or erode confidence

## Technology Builds Relationships

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While a number of people long for the “good old days” of small business, and a direct link between the store operator and the customer, relationships between owner/managers and customers were strong because they had personal knowledge of each other. Today, technology allows us to return to the advantages of past relationships while simultaneously utilizing the advantages of being big. With microchips that can build databases and put that information into the hands of employees who serve customers directly and indirectly, businesses can rebuild intimate relationships with customers who have been lost in the past several years.

Look at companies like L.L. Bean in the catalog industry and USAA in the insurance sector. You’ll see technology allowing employees to personalize and customize not only products, but the service they provide customers. USAA’s goal of building personal relationships with its 2.6 million customers is now a reality thanks to technology. Doing business with L.L. Bean, which operates out of Freeport, Maine, now feels like going downtown to a local retailer you have been doing business with for years.

## The Challenge

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The possibilities are endless for those who are willing and interested in taking a professional approach to the business of service. In the traditional sense of the word, *professionals* are people trained well in the discipline of their choosing. Service professionals—or Service Pros—treat their work with passion and commitment. Service amateurs, on the other hand, do little to develop their talents and treat their work as a pastime or a means to other ends... amateurs trade time for money. As we look forward, the “Service Pro” has abundant opportunities for a great future.

This book provides a fundamental understanding of the competencies and the tactics that increase customer retention and referrals. Intended both for people who serve customers directly or indirectly *and* those who manage those people, this book offers lessons that will build *your* professional competencies in the business of service.

It seems so simple. What are the baseline elements in providing excellent service to customers?

- ✓ Common courtesy
- ✓ Product knowledge
- ✓ Common sense
- ✓ Initiative
- ✓ Empathy

These characteristics are not difficult to understand. However, they have been too uncommon in business practices for too long. It is time to turn them into common practices.

Enjoy,

Rick Tate and Josh Stroup

# Chapter 1

## Challenges of the Customer Revolution

*The future ain't what it used to be.*

– Yogi Berra, New York Yankees  
Hall of Famer

### Something's Up

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The Pro knows things have changed a great deal. Capturing the customer's loyalty is more difficult than it has ever been. The contrast in business practices has never been so great. Customers have more power in this economy than they have ever had in history. The explosion of products and professional services has bombarded the marketplace with more choices than one can believe. The competition in pricing and product quality is severe. This new economy is not a pleasant place for amateurs.

There are a number of things on the Pro's mind regarding this new economy and customer care. The Pro knows others should be concerned,

but the importance and urgency of making real change in how organizations do business with customers seems to have little impetus. You see, for the most part, the majority of customer interactions with businesses or government agencies are really nothing to write home about. This is very hard to understand considering what is at stake.

The Pro feels a kinship with customers—when not at work, he or she is one! The Pro understands that the point of view an organization has regarding policies, practices, and interactions is very different from the customer's point of view. This difference in point of view is extremely important. From their point of view, customers make decisions on *who* to do business with, what *stories* they'll spread, how *cooperative* they'll be, and how long they'll *continue* to be customers with any one company. It's obvious that the customer's point of view should be critical in developing business practices, yet too often that doesn't seem to be the case.

## The Customer Revolution Is Here

The Pro identifies the business realities of today and identifies a revolution of sorts in this new economy. In using the term *revolution*, the Pro is thoughtful about what is taking place. Most can concur that one accepted definition of a revolution is a shift of power from one entity to another.

Today's economy is in a revolutionary status as a shift of power is, in fact, happening. The power in the past economy was grounded in the supply side of the business process. Manufacturers were basically dictatorial in their dealings with the marketplace. As a result the end customer was essentially told what they *could* have, when they *could* have it, where they *could* have it, how they *could* have it, how much they *could* have, the quality they *could* have, and how much they *would* pay for it. There was even a buyer beware mentality that was accepted as *normal* by all parties.

The Pro knows that today the picture is much different. The customer is not the passive, silent receiver any longer. Customers now want, or rather demand ... what they *want*, when they *want* it, where they *want* it, how they *want* it, how much they *want*, the quality they *want*, and what *they are willing* to pay for it. And if told their requirements can't be met, they simply say they will find what they want elsewhere. This shift of power has put the customer in control and has serious implications for the demands and requirements they put on the business process. In many ways the new mentality is "seller-beware"! The amateur fails to see how power and control in the hands of customers will require organizations to rethink practices in ways we haven't seen in the last few decades.



The Pro sees this customer revolution being driven by many factors. Three of these factors seem to stand out: (1) increased competition coming from the global economy and the ease of entry into marketplaces today; (2) the huge advances in technology, especially the microchip, which, over the past few years has put customer information in the hands of retailers and customer contact people—and more importantly product and company information in the hands of the customer; and (3) the emergence of an “overcapacity” marketplace where the customer has more choices of similar products at similar prices at similar quality levels than ever before. With this multitude of choices the customer gains more control than ever. And the Pro understands that with this control, competition will never be the same again.

## The Winners Have a New Look

The Pro has paid attention, noticing that over the past several years the biggest and brightest of the Fortune 500 list have taken some punches—many lethal. America has never seen challenges to the supremacy of the blue-chip corporate giants like we have seen over the past 20 years.

Many companies disintegrated because they could not change fast enough to meet the changes in the external environment. Some were gobbled

up, chopped up, and dismantled; others were bought out and merged with others; some reacted, rethought, and rebounded; and many were simply supplanted by vigorous, passionate newcomers that were not anchored down by old ways of doing things. The Pro notices a change in business and recognizes new forms and blueprints for success. Out of Bentonville, Arkansas, no less, came a discount retailer that had the audacity to challenge large retailers entrenched throughout the nation. This company did not look like its competitors, did not act like its competitors, was not structured or organized like its competitors, and certainly was not managed like its competitors. More importantly, Wal-Mart did not perform like its competitors. New models are emerging and the Pro is attentive!

From Seattle, the retailer Nordstrom challenged and beat the big names of upscale retailing. Why? Their manner of doing business with customers was fundamentally different. L.L. Bean in Freeport, Maine, made it a no-brainer buying outdoor wear and equipment because of their service and unconditional customer policies. Romano's Macaroni Grill set new standards for service in chain restaurants and garnered the customer's business. General Electric changed internally and differentiated business-to-business relationships and product performance. Amazon.com gave new meaning to customer intimacy, response, and speed through technology. USAA's model of customer care in the insurance

industry became a premier method of exceptional customer service. And the Disney theme parks just keep on rolling along catering to the basics: cleanliness, courtesy, and fun.

What do these and other companies that characterize the new economy have in common? The Pro sees the issues clearly: they are highly customer-focused, producing at lightning speed the products that customers value for their superior utility. Their assets do not necessarily lie in brick, mortar, steel, and inventory (those are nothing but costs when customers do not value what is produced and delivered), but in the intellectual capacity of their work force that brings imagination and passion to the work place. The customer is at the center of the organization's business thinking, and the employees are focused on seeing their jobs as creating value for those customers. These types of companies have unleashed the spirit and innovation of their work force and point those characteristics like a laser on the customer. The Pro knows these are the critical factors determining who wins and who loses in today's marketplace.

## Raising the Bar

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The bar for customer excellence is being raised and the Pro understands the implications. As we begin the 21<sup>st</sup> century, the Pro knows we are on the

threshold of startling new ways of doing business. The Pro will not fear leaving behind, as artifacts of the 20<sup>th</sup> century, many of the business and management practices that have served us well. The Pro fondly remembers the economic success we had as a nation since World War II, yet will not be beholden to the methods we used to achieve that success. Times are changing, they are chaotic, and call for fundamentally different approaches to doing business in the future.

*There is only one boss; the customer.  
And he or she can fire everybody in the  
company from the chairman on down,  
simply by spending their money somewhere else.*

**– Sam Walton, founder, Wal-Mart Stores**

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# Chapter 2

## Why Service?

*As soon as questions of will or decision  
or reason or choice of action arise,  
human science is at a loss.*

– Professor Noam Chomsky

### Choices, Choices, Choices

The Pro knows that today's customer is in a pretty unique situation—certainly a much different situation than the past. As we have said, today's customers have more choices for the products and services they want than ever before. There is simply more of everything, perhaps too much!

The Pro thinks about the implications regarding what he or she observes in the marketplace. In 1981, there were 2,689 new products introduced on grocery and drug store shelves. Ten years later, in 1991, there were 16,143 new products introduced. That was a rate of two new products per hour, twenty-four hours a day, seven days a week during the whole year. More choices? You bet!

And to make matters worse, the Pro well understands that 99 percent of those new choices add zero value to any single product line. It's just more of the same stuff! Think not? Go to your supermarket and make your way to the aisle that has pasta and sauces and ask yourself a question, "Do we really need another spaghetti sauce?"

Today there are over 600 models of automobiles for sale in showrooms across the country. It almost seems that 90 percent of them look like a Taurus! The Pro knows it wasn't that long ago when anyone could immediately tell, even at a distance, the year, make, model, and style of a car. Today it's usually just a guess. Taurus, Japanese Taurus, German Taurus, GM Taurus, Chrysler Taurus—they all look alike! Even people in the auto industry are confused. The Pro was recently asked by a rental car company if it would be all right if the company substituted for the requested Taurus (they did not have a Taurus left to rent) with a Sable!

The proliferation of new products is so great that it seems when a new product is introduced today competitors don't even wait until it proves itself. Perhaps they can't take the risk that it *might* catch on. For instance, in August of 1993 *ice beer* was introduced in the marketplace. By August of 1994, 36 versions of the product had been introduced. The Pro researched the various versions and empirically concluded *they all taste the same, and the price is similar!*

From cereal to automobiles, there is more of everything for the customer to choose from. Not only do these similar products and services have higher quality than ever before, the customer can always find somebody beating someone else's pricing. The Pro remembers, not long ago, customers willing to pay a premium price for high-quality goods and services. No longer! Now customers know they can find a deal someplace.

The Pro knows the implications of this "over-capacity" marketplace. There has been a major shift in the perception and psychology of today's customers. They know that due to vast improvements in quality manufacturing, they can find quality products that meet their needs in many places. Now a quality product is just the ante to get in the game. Customers are very price conscious as the multitude of similar choices puts supply and demand in their favor. They believe that with the majority of choices they have, they will experience very little differentiation in the quality of the product or professional service. You know that the competition is keen when the differentiation in a \$20,000 automobile is the size and location of cup holders! And you know the economic landscape has changed when the possibility of 7-Eleven convenience stores producing a larger cup is as serious a threat to a car company as its direct competition!



The Pro is aware of the arguments of those who have a “sole source” or “sole supplier” issue, such as a government agency or someone who has an exclusive with their clientele. However, the Pro sees the short sightedness of not being customer-focused when you have a monopoly status with customers. By treating customers poorly just because you can get away with it, you will create more animosity from the customer than normal. When customers have no choice, they believe mistreatment is purposeful and rooted in the fact that the company or its employees can get away with it.

However, when choices do arise, the customer will *flee with glee* in reaction to the mistreatment. Many times customers won't even consider the deal. They just love the opportunity to take their business elsewhere! The Pro has seen many examples of such customer defection—the Cable TV industry and the many customers who fled to the 18-inch dish (many could care less about price comparisons) and the use of Federal Express and the rapid rise of retailers such as Mail Boxes, Etc. as an alternative to the U.S. Postal Service.

The Pro knows nothing is gained by provoking customers into anger that will result in them dumping you whenever the opportunity arises. Also, even if no opportunity does arise, the disgruntled customer will become *extremely difficult* to do business with and *more costly* to do business with. Again, profits go down the drain!

The Pro knows that even government agencies are not exempt from needing an excellent reputation with customers. People are beginning to demand excellence in service delivery from the public sector as well. If they don't receive it, they will question the value of what they get, and their support will be at risk. People will question whether government should be the one providing the service. A monopolistic attitude toward the taxpayer is a short-sighted viewpoint.

What about brand loyalty in this overcapacity marketplace? More and more studies show brand erosion taking place in many industries and show how younger customers do not have the same type of brand identity as do the baby-boom generation. The Pro realizes that organizations need to rely on something more than brand image as the only value leverage point. In the future, brand image will continue to be eroded by competitors and density in the marketplace.

Brand loyalty is also eroded by service failures. Perhaps this is the biggest issue affecting brand erosion in today's environment. Thus, organizations will become vulnerable to any company that takes up the challenge of delivering superior service to their customers. The Pro understands the importance of *the way we do business with customers as well as having a great brand of product.*

So what are the basic implications for businesses? The Pro knows this is a major question for today's customer: "With all the choices I have, why should I give my business to you?" Thus, the Pro sees customer relationships, customer care, and service as the competitive battlefield. The **experience** the customer has doing business with a company and the value inherent therein will be the place where an organization can find the best avenue for differentiation.

## Lose Customer Loyalty... Lose Revenue

The Pro knows that study after study supports the fact that when customer loyalty increases, so does the profitability of an enterprise. Why then are so many inept when it comes to the ability to treat customers well? To the Pro the importance of each customer seems very obvious. The Pro knows that *loyal* customers

- ✓ Are less expensive to serve because they know their role in the process
- ✓ Allow for lower marketing costs
- ✓ Are likely to purchase more over time
- ✓ Are more open to purchasing new and different products as they are offered
- ✓ Are more likely to refer new customers

You would think the implications of these issues would create a heightened sense of urgency to make improvements in customer care. Data set after data set supports the correlation between customer loyalty and profitability. One extensive study showed a 5 percent increase in customer loyalty can increase profitability anywhere from 25 percent in some industries to as much as 125 percent in others. Beyond profitability, the Pro can see how much job security those figures mean!

Perhaps organizations don't focus enough on creating great service experiences, because they don't see an *immediate* connection between great service and the payoff for providing it. There is always a time lapse between customers receiving excellent service and when it pays off in repeat business and referrals. On top of that, it is very difficult to detect whether exceptional service directly causes the payoff when it does come in. The Pro knows it's not the rewards in the present moment from the customer that make a difference. It is the revenue that comes from repeat business, referral, and reputation over the long haul that matters.

The Pro understands that a business can very quickly see the payoff (or lack thereof) from a sales promotion. One can also tell very quickly whether a new product offering will be a success or failure. These issues affect the customer's present-day buying choices. However, excellent customer

service delivered today does not have much effect on today's buying choices. Very little profit, if any, will result from how hard you work for the customer *today*.

The *service* game is played for the win *tomorrow*. The goal of customer-centered business practices is to bring customers back and earn their referrals. The results can be shocking if given enough time. Loyal customers have been shown to be five times more likely to give a company a referral than random customers. Further, even when we conservatively estimate that one out of every eight loyal customers gives a referral, and one out of every eight frustrated customers blemishes a company's reputation to the point that it prevents a sale, the importance of customer loyalty and the danger of customer frustration become apparent, at least to the Pro.

Again, the Pro knows the value of a customer is not merely the money the customer pays the organization today. The real value is the continuing flow of that money over time. For example, a customer who comes into a grocery store on Tuesday night and buys groceries for the family for a week will spend about \$150. Is this a welcome purchase? You bet! However, what if the experience was not pleasant? What is at risk regarding future revenue?

Let's say the customer enjoyed the shopping experience and is loyal. Give that customer two

weeks off a year for family vacations, and we have a customer who will spend \$150 every week for 50 weeks during the year. Should that customer live in that neighborhood for 10 years, then the long-term value of that customer to the grocery store is a mere \$75,000. That's the number every employee should envision stamped on each customer's forehead as a reminder of what is possible and what is at risk!

## For Yourself

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Pros realize it is not enough anymore to be technically competent at a job. In most cases technical skills, while a must, are not enough to be successful. Being competent in your performance with customers is a critical element you must bring to any job and gives you and your organization a competitive advantage.

Organizations that do not have people who are customer-focused in everything they do will lose customers to competitors—**and losing customers means loss of jobs!**

Pros understand that when customers make choices about where they do business they are making a choice about whose jobs they support and what companies they want to stay around. The companies they *don't* choose are at financial risk.

When stores close, it is not management that shuts the doors—it's the customers, by not spending their money there. The Pro is aware of this business reality and is never blinded by other rhetoric. The customers keep businesses open or they close them down—depending on the value they receive and the way they are treated. The Pro knows that every paycheck comes from customers, not the organization. The organization is just a depository for customer revenue, whether from payments for goods and services in the private sector or tax dollars in the public sector.

The Pro recognizes the benefits from developing excellent customer skills:

- ✓ More recognition for promotions
- ✓ Wider job opportunities
- ✓ Easier workday—less stress comes with higher levels of customer satisfaction
- ✓ More job security

Why service? You win, the organization wins, and the customer wins.

*Seventy percent of lost customers hit the road not because of price or quality issues but because they didn't like the human side of doing business with the prior provider of the product or service!*

**– Forum Corporation research**



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# Chapter 3

## Be the Customer

*Be the ball!*

– Chevy Chase, *Caddyshack*

The Pro knows that the business environment and the marketplace look very different from where the customer is standing. Fergal Quinn, the famous Ireland entrepreneur and retailer, provides the following advice:

*You need to think like a customer. You need to be able to wear the customer's hat, to walk in their shoes. You need to get a "feel" for the customer. In a real sense, you need to be able to become a customer.*

When Chevy Chase's lesson on golf in the movie *Caddyshack* was to "be the ball," America laughed. However, Fergal Quinn's lesson to "**be the customer**" is no laughing matter. It is a matter of profound business sense. It may well be the missing link between being average at customer service and being exceptional.

The Pro knows people must experience their business as the customer does. That does not mean documenting the time customers stand in line and then returning to an office and writing a memo to someone about its length. It means actually standing in the particular line. For instance, imagine waiting at an airline ticket counter with only one employee working the line and two other employees engaged in some other activity (but not taking care of customers). You have a plane to catch in 30 minutes. While the line moves at a snail's pace, a customer at the head of the line is getting tickets for a flight two months from now, and none of the three employees seem concerned in any way. That's quite a different experience than simply measuring "wait time" in line.

When you stand in line, wait on hold, or wait for a call back—with all the customers' real variables and pressures present—then you understand just how long that time span is and the *emotional impact* it has on the customer. The Pro will consider the customer's view and "feel" for current business practices and policies, and take corrective action when those practices and policies compromise the customer's perception of value.

Consider another example of being the customer. Suppose you were told that a call would be returned at a certain time (or that someone would arrive at a certain time). Then you put off or rescheduled something around that call or visit,

and had your whole schedule screwed up because no one called back or showed up on time.

And yet another example...the Pro understands how the customer feels when there is no shampoo in the hotel bathroom. How big a deal is it to the hotel? Is this just a simple mistake? An oversight? Can't the customer just call? Some shampoo will be delivered to the room quickly. The Pro knows this is all wrong with a capital "W." What does the Pro's advise? Be the customer!

You've gotten a wake-up call at 7:00 a.m. and have to be at a meeting at 8:00 a.m. You're standing "buck naked" in the bathroom (that's when you will notice the "mere oversight") and notice then that there are two body lotions and **no shampoo**. Knowing you can't call for some because time is critical and even 10 minutes will make you late, you then wash your hair with the hand soap. Upset? Angry? Frustrated? Cursing? YES! This is a **BIG** deal—not a mere oversight! It's much more than simply one room that had no shampoo. From the customer's point of view, it's a catastrophe. And two months later, the marvelous swimming pool, the amenities, and the elegant dining facility have faded, while the emotion of that moment—washing your hair with hand soap—remains crystal clear. And guess what? No comment card or customer survey in the world will capture the customer's emotion of that moment!

## Think Like a Customer

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The Pro knows many organizations don't take the time to think as their customers do. Most organizations think like producers—producers of products or services. That production mentality leads many to believe that customers are buying products or services. This is an amateur viewpoint. The Pro sees this issue differently.

The Pro knows customers are buying utility and ease of doing business. The Pro understands when a customer purchases a drill the need is not for a drill. The need is the ability to make holes. What if the drill does not operate properly out of the box, or the salesperson influenced the customer to purchase a drill that is ineffective for the work the customer is doing? The customer must return it. The Pro knows it is more than an issue of just replacing the drill—the customer's weekend schedule and plans were most likely messed up. The inconvenience, loss of time, delay in a project, and hassle are more important considerations than a terrific return policy.

Pros realize it is critical to understand what customers are *really* buying. It is the only way to understand the customer's experience through the customer's perspective. Pros know it is very important to understand that errors and business practices many times translate into costs to the

customer that will never be calculated on the organization's balance sheet.

To think like a customer requires understanding the costs customers incur due to wasted time, hassles, inconveniences, the return or complaint process, and worries. These costs may not have a definitive financial value to them, but the Pro knows they are costs nevertheless—and those costs can drive customers to other sources next time!

## Service vs. "Services"

The Pro knows that when many organizations talk about the *service* they deliver, they are referring to the type of or amount of services they offer. Many organizations equate excellent service to the "what" they provide. There is a flaw in this thinking. If great service was simply a matter of adding up the number of "*services*" (or as the Pro calls it ... "stuff") offered to customers, then an excellent service approach would be to throw lots of money at those services. However, customers generally evaluate service on a qualitative basis. The Pro is well aware of this and understands that a lot of "stuff" does not equal excellent *service*.

Let's take valet parking, for example. Many high-end hotels provide it as a service for their customers. However, what is the value of valet

parking? When the attendant is rude and/or lethargic, valet parking takes on a whole new meaning. If the valet retrieves your car and you hear it coming, or your radio is tuned to a radio station that is distasteful, the value of valet parking is diminished for you. When your time is not important to the attendant, you would have been better off to have not used the valet parking in the first place. The Pro knows it is the execution of the service that defines the value of service—not just the fact that it is offered!

When the execution of a service is not excellent, it is better not to offer the service at all. Poorly executed service accomplishes nothing but a lousy experience in the customer's memory bank. Those lousy memories lead to *alternative choices* the next time around. However clear this issue may be, most organizations still put more time, money, and effort into more and more services than into the superior **service** execution of the services they do provide. The Pro will not make this error.

The Pro knows that services are merely *what* the organization provides customers. The execution of the "*what's*" is the **HOW**. And Pros know it's not *what* a company provides that lingers in the customer's memory bank, but **HOW** it's provided. More companies lose customers due to poor execution of service than they do to not having enough services.

To paraphrase the commentary of Leonard Berry, the renowned service expert from Texas A&M University: “The service process is equally, if not more important, than the service outcome.” The Pro takes this commentary to heart and ensures the **HOW** is delivered with enthusiasm!

## Customer Impression Points

Pros know that customers form evaluations and opinions about an organization from an array of incidents. These incidents are called Customer Impression Points—those experiences customers have with an organization that result in the creation of impressions and decisions on future business and referral. Only by standing on the customer side of the counter can anyone truly understand and appreciate just how many impression points customers encounter. Only by standing on the customer side of the counter can anyone truly feel just how impression points affect customer attitude, opinion, and future choices.

Customer Impression Points do not require personal contact between the customer and an employee of the organization. Any interaction with an organization counts as an impression point. Receiving a letter with the customer’s name misspelled, receiving a package after the promised



delivery day, and receiving an incorrect invoice are all examples of Customer Impression Points that do not require personal contact with customers. The Pro knows that it is the customer, *not the organization*, who determines Customer Impression Points. Call it what you like, but if the customer is affected, makes an evaluation, and carries a memory from an incident, it is a Customer Impression Point!

The Pro will gain a thorough understanding of the Customer Impression Points customers encounter and have clear insight regarding the following:

- ✓ With every impression point, the customer forms an opinion
- ✓ Future purchasing decisions and referrals will be based on impression points
  - The collective assessment of many impression points or
  - The result of just one impression point gone wrong
- ✓ To improve loyalty, a focused effort must be made to make each Customer Impression Point a favorable one

While some Customer Impression Points are obvious, the Pro knows that many are not. Amateurs write off some impression points as trivial or irrelevant. However, amateurs forget that it is the

customer who determines the importance or relevancy of impression points. Consider the following remark by Don Burr, former head of Peoples Express Airlines:

*Coffee stains on the flip-down trays in our airplanes ... suggest to the passenger lousy engine maintenance.*

Is this true? Does spilled coffee in the passenger section prove poor performance on the part of maintenance people? Is that a fair assessment? Is this a logic leap that carries no merit? Is such an assessment rational? The Pro realizes that a coffee stain on a tray, overlooked by a flight attendant, has nothing to do with the integrity and dedication of the maintenance crews. The Pro knows this statement is technically 100 percent wrong. The Pro knows this evaluation is not a fair judgment. The Pro also knows that any defense of or proof of the inaccuracy of this statement is irrelevant!

The Pro recognizes the inescapable humanness of customers and understands that their perception is their reality. The customer's perception and evaluation will serve as a basis for future buying decisions and referrals—rational or irrational. The Pro knows this is how customers think. Customers know dirt when they see it, and they figure if you can't take care of the small stuff, how

can you handle something as important and sophisticated as engine maintenance!

What is trivial to an organization might be very important to a customer. The Pro knows this and understands that *whatever a customer “feels” is by his or her definition fair—and will affect his or her future buying decisions and referrals.*

It seems that leading companies like Disney, Marriott, Federal Express, McDonalds, Nordstrom, and In N Out Burger, have a competitive advantage just by being the best wipers-up of “coffee stains” in their respective industries. They will *not allow* customers to observe coffee stains and therefore make *unfair assertions* about the overall quality of the company.

So what are some of the “coffee stains” that customers encounter and thereby lead them to form impressions about the value they receive? Just a short list of them includes appearance, grooming, typos and misspelling in letters, a dirty facility, unclean silverware, dirty packaging, and improper language. There are many more. What are yours? What impressions do customers form from them?

Perhaps no company is better at managing the appearance of service personnel than Walt Disney World and Disneyland. All theme park personnel (known as “onstage cast members” at Disney) who meet the public (known as “Guests”) wear cos-

tumes cleaned each day. Onstage cast members enter their stations from an underground staging facility and are never out of theme. Disney has strict personal grooming standards for service employees. Acceptable hair length, jewelry and makeup use, and other personal grooming factors are precisely defined and strictly enforced by Disney. What is the Guest reaction? Guests rate Disney theme parks very favorably and rate the cast members highly!

Are the people who work in *your* organization always presentable? Do they dress in theme? (Yes, you do have a theme of some sort.) Is grooming and personal appearance considered a business issue? Are your customers impressed? These are issues the Pro will take very seriously. Amateurs, on the other hand, might scoff and rationalize that these things have little to do with the product or service being provided. They will be wrong!

Pros know that “coffee stain” experiences influence customer perceptions about the quality of products, how much an organization cares, and the competence of its employees. Think not? Have you ever had the feeling your car operates smoother just after you wash it? Has your mind ever drifted to the kitchen of a restaurant after observing un-ordered food on your silverware? Pros realize that *coffee stains* suggest something more than just spilled coffee! Paying attention to mere perception is good business!

A Pro won't wipe up coffee stains to mask shoddy work. The coffee stains are wiped up so that customers do not draw inaccurate conclusions and devalue the quality of a product or the competent work of people before it is even experienced. This much they owe to the people of the organization and to the customer. Pros will **be the customer** and make every effort to experience the organization in exactly the same fashion as customers do. They will get a *customer feel* for their organization. They know nothing will replace that!

*“Well, is it a ball or a strike?”  
the batter asked the umpire after waiting  
several seconds for the call. The  
umpire responded casually,  
“It’s nothing until I call it!”*

– Anonymous baseball umpire

# Chapter 4

## Brilliant at the Basics

*No amount of mints on the pillow will  
bring back a guest whose bathroom  
was dirty or whose television didn't work.*

– Roger Dow, Marriott Corporation

The Pro knows that to impress customers you must begin with the basics. Trying to add value for customers is a waste of time when you don't get the basics right—all the time. Consider the attraction of Federal Express's value added tracking system if they were late 25 percent of the time? The customer doesn't value using a tracking system that often! Long-term success depends on being in touch with the **fundamental things** that influence whether or not a customer will continue doing business with you.

Getting the basics of what customers are promised—right product, right place, right time, right way—is the *foundation* of service excellence. Consider the following situations:

- ✓ Staying at a hotel where the décor is “wow” but the TV doesn't work (Why a

TV? For many customers it is for company or information ... and the first thing they turn on when entering a hotel room.)

- ✓ A restaurant where the waiter is extremely friendly and attentive, but the hot food is served cold
- ✓ An airline that serves good food and has select seating, but never takes off on time
- ✓ A department store that provides coffee and donuts, but makes you wait in line for a half-hour to get help or is always out of product

Many times an organization will lose focus on the core of its business. It replaces operational excellence with bells and whistles—style with no substance! Customers are not impressed, confidence is lost, eyes roll, comments are delivered, and business goes elsewhere.

The Pro understands the confidence created in customers when companies deliver the basics in a superior fashion. Many companies have gained considerable success from being very dependable on the basics. To mention a few:

- ✓ Do you feel confident that **Southwest Airlines** will be on time and not lose your luggage?

- ✓ When you go to **McDonalds**, do you feel confident that you will get a Big Mac that is the same as the one you bought last week?
- ✓ When you buy something at **Nordstrom**, do you feel confident you are buying a quality product and will be able to take it back with no hassles if necessary?
- ✓ When you go to a **Disney** theme park, do you feel confident that you will be entertained, the park will be clean, and the people will be friendly?
- ✓ When someone says they sent the package **FedEx**, do you feel confident about receiving it on time?

Performing dependably at the basic customer promise creates confidence. It builds a *foundation* on which to add value. Without the foundation, the time, money, and effort on adding value is forfeited! Failure at the basics

- ✓ Shakes the customer's confidence in the organization's capabilities
- ✓ Undermines the organization's chances of earning a reputation for service excellence
- ✓ Decreases the opportunities for customer repeat business and referrals



## The Basic Promise

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The Pro knows the elements of an organization's basic promise. Pros will focus their efforts on the routine, day-in and day-out execution of these elements:

- ✓ **The Right Product:** Ensuring that customers get what they ordered. Ensuring that what's advertised is in stock. Ensuring that customers get the product they need (not just what you want to sell them).
- ✓ **At the Right Time:** Meeting promised delivery dates. Calling back when promised. Billing on time. Showing up on time.
- ✓ **To the Right Place:** The products delivered or service provided at the correct location. Meeting at the specified location. Billing and inquiries to the correct address. Accurate directions to store locations.
- ✓ **In the Right Way:** Everything done with a good attitude, courtesy, and enthusiasm. Being helpful, dependable, and knowledgeable about products and services.

The Pro realizes that the customer's understanding of the basic promise comes from two types of promises: (1) explicit promises and (2) implicit promises.

**Explicit promises** come from employee statements made about the service or the product to customers, either in person or in advertisements, contracts, and written agreements. Issues stated and heard by customers create expectations that must be met. These explicit promises do not cause very much confusion or argument. However, many problems can result from an organization not attending to implicit promises in a customer relationship. **Implicit promises** are inferences made by customers about how the business relationship should operate. While nothing is written or promised verbally, the Pro knows these implicit promises are just as binding from the customer's point of view as the explicit promises.

Here are some examples of implicit promises that customers assume will be delivered and are part of the basic promise:

- ✓ I assume my bills will be correct.
- ✓ I assume that you will honor your guarantee a day after it expired.
- ✓ Because I paid a premium price for the suit, I assume it will last a long time.
- ✓ Because the décor of the hotel is beautiful and the room rate is pricey, I assume I will receive good service.
- ✓ I assume my coat will not be lost when I check it at a restaurant.

- ✓ I assume the staff will be polite and knowledgeable.
- ✓ I assume you will be honest with me.

What are the basics your customers expect when they do business with you? What are the explicit and implicit promises you believe your customers expect from you? Pros will make certain that they have the answers to these questions. They will focus their talents on ensuring that their operations deliver the basics with consistent, positive results.

## Personal Attributes

Pros know that employee performance is a critical part of the basics customers expect. Customers see employee performance as a major piece of the value they are buying in a product or service. For the customer, employees they interact with are “on stage” every day. Their performance counts and will be evaluated by customers routinely.

The Pro knows that

- ✓ Employee performance is *part* of what customers are *buying*.
- ✓ Employee performance *represents* the character and quality of an organization.
- ✓ Employee performance *is* SERVICE!

Pros also understand that employee performance markets great service. Slogans and advertising without exceptional performance only raise customer expectations—expectations often crushed by the reality of average or poor performance. To advertise or market good service and not to deliver is to commit a deadly service sin: over-promise and under-deliver! Only amateurs will make this mistake!

There are certain personal characteristics—or **service competencies**—that individuals can bring to their jobs. Customers evaluate these characteristics and make decisions on where to do business as a result of that evaluation. They are critical to the success of any organization. What are some of these basic attributes customers expect from employees?

- ✓ Care and concern
- ✓ Knowledge about the product and services
- ✓ Helpfulness
- ✓ Courtesy
- ✓ Responsiveness
- ✓ Being proactive

Pros will see the lack of these attributes as not merely internal performance issues to be dealt with at performance appraisal time. They will see the immediate impact on business results and will

take corrective action quickly! The Pro will understand that failure on these attributes results in *default* of the basic promise to customers and eventually loss of revenue.

## Listen, Listen, Listen

Another basic in the art of customer care is the ability to listen to customers. Customers are always saying something—if not verbally, then with their expressions and gestures. The Pro knows that listening to customers not only communicates an interest in them, but provides insights into how customers perceive the business experience. By listening and collecting information, organizations are able to create better, faster, and different business transactions for customers in the future.

The Pro knows that customer relationships are the *currency* of the future. Those organizations that establish positive relationships with their customers will earn the larger portion of the customer's revenue stream. Like any relationship, good listening builds trust, care, and concern. Trying to establish positive relationships with customers is impossible without genuine listening.

Information gained from listening to customers provides the basis for building customer practices that foster sound relationships. The Pro knows the

the importance of effective customer practices and understands how those practices are the glue for long-term customer relationships. Pros know that relationships that bring future profitability won't be built merely on the personal relationships individuals develop with their customers. (This will still be an important but not a defining factor.)

**The new relationships will be built on operational excellence.** It will be a relationship with the organization, and practices will be built whereby *any* person can step in and create a personalized transaction with customers.

At Pizza Hut, they listen to what customers say about likes and dislikes and record it in their database. They track orders for preferences. All this allows them to personalize the business transaction. And any employee a customer deals with can personalize the experience.

At USAA Insurance Company, they listen to customers and maintain a wealth of information gleaned from customers to customize their business dealings. Dealing with a representative in San Antonio is a personal affair, and the customer has the confidence that the company knows him or her well.

Nordstrom salespeople are famous for their "black book." For years they have recorded customer likes and dislikes in an effort to build personal and unique relationships with their

customers. The result: the name *Nordstrom* is synonymous with superior service and outstanding customer relationships.

Listening to customers isn't difficult—it just takes a conscious effort. Pros understand that any workday can get hectic and how easy it is to get sidetracked. However, they won't allow anything to interfere with providing customers' full attention. They pay attention to voice tone, to expressions, to gestures, and even to silence. The Pro understands that a monotone customer response of, "It's fine," or a roll of the eyes in response to information can be yellow flags that something might not be right for the customer. The Pro will not let these types of situations pass without further inquiry and an offer to allow the customer an opportunity to tell his or her story.

The Pro offers some tips for effective listening when dealing with customers:

- ✓ Record and track what you hear customers comment on while in your presence.
- ✓ Make inquiries of customers when you *feel* they are not happy or satisfied.
- ✓ Read customer letters you receive about your organization (understand their stories).
- ✓ Find out the *causes* of customer satisfaction scores (understand the *why and reasons* behind the scores).

- ✓ Keep current on the key issues from market research or customer focus groups.

Customer information is a critical aspect of anyone's job. Whether you deal directly or indirectly with customers, how customers feel about the organization and the stories they tell about their experiences become the service culture of the organization. Customer information provides the context to a job that makes the job much more than just a set of tasks and duties. The customer's experience with the business is the *lifeblood* of the organization. **Without customer information, doing a job is like playing ball without knowing the score or the situation—and the result will be poor choices made in the heat of the game.**

*The key to customer satisfaction is almost never a matter of exceeding customer expectations, but typically a test of whether we can even find out, understand, and meet the customer's definition of minimum acceptable competence in those fleeting moments of truth when we, and they, find out how good we really are.*

– Dick Schaff, *Keeping the Edge*



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# Chapter 5

## Wow! ... Beyond the Basics

*Nobody goes there anymore...  
it's too crowded.*

– Yogi (again!)

What does it take to “wow” customers? As we’ve said ... the first step is to be Brilliant at the Basics. Once accomplished, the Pro knows that it is up to **people** to sense those situations when customers really need something special or unique. Wowing the customer is entirely dependent upon people who will take the initiative to look for opportunities to impress customers.

In many instances these indicators—eye contact or avoidance, smiles or frowns, offers to help or refusing to take notice, initiative or passivity—tell customers whether they are an interruption or a bother. We’ve heard of people employed in the medical industry who complain about patients, people in retail who are irritated by customers, and people in education who complain about parents or students. There are many instances in which people behave as if their jobs would be fine if it weren’t

for the continual interruption of customers; if an individual doesn't enjoy being helpful or serving others, this comes through loud and clear.

The Pro knows it is a very uncomfortable feeling to be in any situation in which one feels like an inconvenience or an interruption to another person. And again, it doesn't take much initially to create that type of atmosphere—a shrug of the shoulders, dull or monotone voice, impatient facial expressions, exasperated sighs, and the like are all it takes. And what will the memory be for the customer on the receiving end? The Pro knows it won't be the kind of memory that brings a customer back!

People make the difference. People create the customer stories. Policies and rules do not create customer stories. In isolation, there is no story even if the policy or rule is rigid or stupid. It is how a person handles the matter at hand that makes the difference. Does he take the time to explain? Does she find an alternative solution? Does she attempt to understand if the present issue is not relevant to the *intent* of the policy? Does he hide behind a poor customer policy in order not to have to do anything extra? How people perform with customers is the difference. The Pro knows that poor performance can turn an effective policy into a bad customer experience, and that good performance can turn an ineffective customer policy into a good experience—it's all a matter of how things are handled.

The greeter job used by some large retailers provides a good example. Wal-Mart seems to have the appropriate philosophy regarding this job. Normally their greeter is friendly and seems to genuinely appreciate that the customer chose to come in the door. When asked for directions, they usually know where things are. Most often they are cheerful and have a cart rolling the customer's way as they enter the store.

A major competitor does not seem to take the same approach. If they are attempting to copy the Wal-Mart greeter concept, they have done so in labor hours only! Their greeter is normally indifferent to customers—standing complacently at the door, carrying on a side conversation with a friend, or somehow distracted from customers. When asked, he doesn't know the store layout and usually gives the customer a look of annoyance. Rude, apathetic, and stoic are characteristics of this position.

Same job, different people with a different approach to the job—this is the difference. One person makes the customer feel welcome, and the other gets the customer angry before the shopping experience even begins. The Pro knows which approach contributes to the business and that each approach is a matter of personal choice. The Pro also knows that these two different experiences result in two different types of customer stories.

Yes, stories—those tales customers tell about their day to others they know.

## Story Creation

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What is the foundation of reputation and referral for an organization? The Pro knows the answer: **STORIES!** You can advertise all you want, you can promote whatever slogans you desire, and you can evaluate your own practices with whatever yardstick you choose. Still, the only truth about what it's like to do business with you lies in the stories that customers tell about their past experiences with you. This concept is never lost on the Pro.

Customer loyalty and repeat business create long-term profit for organizations. Regarding customers, the Pro knows that **positive referrals** from customers are the only things as important as repeat business. Pros know that unlike a product, which customers can test drive or experience *before buying*, service and the business experience are something that customers normally *buy before* the experience has begun. This is why referrals about treatment and practices are so critical to the bottom line. Negative stories about treatment and practices are a warning or danger sign to uninitiated customers, and depending on the source of the story, they can be gravely influenced.

The Pro knows that reputations *will* be built, and that it's not a matter of *whether* you will build one or not. You see, for every customer experience there is a **guarantee** that one of three things will occur. The customer will tell

- ✓ A positive story
- ✓ A negative story
- ✓ No story at all

The Pro knows that two of the three are bad for business. Negative stories ruin a reputation. No stories simply mean that the customer's experience was average. Only positive stories create a good reputation for the organization and influence other people to become customers. And the Pro knows that to create a positive story, the experience for the customer has to connect at an emotional level. You need to play your "A" game to turn customer experiences into positive stories.

Stories get passed along. Stories are marketing and advertising at the personal and visceral levels. Even when no stories are passed along, it sends a marketing message. The Pro understands this human side of business and never leaves the customer's experience to fate or chance.

How does one create positive stories? To tell a positive story, customers must have an experience that arouses their attention. The experience need not be one that exceeds basic expectations, but it must be a cut above a typical experience. The kind

of positive stories customers normally pass along contain

- ✓ Overt acts of help
- ✓ Acts of initiative (taking action without being prompted)
- ✓ Taking the effort to resolve problems or complaints
- ✓ Repeated courtesy
- ✓ Personal touches
- ✓ Genuine care and concern

It doesn't take rocket science intelligence to understand this. However, to deliver it *does* take an effort not common in organizations today. The Pro knows these elements of story creation must be part and parcel of the job. They must receive the same attention as the technical parts of the job. These elements are not fluff—they are revenue issues!

The Pro knows that when customers believe they have been mistreated or hassled, they will take the initiative to provide warnings to family, friends, and acquaintances. When customers are treated poorly by people or by practices (designed by people), they take it personally, and the resulting emotion produces the need to vent. The venting becomes negative publicity and marketing. In the past, the venting was localized in neighborhoods

and in work environments. Today, thanks to the Internet, chat rooms, and electronic bulletin boards, the venting can reach thousands of eyes quickly. Disgruntled customers can cause severe damage!

What creates negative stories? For one thing, it's well known that an initial problem or concern doesn't usually wind up as a negative story. Normally, it is how the initial issue or problem is dealt with that becomes the story. Negative stories tend to result from feelings of

- ✓ Being hassled
- ✓ No one taking the initiative to help
- ✓ No one listening
- ✓ Rigid interpretation of policy when there are unique situations
- ✓ Lack of appreciation
- ✓ Being an interruption or inconvenience to others
- ✓ Lack of care or concern
- ✓ Time being wasted or being treated casually

The Pro knows that lack of attention to these issues will guarantee negative stories and adverse marketing and advertising from customers with real experiences. This is a pretty good checklist. Cus-



tomers use it all the time to evaluate and make decisions. Perhaps you and the customer should be on the same page.

And why are no stories bad? When everything is routine, when transactions are robotic, when things go well but with no human touch—there is no story. The Pro knows customers won't approach a friend and say, "Let me tell you about an experience I had today. Everything was just okay, nothing was better, faster, or different than any other experience I have ever had." How do customers with no story to tell respond when asked their opinion of a company? "It was fine," or "They're okay."

Pros know the hidden meaning behind the positive words *fine* and *okay*—that the experience was nothing to really write home about, that the company was "no worse than anyone else." Tom Peters, the author of *In Search of Excellence* and other fine business books, once commented on whether one might like to be known as "no worse than anyone else." Think about it. It means you are nothing more than average. How about as a marketing slogan on a business card: "XYZ Company ... We're no worse than anyone else!" The Pro knows this is not a reputation to be proud of.

In truth, the Pro understands that the *fine* or *okay* response is really a *non-endorsement*. Pros

don't want to be average. Pros will not tolerate *fine* or *okay*. Pros want emotional, favorable testimonials. Pros want *apostles* and will work hard to develop them. The alternative is to foster critics!

So which of the three options—positive story, negative story, or no story—will *your* customers have? The Pro knows that it is up to the people who serve customers. Do they even realize that they hold the answer to the question? Do they understand that one of the three stories will result no matter what—and that they must make the effort to ensure it is not one of the two bad options? Do you see yourself as a story creator? You are!

## Adding Value

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The Pro knows that customers who are merely satisfied will only stay with you until someone else offers a slightly lower price, a little more convenience, or a slightly improved product. The numbers tell the story. Many customers who defect say they were “satisfied” with their former supplier; repurchase rates in many industries do not come close to the ratings on customer satisfaction indexes; and many customers who defect have not experienced a problem. They just have no compelling reason to stay!

The Pro knows that customer loyalty is built on the foundation of getting the basics right. There should be no compromise on this issue. But while getting the basics right, repeatedly, will earn customer loyalty, it's also necessary to look for opportunities to go above and beyond the basic promise. Opportunities to add value to the customer's experience should not be overlooked or ignored. The operative word is *add*. Without continually delivering the basics, there is nothing to add to, and the return for the effort of adding value will not be there. However, when the basics are in place, then the Pro will begin to look for ways to add value to the customer's experience.

The Pro is familiar with the phrase, "If we did it for you, we would have to do it for everyone." This often-heard refrain has come to irritate almost every customer on earth. Customers want to be treated as individuals, not as account numbers or transactions. When needed, they want special treatment and unique approaches, not to be subjected to standardized, one-size-fits-all processes.

The Pro realizes that a "one-size-fits-all" approach to customers assumes that all customers have the same needs, same issues, and same situations. That is a major fallacy. The Pro knows what one size fits all really means. One size fits all doesn't fit *anyone* well and fits *everyone* poorly—and that applies to everything from T-shirts to customer policies! The Pro knows that customers will

reward those who don't try to routinely pigeon-hole them and who find ways to make the consumer experience more convenient and personal.

The marketplace provides many models of value beyond the basics, and more are being created all the time. Consider these examples of common added value providers:

- ✓ Nordstrom and L.L. Bean take things back, *no questions asked*.
- ✓ Federal Express is always dependable. *But, if a package doesn't get there, they have a flawless tracking system.*
- ✓ Dell *personalizes* your computer to fit your needs—and they are quick about it.
- ✓ Amazon.com *suggests and informs* you of books in categories similar to the ones you ordered in the past.
- ✓ Hallmark lets you *personalize* a greeting card.
- ✓ There's a dental office we know of that has TVs in the ceiling with remote controls for every chair—redefining the experience of a root canal.
- ✓ An experience at Disney is overwhelming as 73 of 75 cast members a guest meets will most likely be *cheerful and friendly and helpful*—the *consistency* is remarkable!

There are more examples and we're sure you can think of some. It's critical to understand the principles these added value examples are based upon. The Pro knows that incorporating these principles into service performance goes a long way to creating customer experiences that are better, faster, and different from the competition.

### **Added Value Principles**

- Flexibility
- Speed
- Personalization
- Initiative
- Uncommon convenience and comfort
- Consistent dependability
- Constant and unwavering courtesy and concern

The Pro knows that customers take these principles personally. Delivering these principles creates an emotional connection with customers that becomes the fabric of the customer relationship. The Pro understands how hard it is to put a price tag on the value of these principles. The value is intangible, but then so is the strength of the customer relationship, which a competitor will have a difficult time breaking.

Pros know that customers and many customer situations are unique. Pros look at customers and situations as opportunities to make a personal impression that says to the customer, “We want you back.” Pros know that customers are human beings with unique emotions, needs, and desires and will attempt to make personal connections with the customers they serve.

## Better, Faster, and Different

What if you made it a point to continually be better than, faster than, and different from your competition? Would you win the customer? We think so. Pros distinguish between doing the job well (and according to a job description) and always trying to find ways to be better, faster, and different. It’s not just doing a job at an acceptable level that has meaning; it is doing a job better and better, finding ways to do things quicker and faster, and thinking of ways to be different and unique that ensure success.

Pros know that if they don’t push themselves to play an “A” game every day, someone else will be ready to take customers away. They know that customer expectations and demands are changing rapidly. The advances in technology and the emergence of e-commerce are creating very different

customer experiences—many of which offer tremendous value. Customers now see what's possible, and their expectations are being altered.

The Pro knows it's not a matter of being in e-commerce or of advocating the use of technology. It's a matter of seeing how e-commerce, technology, and "new age" businesses *shape* customer expectations, and understanding what the customer *will expect* as a way of doing business in the future with *anyone*! Customers don't care what kind of business you are in. When they like what they experience in one place, they will begin to demand it from everyone.

There are elements of some e-commerce businesses that customers love. The Pro knows that customers are learning these lessons from newer information age businesses:

- ✓ Streamline every aspect of the customer's interaction.
- ✓ Have the customer's complete history in front of you.
- ✓ Ensure the customer never has to repeat his or her story.
- ✓ Never make the customer call twice for the same issue.
- ✓ Ensure nothing ever falls into the "black hole."

- ✓ Reassure the customer at each step of the way.
- ✓ Before customers have time to wonder if something's been taken care of, send notification that it has.

How well do you match up? This is the future looking us right in the eye. The Pro knows that making customers continually jump through hoops and carry the burden of initiative and action is a practice of the past and a financial red flag. Just think, not long ago customers were impressed and amazed when Amazon.com would electronically confirm an order within 3 minutes of the order being placed! Now customers wonder what the problem is when there is not instant confirmation on orders—from anyone!

The Pro knows that customers today receive exceptional experiences from some companies. Those exceptional experiences will translate into expectations—no, demands—tomorrow. When a customer can purchase a \$20 book and get exceptional, fast, and reliable treatment that is better, faster, and different, what will they expect for higher ticket items? The Pro thinks they will expect at least equal treatment. Don't you?



***Competitive businesses must lead their customers. The prospective buyer can't tell you what she likes until she has used it and lived with it. "The customer," says George Colony of Forrester Research, "is a rearview mirror, not a guide to the future."***

**– Tom Peters, *The Pursuit of Wow!***

# Chapter 6

## Remarkable Recovery

*“A live customer on the line. Wow!”  
What an opportunity! What an opportunity to  
turn him, and make him into a lifelong  
friend. It’s the ones who don’t call  
that worry me.”*

– Don Estridge, former President  
of IBM, Entry Systems Division

Service work is different from production work in which you can eliminate the errors by controlling the variables. The customer never sees your production errors, because products are produced in the customer’s absence. When the focus was only on products, a business could be run in the absence of the customer. How we *sold* things was our primary concern, but today, how the customer *buys* things is the primary concern!

The Pro has a keen understanding of the nature of service work. In service work, the customer has major input and is involved dynamically in the service process. The customer cannot be controlled and brings *varied* emotions, desires,

expectations, and issues to us. *We cannot control this critical variable*, and thus, when errors or mistakes occur, the customer sees them and, in many instances, is participating with us when they occur.

Many still exhort overly simplistic clichés like, “Do it right the first time.” And many others continue to believe mistakes can be totally eliminated. However, the Pro understands applying this line of thinking and subsequent mantras to service work is unsound. Poor quality outputs are the result of variance in any work process. In service work, customers are the main cause of variation. They represent a variance that we can’t afford to eliminate and will cause variance that we have no chance of controlling. Thus errors and mistakes will occur, and many times the customer will be present to view and feel the experience! **At those times we must be excellent at recovery.**

## Complaints as Opportunities

The Pro knows that every effort should be made to eliminate service errors and product failings. It should be a number one priority. When errors and mistakes are commonplace and routine, even the grandest recovery will not matter. Customers dislike continued problems, and great recovery cannot make up for repeated problems.

But when mistakes and errors do occur, the Pro has a planned strategy ready:

*Turn service mistakes and customer complaints into positive situations for customers in order to ensure that the good will between the company and the customer is not lost.*

This strategy is based on the fact that many times **the manner** in which a company recovers from errors is the *number one* determining factor in repeat business. The Pro also knows that recovery efforts build or destroy the confidence our customers have in an organization. Recovery educates the consumer as to what to expect in future dealings.

How does the Pro define recovery? Recovery situations are not just situations in which customers call in angry about something. They are situations in which something that was supposed to happen didn't happen. Consider some of the following as opportunities for remarkable recovery:

- ✓ A missed delivery
- ✓ An incorrect bill
- ✓ An indifferent employee attitude
- ✓ A missed customer appointment
- ✓ Handling a return

- ✓ A late delivery
- ✓ A delivery with damaged product
- ✓ A missed sales call
- ✓ An unanswered question or giving the wrong information
- ✓ A wrong product delivered
- ✓ Forgetting to call a customer back

To the amateur these issues are seen as problematic. To the Pro they are opportunities! The Pro knows there is a high return on investment for excellent recovery efforts. The Pro has done the homework and seen the data: customer loyalty is drastically reduced as a result of poor recovery efforts. Upwards of 90 percent of customers will buy again if their problem or complaint has been handled to their satisfaction. And many times customers who were completely satisfied after a recovery effort exhibited greater loyalty than customers who did not experience a problem at all.

The Pro understands that all **human relationships are tested by how we treat each other**, when things are tense there is difference of opinion, or different viewpoints ... not when things are going smoothly. It's during conflict that our character is tested and our true self is revealed. Business relationships are the same. During recovery

- ✓ We show the other party our **true character** and what typical behavior to expect in the future during rough times.
- ✓ We build a **confidence level** regarding what customers can count on when there are problems.
- ✓ When we fail at recovery, we **fail the customer twice**—first on the error, and then on the recovery effort.
- ✓ The initial problem is not normally taken personally—the customer doesn't feel singled out. However, once the customer complains and gives you a chance to make it right for them, **the recovery effort and results are taken very personally!**

Recovery efforts build or destroy the confidence customers have in an enterprise. They create the business image in the industry.

The Pro has seen very profitable customers lost because some employee or manager refused to validate a \$2.00 parking fee. The Pro has also seen loyalty won and future revenue secured by an employee personally delivering a fryer chicken after a customer complaint of dissatisfaction. When Pros handle customer complaints or customer problems, they keep in mind the possible lifetime value of the customer. Again, remember the lifetime value of a grocery store customer: \$75,000 over 10 years.

Why jeopardize this revenue by hassling someone over a \$5.00 purchase? The Pro knows this does not make good business sense.

The Pro is also aware of the role technology plays in spreading dissatisfaction about business relationships. The vigilante customer is alive and well in today's cyberspace. The web site [Chasemanhattansucks.com](http://Chasemanhattansucks.com) contains postings from unhappy customers. It lists potential customers who said they would not put their money in the bank after reading the comments on the site, and even potential applicants who decided not to pursue employment with Chase based on what they read. And now there is a site the U.S. government has created for customer complaints. Go to the [www.govtguide.com](http://www.govtguide.com) web site and look up the "Report Bad Service" menu. Unfortunately, these types of methods can be misused. However, the issue is clear: Customers can spread the word of their dissatisfaction to more people than ever before, faster than ever before. The Pro won't let mishandled recovery become the lead story on a web site!

## Recovery Sins

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The Pro realizes that the way customer complaints are handled has a long-lasting effect on the customer's memory. The original mistake, as long as it

is not rudeness or disrespect, is normally not taken personally, **but the way people respond to the mistake is very personal in nature to the customer—it's about them and the way they are treated!**

The Pro realizes that dissatisfied customers seldom complain. And they also don't come back and don't hesitate to spread their negative opinions in an exaggerated way! There are many reasons customers don't bother to complain. Some of the *significant reasons* are

- ✓ Many don't believe it will do any good
- ✓ It will take too much time and will be a hassle
- ✓ Many don't know who to complain to and/or where to make the complaint
- ✓ When they do complain, the person receiving the complaint can't help them

Again, when mistakes are made, it is rarely the mistake that irritates the customer to the point of no return. **In most cases, it is the way the mistake is handled.** How you react to customer complaints is a critical issue for customer retention.

The initial reaction to a complaint, error, or perceived mistake can set the tone for the rest of the recovery process. To begin the recovery process in the wrong manner is a grave mistake. There are other recovery "sins" that can turn an



opportunity to make the relationship better into a disaster. The following are some of the recovery sins that make customers vulnerable to competitive offerings:

- ✓ Proving the customer wrong
- ✓ Not giving the customer the benefit of the doubt
- ✓ Being judgmental of the customer's complaint
- ✓ Showing that the customer is at fault
- ✓ Blaming "others" for the mistake or error
- ✓ Arguing with the customer's opinion
- ✓ Acting as if handling the complaint is a waste of time
- ✓ Displaying disinterest in the customer's issue (even when not in a position to handle the complaint)
- ✓ Making the customer jump through numerous hoops to get resolution
- ✓ Taking no action to assist in the resolution

The Pro knows that recovery situations have both short- and long-term consequences. In the short run, what we do for customers when they complain or encounter a problem is an investment in the relationship and a marketing cost for future business. In the long run, customer complaints are

the pieces of information that allow a company to learn about itself and make focused changes in the way it does business.

It's amazing how many times business is lost simply because customer complaints and problems are not handled in a reasonable, quick, and distinctive manner. **WHAT you do for the customer when they encounter problems and HOW you handle those problem situations can be the most significant tactics in establishing lasting relationships with customers.**

## Recovery That Counts

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**Remarkable recovery efforts *begin* with making it easy for customers to complain.** Making it easy for customers to express their concerns allows their voices to be heard throughout the organization. It keeps a company from becoming complacent and enhances the chances of retaining those customers who might be lost because of ignorance about how customers feel about the value they receive. The Pro knows:

*It's the customer who doesn't complain, but doesn't come back, that hurts the business most of all!*

A business can earn more points with customers in the complaint-handling and problem-solving processes than in any other area. The research has shown for years that customers rarely defect because of a problem or complaint; *the defection is normally the result of the way a problem or complaint is handled.*

With positive recovery from mistakes, we cultivate our customer's trust, respect, and appreciation. Look at the list of well-respected, customer-focused companies: Nordstrom, L.L. Bean, USAA, Amazon.com, Cookers Restaurants, Lands' End, Federal Express, to name a few. It's *no coincidence* that each company has one of the best recovery practices in their industries.

### **GUARANTEED FOR LIFE**

I do not consider a sale complete until goods are worn out and the customer is satisfied.

We will thank anyone to return goods that are not perfectly satisfactory.

Should the person reading this notice know of anyone who is not satisfied with our goods, I will consider it a favor to be notified.

Above all things we wish to avoid a dissatisfied customer.

– 1912 L.L. Bean Circular

Consider the above ... there is no fine print! The total satisfaction of the customer is inherent in the guarantee that evolves from the spirit of the company. Service providers are not put into any type of adversarial position when supported by this type of business approach.

Remarkable recovery is a critical business practice. However, the Pro knows the recovery investment should be aimed at customers an organization wants to keep for the long term. The customer's history and relationship with a company are critical factors in honoring complaints. Customers who purposely and/or routinely abuse a recovery policy should be restricted from participation. To allow continual and repeated fraud is not financially wise and will cause the downfall of recovery practices designed for honest customers.

The Pro also understands recovery as a cost of sales. It is the sales cost for repeat customers. As such, the Pro views recovery as an investment in future business. In many instances, companies view recovery as a loss. Perhaps that's why the majority of recovery policies create such a hassle for customers. It is always amazing how much aggravation customers receive when complaining compared with the terrific treatment they receive as a prospect. Why is it in relationships when we are trying to get the relationship going (i.e., courting), we move heaven and earth to go out of our way for the other party? Yet, once they commit, we take

them for granted and hassle them in ways that make them want to leave the relationship.

The following guidelines are important when creating remarkable recovery:

- ✓ Give the benefit of the doubt to the customer.
- ✓ Always apologize for the situation.
- ✓ Be non-judgmental.
- ✓ Be non-argumentative.
- ✓ Be quick in resolving the problem.
- ✓ Show appreciation for the complaint.
- ✓ Never burden the customer.

The Pro knows many customers expect a hassle or a waste of time or having to jump through silly hoops when they encounter problem situations. **The absence of these elements exceeds customer expectations.**

And the Pro never forgets

- ✓ The method of recovery determines how the customer evaluates the *character* of a company.
- ✓ *Relationships* are put to the test when a problem situation occurs.
- ✓ Recovery efforts are an *investment* for the customer's future business.

- ✓ Recovery efforts build or destroy *confidence* in future dealings.

Positive recovery eliminates the possibility of angering the customer twice over the same issue and should be a major focus of any enterprise!

*I want to sell you a lemon. Then I'll show you just how our service department will perform for you.*

– Joe Girard, premier car salesman

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# Chapter 7

## Partnerships ... Internal Cooperation

*The internal customer model doesn't work as well as a lot of people think. Or more precisely, even though it may help solve a minor problem, it can compound a much more major one.*

– John Guaspari,  
*The Customer Connection*

### Just Who Is the Customer?

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In recent years, in an attempt to motivate and inspire employees toward a more customer-focused view, many companies have implemented the “internal customer” concept. When the internal customer concept was created it was designed to foster improved external customer service. Is it possible that this particular mental model is not the most effective method of creating a customer focus? Do we now accept the notion of an “internal customer theory” at face value and ignore some of



the negative side effects it has created? Is there a better way of creating cooperation in the halls of our organizations?

“Everyone has a customer” became a rallying cry in most companies. The internal customer model suggests that employees see themselves in a supplier-customer relationship inside the organization. Simple enough ... but problems lurk beneath the surface.

*The institutions of the new pluralism have no purpose except outside of themselves. They exist in contemplation of a “customer” or a “market.” Achievement in the hospital is not a satisfied nurse, but a cured former patient.”*

— Peter Drucker, author,  
“*The Frontiers of Management*”

We can't be fooled into thinking of each other as customers. There should be no hierarchical status between employees. We help each other out and that role of helper shifts depending on the situation. **The Pro knows that employees are not each other's customers. Customers exist outside the company, and without the revenue or resources they provide, the organization cannot exist.** The Pro won't *diminish* the importance of customers by having employees refer to each other as customers. Employees are partners—equals—with an obligation to do their best to take care of the company's *real* customers!

This notion is critical. Most service and customer problems result from lack of cooperation between people and work departments within companies. With a common focus on what is vital to the company's success (the real "paying" customers), organizations can overcome the common problems that besiege other companies.

Besides, do we really desire a model that creates different levels of status among employees—*higher* for those who directly serve customers and *lower* for those who don't? Do we need a model that fails to acknowledge the value of organizational work that doesn't directly affect the customer? Do we really want a model in which the word *customer* ceases to be special, ceases to be a word that requires urgency? Who do you want people in a company to have in mind when they design and perform their work: their co-workers, or you, the customer? The Pro knows the correct answers to these questions, and so do you.

What are the negative side effects of the internal customer concept? Experience has discovered a few that have the potential to be as destructive to teamwork, cooperation, and superior customer service as the old staff-centered model. Over the past several years, our service quality assessments in organizations have uncovered many of the unintended consequences of the internal customer concept, leading us to suggest that a new partnership concept should be adopted.

The Pro remembers the past, when the closer you were to corporate headquarters and the insulation of staff work, the more important your job. There were many cases in which the field was subservient to headquarters, and customers suffered the consequences.

With the internal customer concept, the problem is merely reversed. Now the message seems to be, “If you aren’t directly serving the customer, your job is less important.” With the internal customer approach, people in staff functions have commented on feeling “less than” and in a subservient role. The Pro questions why we should risk this feeling when there is a better way. We don’t need a model in which one group of people is set up to feel subordinate or inferior to another group.

With the internal customer model, a different type of hierarchy has evolved. The “serve me or else; I’m your customer” mentality many people have developed fosters ill feelings throughout many companies. Status is now bestowed on those who serve paying customers, while the bottom of the new hierarchy is populated with staff who are told their role is to serve others within the company. Where in the past the staff functions put many arbitrary requirements on field people, now the roles are reversed. Under the guise of serving the paying customer, many staff functions are being overwhelmed with requests to “serve” internal customers who have no relation to creating value

for those paying customers. Serving an internal customer for the sake of serving has little value when the service or support does not benefit the paying customer. If you focus primarily on serving internal customers, what happens when the internal customer is NOT focused on serving the paying customer?

The Pro also understands that the internal customer concept defies the theory on which normal company–customer relationships are based. The theory of customer service is akin to the traditional supply and demand model (with the exception of some monopolies and government agencies). The internal customer model restricts whom the customer can use and not use (another contrast to the normal customer business model). Even the concept of charge backs is flawed, since the charge backs are not theoretically akin to the exchange of real money for goods and services on the open market.

In a normal business relationship, customers put demands on a company for products or services, and companies decide whether they can profitably supply the demand. If the value is not to the customer's liking, the customer can choose to take business elsewhere. If the demand is not to the company's liking, then it can choose not to supply the demand. The company can make a business decision to increase supply to meet an increased demand, if it so desires. This creates a

freedom of choice in the normal customer–company relationship, as both parties decide whether there is value in doing business together.

Now look at how the internal customer concept affects the heart of the supply and demand model. In many instances, the internal customer cannot choose a supplier other than the internal support function. Likewise, the support function cannot decide to not supply support if they feel the demand is unreasonable. Internal customers are free to put unlimited demands on support functions. However, support functions are limited in budget, resources, head count, and time availability and cannot at their own whim increase these elements because they are governed by annual plans and budgets.

In most situations, support functions have many more requirements from internal customers than they are capable of handling. When they must say “no,” internal customers get testy and counter with a “don’t you understand, I’m your customer” attitude. This frustrates both parties, because each feels the other doesn’t understand the situation. *In the internal customer concept, the customer can put unlimited demands on the support function while the support function has limited resources to meet the demand.* This breeds hostility, and working relationships suffer as a result. This is hardly the way teamwork works. The Pro does not want to venture down this troublesome pathway.

Paying customers can experience problems from the lack of harmony, distrust, and ill feelings created by the role and status reversal and the supply and demand “crunch” of the internal customer concept. Frustrated and feeling a “no win” situation, support functions fight back by withholding support, service, or timely responses. If support people begin to feel abused or taken for granted, they can easily adopt a “get even” mindset. When friction or competition exists between the field and the support functions, the paying customer most often suffers. The irony is that the movement toward an internal customer model can cause similar friction and competition to the one created by the old hierarchical model.

The Pro also knows the internal customer concept seems to ignore that support functions must also be served by the field and by customer contact people. From regulatory issues to accounting issues to board issues to legal issues, many things must be done to keep the business operating in a sound manner. Many of these work responsibilities do not directly create value for customers. Support and headquarters functions have the responsibility for much of that type of work. To complete the work, the field and customer contact people must provide the support functions with information, compliance, and timely responses. In these situations, the support functions are users, while the field is the supplier.

*So who are the internal customers anyway?*

Many times one's internal customers are the suppliers of the same people who serve them. At any given time, the internal customer may be a supplier, and the supplier may be the internal customer. What a mess! And by the way, which customer has the most important agenda at any one time? Whose needs now compete? The true application of an internal customer concept can get needlessly confusing.

One additional problem exists: serving internal customers who have no real link to the paying customer. The Pro realizes that many people in companies lack decent customer information—information about what the customer values, what typical experiences customers incur, and what part of those experiences lead to loyalty and what part lead to defection. Serving internal customers may lead to some improvement in the way things get done, but without a thorough understanding of the effect on the paying customer, the process is deficient. With a proper dissemination of customer information and a focus on the paying customer, rather than on internal customers, we might be able to go beyond the improvements gained by the application of the internal customer concept.

The Pro knows there is only one customer, and we spell it with a capital “**C**.” Pros think of each other internally as *partners*, not as each other's customers. **Partners combine talents and energy**

**for the creation of value for the real customer, the paying customer. Partners know that when the paying customer is delighted, the business will thrive.** They don't necessarily serve each other, but they serve the organization's efforts and make sure their combined efforts benefit the paying customer.

## Service Is Everyone's Job

Delivering superior value to customers requires mutual cooperation between company employees from different functions and departments. When it comes to customers, the Pro knows there can be no such attitude as "It's not my job." **The business of service to customers is everyone's job—everyone's most important job.** The simple reality is, **without the customer, there is no job!**

Every employee must see his or her job not as a series of tasks and duties to be done, but as the ability to coordinate his or her talents with others to create value for customers. Everyone should know the negative impact they have on the organization's customers when they fail to provide help or assist co-workers in the company.



As the Pro reminds us,

*All employees are partners for the common purpose of giving the customer the best possible value and treatment.*

It is easy to get lost in the morass of workloads when you don't directly deal with customers. It's commonplace to lose the perspective of how your work affects the customer's experience with the organization. Some of the influences that cause a loss of customer perspective are

- ✓ A preoccupation with internally focused information, procedures, forms, and reports
- ✓ Losing the sense of being connected to customers because you lack data on how customers evaluate their experiences
- ✓ Serving your boss (who rewards/recognizes task choices) rather than the customer (whose rewards are indirect)

The Pro knows that **it makes no difference to the customer who is at fault when things break down. They don't care.** They will take their money elsewhere while we are left to point fingers at each other.

## Assistance or Obstacle?

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There is nothing more frustrating for people attempting to serve customers than to be thwarted by other employees who don't react to customer issues with the same sense of urgency and importance. Without cooperation and support, the person who ultimately must face the customer is left embarrassed, at best. More often, that employee must take the "flack" from a dissatisfied customer. **It borders on gross disrespect to others to deny or stall requests for help and assistance to serve customers.**

The Pro knows that when someone is asked by another to provide assistance taking care of a customer, at that moment the person will be either an **ASSISTANCE** or an **OBSTACLE** in creating a superior customer experience. The choice is there to be made!

The Pro realizes that taking the time and initiative to help solve customer issues and problems, to reduce the cycle time for customer transactions, and to fulfill customer inquiries and needs is paramount to the success of any company. **Putting the customer at the mercy of a company culture that supports *walls* between departments and a "my job" versus "your job" mentality is *financial suicide!***

**Partnership**, for the purpose of serving customers, has to be a job requirement for everyone. There is only **ONE customer**, and the customer is not on the payroll!

## **What Is a Customer?**

*A Customer is the most important person ever in this office ... in person or by mail. A Customer is not dependent on us ... we are dependent on him. A Customer is not an interruption of our work ... he is the purpose of it. We are not doing a favor by serving him ... he is doing us a favor by giving us the opportunity to do so. A Customer is not someone to argue or match wits with. Nobody ever won an argument with a Customer. A Customer is a person who brings us his wants. It is our job to handle them profitably to him and to ourselves.*

(Poster prominently displayed at L.L. Bean  
in Freeport, Maine)

# Chapter 8

## Closing Thoughts

*Service is just a day-in, day-out,  
ongoing, never-ending, unremitting,  
persevering, compassionate type of activity.*

– Leon Gorman, L.L. Bean

This customer revolution provides some exciting possibilities for companies and individuals alike. Success in business and jobs will be defined on how much value the customer receives. And the choice to serve with enthusiasm is yours!

Years ago, Dr. Wayne Dyer observed that there are typically two types of people: eagles and ducks! Eagles take action; they take personal responsibility to make encounters with customers pleasant and rewarding. Ducks, on the other hand, are difficult to get along with. They find excuses for why they can't be of help and will never go out of their way for anyone. Ducks are lazy and self-centered. Their response to inquiries and requests for assistance is known all over the world: "Quack, quack, quack!"

You can be an eagle if you choose to be. Eagles take the initiative to do their best with customers in every situation. Eagles know that customer revenue is the lifeblood of their company, and they take care of that resource.

Or you can duck the opportunity! When customer needs and requests come your way, you can duck the issue. “Quack, quack, quack” can be your trademark response. Ducks could care less about their company or their fellow workers.

Both eagles and ducks are easy to identify. Eagles stand out; ducks are merely part of the flock. One is capitalizing on this new economy; the other is being shut out. The customer recognizes the difference in an instant. Eagles are Pros while ducks are amateurs.

**Be an eagle or a duck—  
the choice is yours!!!**

# Author's Afterthoughts

Recently a friend of ours told us about an encounter he had while traveling. He was attempting to reroute his flight during a business trip...an experience not so infrequent for the business traveler. Quoting our friend:

"I called them [the airline] and asked them to cancel the flight legs from Charlotte to Atlanta and Atlanta to D.C. Dulles, but to leave D.C. Dulles to Tucson intact since I would be using that leg a couple of days later. I told the agent I did not expect any kind of a refund for the cancelled legs. After a bit of time, the agent came back on [the phone] and told me it would cost me an additional \$85 to do that.

"I said, 'So let me get this straight. I'm reducing your need to serve me on two flight legs, plus *allow* you to resell the seat for additional revenue, and you want to charge me \$85 to do it?' The answer was, 'That's correct.' I asked why, and was told, 'Because we have to reissue the ticket.' I said, 'How long does that take?' The agent said, 'Well, when I punch the change into the computer, it takes about five seconds.' I said, 'Then you must be making about \$50,000 an hour in salary if that's what it costs me to have you reissue my ticket?'

"Well, the situation went downhill from there, and after talking to a supervisor and going

through the same routine and then being referred to another higher level supervisor...by now I've used about an hour plus of their time and the use of their 800 number. So, toward the end, I asked the higher level supervisor, 'Wouldn't it have been much cheaper for you all just to have made the simple change for me during the first two minutes of this customer transaction?' The answer was classic: 'Yes, it would have, but we have to adhere to policy.'

The issue is still not resolved, but I'm going to try to do it at the counter either in Tucson or LAX on the way to Hawaii tomorrow, so I'll probably have another chapter or two to add. Stay tuned..."

Something is wrong! Something is wrong with how businesses treat their customers. Something is wrong with how vendors treat their customers. Something is wrong with how government agencies and non-profit organizations treat their customers. And it seems financially irresponsible to continue this trend.

Today, customers are wielding their new found power, and businesses need to respond or disappear. Freedom to choose when to buy combined with electronic access makes it possible to buy almost anywhere, anytime *and* be able to compare value instantly, in terms of value that the *consumer* defines: price, availability, or some other measure... tangible or intangible.

One thing is very clear... customer knowledge and customer treatment is the competitive advantage of this decade. The mantra that will underscore the business plans of those who succeed will be, "Give them a better deal and a compelling reason to stay."

However, believing in and talking about a customer-focused business approach is one thing... delivering it is quite another. To judge from what we see around us, many people (and way too many organizations) have changed what they say, but not what they do. When you look around, you don't see a dramatic change in the level of service that is offered! We still don't see dramatic changes in the way people are managed or communicated to! And, certainly, the potential of the human spirit in the workplace remains relatively untapped.

Yet a dramatic change is exactly what one would expect, given the control the customer has over our business destiny. Too often, still, excellence in customer service is hailed as the exception rather than the norm.

Why is this the case? A significant reason is that few people in the workplace really know about the customer they serve. Sales people are still fascinated by the features, advantages and benefits of the products they represent, and are influenced to focus on 'new' customers. Internal support people see the external customer as some distant



relative they know to be concerned about but don't really understand. Customer contact people are serving customers with little knowledge about what the customer really wants or values.

Another factor is the possibility that we have a strong desire to hang on to what we liked about the past. We liked being in control. We liked having the customer adapt to how we did business. We want to call the shots—after all it's our investment and our business. We find comfort in being able to predict and have some certainty in our lives, especially our business lives. Facing radical change, we could be encountering a stage of denial. We want this situation to pass. We want to get back to the normal patterns of the past. We would like this change to be cyclical. Yet, we must face the realization that this change is transformational. We must accept the customer as the one in control and that the future will put them in the director's chair.

So let's get with it. When you stop to think about it, the principles that support a serious customer-focused business approach are not complex. Consider the operation at Disney for instance. The magic of Disney is in communication with the customer. "45 minutes from this point" lets the Guest know just how much it will hurt in advance! The expectations are set ahead of time. And to tell the truth, we've never had an experience

where the sign is accurate. We always get on the attraction 5 to 10 minutes earlier than the stated time... and we feel like we have 'won'! Such is the magic of 'under-promise/over-deliver.'

To further illustrate the point, consider the research done in the past with the hotel industry regarding coffee breaks. When asked about what value points customers desired during coffee breaks during conventions, conferences, or meetings the hotel people responded with the following list

- Fresh fruit
- Fresh buns
- Attractive displays
- Attractive and clean china
- Clean table dressing

It's a great list. Who could ever disagree with such an offering? Perhaps just the customer! Here is how customers responded to the same question

- Multiple access for fast lines (especially for refills)
- Close to restrooms
- Close to numerous phones (before cell-phones)
- Enough room to chat comfortably with others

At least both parties agreed that hot coffee would be nice!

And then there is the most important issue... people! Coming full circle back to our friend's story, consider the airline industry. The U.S. airline system operates, many times under adverse conditions, in a marvelous fashion. With over a million and a half parts on each plane they just don't crash. With an overburdened, highly sophisticated air traffic control system there are no mid-air collisions. You can check two to three bags (just two or three of hundreds of thousands handled each day) and the chance of your luggage arriving at your destination is upwards of 99%. The whole operation is technically complex, with acts of God interfering on a daily basis, and the system still runs effectively.

Still...Everyone hates the airlines! With the exception of Southwest, whose people seem to really enjoy having customers ride their planes, the typical evaluation of one airline being better than the rest is that one might be, "slightly less disgusting than the other jackasses!" As Tom Peter's once said... the standing joke is that if new hires take a lie detector test and pass, they won't be hired!

No, service business principles are not complex. However, they do require persistence and dedication on the part of the members of the

enterprise. It's time to make a commitment to being truly customer-focused. This commitment hinges on one critical business factor.

*Every single thing you do is centered on bringing the customer back!*

Employees at all levels can make a difference. With proper leadership, education and training, people can become your competitive advantage—not just in platitudes, but for real—as a result of their attitude and performance with your most critical asset: Your customers.

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## About the Authors

**Rick Tate** is a best-selling author and an internationally recognized expert on Customer Loyalty, Leadership and Change. He is the author and co-developer of many best-selling books and programs such as *Leadership and the Customer Revolution*, *Legendary Service*, and *Frontline Service*. For over 20 years Rick has been consulting, speaking, training, writing and developing state of the art concepts that challenge people's minds and create competitive advantage. His extensive client list reads like a "who's who" of business and includes organizations such as Disney, Coca Cola, and Johnson & Johnson.

**Josh Stroup** has been helping organizations and individuals improve their performance for the last 20 years. Josh works extensively with customer service and management issues with a mix of client organizations including Verizon, AMP Incorporated and Hershey Foods. In addition to the wealth of knowledge from his consulting and training, Josh brings practical experience from his successes in business. He holds a BA from the College of Wooster (Ohio) and advanced degrees from the University of Illinois (Chicago campus) and McCormick Theological Seminary (Chicago).

For more information about Rick, Josh or their other associates, please go to [www.Think-It-Inc.com](http://www.Think-It-Inc.com) or call 888-Think It (844-6548).