

Customer Deserve Great Service



Jerry Garcia of the *Grateful Dead* said something like: It is not enough to be the best at what you do, you should try and be the only one who can do what you do! To strive for Garcia's benchmark, we must work much harder to understand our customers and what they value. This requires tremendous curiosity and fierce empathy. When these are combined with brilliant questions and active listening we start to build deep levels of trust. Get this right and no one will be able to copy what you do because no one else will understand the customer like you. Remember machines can't build trust only people can because only people can demonstrate empathy. But it does not stop there. You need to be able to deliver on the trust you have built. This requires an agility to deliver a bespoke

service. Only then will you be able to stop competing with 1000s of others who do WHAT you do and start to provide a unique experience - one that others can't copy. *McKinsey*, reports that 70% of buying experiences are based on how the customer feels they are being treated and nothing to do with the product they are buying.



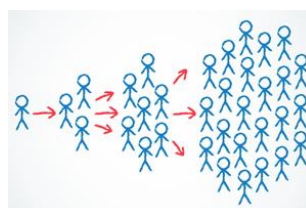
In nearly every workshop we have facilitated in the past three years we have quoted *Bain & Co.* that found 80% of companies say they deliver superior customer service but that only 8% of customer believe that these same companies deliver superior customer service. It is clear that we are not as good as we think we are when it comes to customer service and we need to better understand how we can serve customers.

Smart organisations are looking for ways to satisfy more customer needs, to truly connect with and please their current customers rather than trying to find more potential customers to buy their same old standard products and services – they have stopped trying to flog products and are striving to satisfy more needs.

Smart organisations focus on delivering a better customer experience through fixing more customer problems. To do this well requires a different approach, one that puts the customer at the centre of everything you do.



There are four monetary markers that indicate that you are doing this well, or if, 'customer-centric' is just another marketing slogan: The four markets are: Greater spend or yield per purchase; greater stickiness or loyalty; more word of mouth referrals and; repeat purchase behaviour.



Below we have listed some interesting research that we have come across recently. Hopefully this inspires you to put your customer at the centre of what you do and start looking outward rather than inward. What a world we could create if we started putting the needs, objectives and hopes of others at the front of our minds rather than the moribund approach of focusing on our own internal targets and objectives.



According to Ruby Newell-Legner, only 4% of dissatisfied customers make their dissatisfaction known. There is so much to be learnt from talking to your customers and asking how you can serve them better. Most organisations do not elicit anywhere near enough feedback from customers and if they do, they do it too late. For many of our clients, the only time they become aware that a customer is unhappy is when they lose that customer. Organisations avoid seeking feedback but when customers tell us about their concerns and dissatisfaction they are teaching us how to improve our service to them – and we all know that a complaint that is resolved well buys us more good-will than if we had met expectations in the first place!



According to the White House Office of Consumer Affairs, news of bad customer service reaches more than twice as many ears as praise for a good service experience.



According to an *American Express* survey, 7 in 10 Americans said they were willing to spend more with companies they believe provide excellent customer service. There are two challenges here for most of our clients: Firstly, they do not elicit feedback frequently enough and secondly; they do not ask the right questions to understand what their customers believe constitutes excellent service and what they are willing to pay for. This is backed up by the fact that almost 9 out of 10, U.S. consumers say they would pay more for a superior customer experience. As we said at the top, competing on price isn't the most effective way to build an enduring business.



We hear time and again that the top two reasons for customer loss are that customers feel poorly treated and the failure to solve a problem in a timely manner. As Tony Hsieh, the CEO of *Zappos*, says, "Customer service shouldn't just be a department, it should be the entire company."

According to *Peppers & Rogers Group*, 81% of companies with strong capabilities and competencies for delivering excellent customer experience are outperforming their competition. Such companies are not afraid to charge a premium for their service. More than this, it is how great companies differentiate themselves and get away from having to compete on price.



If you have customers you are in the people business and your area of expertise is simply a ticket to play in your industry. Your area of expertise is not what your customers value most and not what will ultimately help you succeed. What your customers value and what will determine your success rests on the experience you create for your customers. We are in the connected age and those organisations that will flourish will be those that can deliver an experience that customers value. **The megatrend for the future will be experiences over material consumption** – how you deliver this will be the key to your future success.