

Are Your Customers Satisfied or Loyal?

There has been so much written about great customer service. Does that mean it is an overdone topic or that it so important it deserves all the attention? I think it is the latter. Every interaction anyone has with your organization is an opportunity to elevate customers' impressions of your company, your people and your products or services – or lower it.

There are many definitions of Customer Service. Most of them talk about customer satisfaction. Here is one that I like:

"The process of ensuring customer loyalty to your company, products or services."

Is Satisfaction Really the Goal?

If you want your organization to perform and be perceived as more than just "good enough," simply satisfying customers won't do it. Of course there can be different definitions of "satisfaction," but I view it as the minimum expected level of your company's performance. You would never want to do less than satisfy your customers, but you certainly would like to delight them with a better experience and turn them into loyal customers. Loyalty – that should be your goal. Set baseline expectations that

define customer satisfaction, and then identify how employees and the organization as whole can exceed that level.

In many organizations, customer loyalty metrics are readily available. Author Fred Reichhold introduced the concept of a Net Promoter Score (NPS) in his books. To discover your NPS, you ask your customers one simple question: "Would you recommend us to a friend? That's it. On a scale of 1-10, those who respond with 1-6 are Detractors. They will bad-mouth your business at the drop of a hat. Those who say 7 or 8 are Passives. They are "satisfied" but can be easily lured away by your competition. Only those who respond with 9 or 10 are Promoters will promote your business to others. They are the loyal ones.

I recommend Fred Reichheld's book, <u>The</u> <u>Ultimate Question</u>, <u>2.0</u> for anyone interested in learning more.

Let's Talk Process

Often, customer service takes place while performing a transaction with the customer, such as processing a sale, providing support or returning an item. Customer service can also take the form of an in-person interaction, a phone call, self-service systems or by other means.





The word "process" in my definition of customer service above is very important. A successful interaction is rarely an accident and the process plays a big part. There are multiple factors that contribute to a positive experience for a customer. Often there are many unseen people and systems working behind the scenes at a company than there are customer service representatives, yet it is primarily the personnel who interact directly with customers who we think form customers' perceptions of the company as a whole.

In addition to those in your organization who interact directly with customers, have you thought about other factors that impact a customer's experience?

- What do your grounds look like?
- Are the premises well lit?
- Is signage clear?
- Are the premises clean and in good repair?
- Is your phone system user-friendly?
- Is your web site contemporary and easy to navigate?
- Does your point-of-sale system work efficiently with minimal waiting time?
- Is everyone on your staff knowledgeable and friendly?
- And so on

All of these things are part of the process that shapes the customer experience.

Establish expectations. Provide counsel and assistance. Measure results and hold staff members accountable. If possible, create a quantitative, metric-based system that will enable you to track progress, provide incentives and coach performance that is lacking. Most importantly, create a culture where the expectation of excellent customer service is central. Make it more than just a slogan or talking point. Back it up with policies, procedures and a reasonable investment. You need your employees to take pride and ownership in delighting customers. Remember, no one has a greater impact and ability to positively or negatively affect customer perceptions than the employees who deal directly with them.

For more information about customer service in your organization and for a chance to win a free "Customer Walk" with Janet Treer, register for Janet's session on October 25, 2013 – The Lancaster Chamber of Commerce Business EXPO Session – Distinctive Service – Every Time. Contact Janet Treer at 717-653-6118 or janet@thetreergroup.com.

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