

Exceptional Customer Service is Good for Business

by:

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Good and exceptional service comes from those who think and behave like an owner.

About a month ago, I was driving to Detroit, MI, USA, for a couple of days of meetings. I was a little early for my first meeting, so I decided that I would stop at a restaurant and kill an hour checking emails over an iced tea.

I started searching the roadside signs and spotted one for **Culvers**, a mid-western USA burger and frozen custard franchise, a couple of miles ahead. My wife and children are especially fond of our local Culvers restaurants, so this seemed like an excellent place to stop. When I went in, I asked to purchase an iced tea. To my surprise, the young person standing behind the counter handed me a cup and told me that the iced tea was on the house. I was shocked and even protested that I was happy to pay, but she was steadfast. I took my cup, got my iced tea and reveled in my good fortune.

Now this is a good illustration of an empowered employee making a prudent gamble in customer service. This however, is not the end of the story, nor is it really the one I've set out to tell. I was so impressed with this gesture though, that on my return trip home, I decided that I would make it a point to return the favor and patronize them for lunch. What happened next still has me impressed and retelling the story. When I walked in, there was a young man in his late teens or early twenties manning the only occupied register with a line of maybe six to eight hungry people waiting to order.

I'm sure that many of you are thinking right now that this is the classic equation for a potential problem, as one individual manning the counter during the lunch rush is surely not sufficient. I'm sure we have all experienced a time or two where "fast food" takes on an entirely new meaning. In this case however, this young man was nothing short of amazing. While he skillfully and quickly processed people's orders, he artfully engaged everyone else waiting in line. He did this cheerfully and in a way that not only made the wait seem short, but had you anticipating your turn at the counter.

I had decided to take my food out instead of eating in the dining room, so I had the opportunity to step back and watch him for another couple of minutes while I waited for my order to be brought to me.

I think three things stood out to me as I watched him. His cheerfulness was infectious and had his customers feeling happy as they forked over US\$20 for a couple of hamburgers and drinks. He had mastered the ability to keep his immediate customer feeling that they were the center of attention while still engaging everyone else in line. And he knew his product well. I watched him help several customers who had never eaten in a Culvers before interpret the menu and assist them in making their choices. Of two things I am fairly certain is that first, this young man was empowered, having fun and acted like it was his own business. And second, that his exceptional customer service was very good for that Culver's franchise. So let's investigate these two ideas in a little greater detail.

Acting Like an Owner:

Perhaps the single most influential factor a business can instill in its team is a philosophy of ownership and empowerment. It doesn't take having your name on the door to foster this, but it does take a culture where entrepreneurial behavior and risk taking is accepted and perhaps even encouraged. How often have you encountered a situation where you find it is extremely difficult to find someone that will take your money? When I purchased my first home maybe 25 years ago I worked with a mortgage broker who sold me on a balloon 5/25-style mortgage with a lender out of the USA state of Texas. After several years, interest rates had made a favorable decline and I desired to place myself in a more conventional 30-year fixed mortgage.

Although I'm not quite sure why, I attempted to refinance with my then current lender. However, after maybe a dozen phone calls, multiple transfers and one hang-up, with no results or information on how to refinance my loan, it was clear to me that my current lender neither valued my business nor desired to have me as a customer. As luck would have it, I learned that an old friend from high school actually co-owned a mortgage bank. I think I am on mortgage number four with his bank and have recommended multiple other people for his services. So, how does an organization encourage its associates to act like owners when their name is not on the door?

Everyone Represents the Company: It is critical to reinforce the idea that everyone in the company, from the highest level CEO down to the lowest level represents the company. This is why a surly, inconsiderate or late repairmen will often earn the company they work for a bad review and loss of future business, and why the retail store whose clerks and stock boys are friendly and helpful will earn the store loyal patrons that return again and again. Recently my wife sent me on a mission to pick something up at the grocery store. I was the typical man on a mission, and started wandering the aisles looking for the item. After checking several places where I thought it should be and having no luck, I happened on an individual restocking a shelf. I asked where the item might be found and even though it was not in this person's department, the individual walked me half way across the store to where I was able to find the item I was looking for. Never discount that everyone represents the business.

Take Ownership of Problems: All too often, especially in larger businesses, a problem is viewed as someone else's responsibility. It's a pretty good bet that at some time or another you have had an experience where the person you are working with clearly is unable and unwilling to help you. They say, "Oh, that's the responsibility of..." or "I don't handle that, let me transfer you to..."

A couple of years back, my wife and I were in the market to purchase a used car. At the first dealer we visited, we were approached by a young salesman. He showed us several cars we had come to look at and allowed us to test

drive one. However, when it came time to actually discuss buying the car, he disappeared and we had no fewer than three “managers” come to tell us all the reasons they couldn’t sell us the car we were interested in. It was clear that the salesman couldn’t help us because he had little or no “ownership” in the sale. Contrast that with the next dealer we visited. Our saleswoman was engaging and knowledgeable about the product she was selling, even though it was not the brand of automobile that the dealership sold. When we started to talk price, she too needed to speak with a manager, but we never saw him. She handled the deal entirely and we negotiated a fair price and ultimately purchased the vehicle.

Businesses that have exceptional customer service have associates that accept ownership of the problem and see it through to completion. This does not always mean that they can actually fix the problem, but they manage the solution, taking responsibility all the way through the process.

Empowerment: Perhaps the best way to have your associates act like owners is to empower them to act like owners. Often times this doesn’t take that much, but requires a culture that is willing to trust and forgive mistakes. A couple of years ago at the Fall **Industrial Fastener Institute** meeting in Beaver Creek, CO, USA, the General Manager of the hotel hosting the meeting, a **Ritz Carlton**, was invited to share why the hotel is renown for having such exceptional service. One of the things he shared was that the hotel holds to the notion that every associate should be empowered to solve customer problems. I forget the exact figure, but every associate was expected to take ownership of a problem if he or she was the first to encounter it, and could make a spending decision up to, I think, US\$1200 to resolve the issue without having to obtain anyone else’s authorization. There is no quicker way to make an “owner” than to trust his or her best judgment and empower that person with simple financial decisions.

Do More Than the Competition: At the heart of an owner is the desire to be better than the competition. Therefore, companies that foster an entrepreneurial philosophy are always seeking ways to be better than the competition. My wife and I don’t watch a lot of TV, but we got hooked for a while on a reality cooking show. On one episode every season, there would be a “Restaurant War” where two teams were formed and competed head-to-head on who could come up with the better restaurant in 24 hours. I was intrigued and surprised that there was almost always a decisive winner of this competition. The winning team consistently out-performed the opposition in almost all aspects of the judging. In the same way, get your associates behaving like owners and they will decisively outperform the competition that isn’t thinking this way.

Exceptional Customer Service is Good for Business:

The concept that good and exceptional service is good for business seems almost too obvious to state, but many businesses lack the self-realization that their service either stinks or is mediocre, and it dramatically hurts their business. A good question for business owners and leaders to reflect on is, how easy is it to do business with us? I’m sure we can all quickly conjure up memories of experiences

where it was really hard to do business with a company and others where it was really easy. So what are some characteristics that make a business easy to work with?

Honesty: Have you ever experienced working with a business and receiving one false promise after another? We had a home project about seven years back and I acted as the general contractor. On two separate occasions I had a contractor that expressed significant interest in bidding on part of the job. In one case, the contractor even came out, walked the site and had a long conversation with me. After some time had passed and I had not received bids from these contractors, I started contacting them. Each time I was told they were very interested and it would just be another day or two. After three or four repetitions of this cycle, I finally gave up and hired someone else. In the process however, these contractors caused me some delay and added work. They may have just been too busy to get to my quotation or any number of other valid reasons, but all they had to do was be honest with me and tell me this. Because they didn’t, they ended up making me a “detractor” or someone who will forever tell others that they are unreliable and could not receive a favorable recommendation.

Exceed Expectations: With the exception perhaps of the airlines, the tax man and the proctologist, today when you purchase a product or a service, generally speaking you expect to receive good customer service.

In the 1980s, Professor **Noriaki Kano** introduced the Kano Model of Customer Satisfaction, which defined a general class of attributes as “Must-be Quality”. These were product attributes or service actions that the customer simply expected to receive. Put another way, these were basic requirements. If you failed to provide these, you displeased the customer, but if you provided them, the customer was essentially neutral. He defined another group of attributes as “Satisfiers” or “Delighters”. These were product attributes or service actions that delighted the customer. These are the items that exceeded your expectation. A couple of common examples I can recall are when you take your car in for an oil change and the shop gives you a complimentary wash or you go to your favorite restaurant to celebrate your anniversary and after casually mentioning the reason for you being there, your waitress brings you a complimentary cake to celebrate with, or the person that cuts your hair also trims your beard and that annoying hair growing on your ears. Unfortunately for service providers, these delighters eventually become expected so that businesses must always be coming up with new ways to exceed customer expectations. However, providing exceptional service not only wins loyalty with your customer, but more likely than not will result in that customer recommending you to others.

Collaborative, Easy to Work With: Is your business easy to work with? When I was the General Manager of a small assembly operation with my previous employer, we had one supplier that, although had good products and tremendous capabilities, was very difficult to work with. Every request seemed to be a problem, the supplier was secretive and everything that happened was always our fault or because of our stupidity. Contrast this supplier with another of the same commodity who was very easy to work with. This supplier went out of its way to be helpful, you could always expect an honest answer even if it wasn’t the

Exceptional Customer Service is Good for Business ...continued

one you wanted to hear and the supplier never projected blame on us for anything that happened with the product. Additionally, the supplier made many decisions along the way to either fully absorb or share financial responsibility for errors and improvements that were made. It is no mystery why this company had locked up over 90% of our business in that commodity in a very short time and the other, although a technically superior company had not.

Nurture Existing Relationships: In my opinion, the prevailing attitude many sales professionals hold, that growth must come from new customers, often does not serve the business well. In fact, it is likely much more difficult to grow and develop a new customer than it is to further develop an existing one.

Over the course of my career, I have seen multiple customer relationships go down in flames because they were simply not nurtured. There is no argument that developing new customers is critical, but nurturing the existing ones is certainly as important, if not more important. It is something that companies that provide great service understand and take advantage of.

Proactive: Some businesses are very good on defense, but not so good on offense. One way to prove yourself to your customer is to be proactive. Actively seek out ways to improve the relationship or provide better service. I always get a kick out of watching people at trade shows. It is pretty common to see representatives hunkered down, arms crossed, sitting in chairs in the back of their booth.

They are screaming “don’t bother me”. But then you see the individuals that are congregated at the front of their booths, standing with smiles and engaging the throngs of people that slowly wander by, they are being proactive and likely will experience a more fruitful show than their neighbors that are huddled in the back just waiting for the day to end.

Likewise, don’t wait for your customer to tell you what you should do for them, take some initiative and proactively beat them to it.

Conclusion

We were created to be interactive and relational beings. Therefore, we all register experiences that have pleased or displeased us and we can all tell stories of good and bad customer service.

After we stop laughing at the hapless individuals that have provided us fodder for such hilarious tales, stop being infuriated at those that have so frustrated us and stopped wishing we could be like those that seem to have the innate gift of service, there are many lessons we can take away from these experiences.

However, two of the most fundamental are that good and exceptional service comes from those that think and behave like an owner and that good service is exceptionally good for your business.

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