



# Customer Service: *Adding Value*

## Scott Johnson

**Value** - Pronunciation: 'val-(')yü Function: noun

1. a fair return or equivalent in goods, services, or money for something exchanged
  2. the monetary worth of something: marketable price
  3. relative worth, utility, or importance <a good value at the price>
  4. precise signification <value of a word>
  5. something (as a principle or quality) intrinsically valuable or desirable <sought material values instead of human values -- W. H. Jones>
- (Source: Merriam-Webster)

**T**he difference between success and mediocrity in today's market is the level or lack of measurable customer service delivered to the customer. Value as measured by the customer manifests itself in many forms. To remain competitive and successful, suppliers need to recognize and understand them. Customer service is the overriding factor in why customers do business with you. Simply, it translates to making it easy and a pleasure to do business. Many organizations wear the mantra of scope and capabilities while neglecting to practice sound customer relations, and miss addressing the core needs of the customer. Exceptional organizations deliver exceptional value to their customers.

**C**ustomers measure value in terms of the way suppliers deliver their goods and services. Successful companies listen to their customer and tailor their products and services to the unique requirements of each customer. By doing so, they differentiate themselves from the competition. All too often, a company simply provides me-too products in a me-too marketplace. If the customer cannot recognize value and value added service, they focus on the pricing aspect of the offering. Without customer service you've just told your customer what you are, leaving you standing on the corner with your competitor's fighting to see who can drop their price the lowest.

**I**t is up to an organization to ensure their offering has clearly defined value and that the customer can recognize it. Many studies have indicated that price alone is not the motivation for purchase. The ease of the transaction from start to finish ranks high in the purchase decision. Today's customers are far more sophisticated than their predecessors. Relationships can only be built and maintained by consistently delivering recognizable value. It is incumbent upon organizations to continually work with and remind their customer's why they chose to favour them with their business.

In order to benchmark our relationship, we have to frequently ask our business partners the following three questions:

1. How are we doing with you?
2. What can we do better for you?
3. How can we do more business with you?



If an organization truly listen to and give credence to their customer's responses, they will have a barometer with which to gauge the quality of their customer service and tune it accordingly. More often than not, complacency by the supplier is the reason Companies lose existing customers.

Did or do we:

1. Make our customers feel important?
2. Thank them for their business?
3. Listen and deliver service unique to their requirements?
4. Make it easy to do business from start to finish?
5. We try to understand our customers' business?
6. Deliver our value with continuity?
7. Have a long-term strategy in place for each customer?
8. We speak to the customer in terms that they understand or do we confuse them with language, acronyms and verbiage specific to our culture and organization
9. Strive to accommodate our customer?
10. Treat our customers with "perceived" indifference?
11. Make certain we are accountable to our customers and most important, ourselves?
12. Make every effort to make sure our customers recognize our value?

### **"In a nutshell, would you do business with yourself?"**

If a customer is lost, do we blame them or ourselves? Do we even ask ourselves why we lost a customer? Do we ask our customer where we failed to deliver value? Do we learn lessons and take action steps to avoid future losses?

Are we current to today's market conditions or are we mired in how we did business in the past? **Most businesses grow through managed risk and innovation.** Those that go down, do so by failing to remember and practice what made them successful in the first place! All too often companies fall back, allocating energy and resources to maintain and protect versus building for the future.



**The growth and success of any organization is through its people.**

It is paramount that each and every employee is made to feel a partner in the achievements of the organization. This can only be accomplished by acknowledging, listening to and where applicable, acting upon suggestions by the "team member"

In order to deliver recognizable value, each of a company's team members must embrace the company's commitment to excellence, bearing in mind that this commitment must be driven from the top. That aside, many companies fail to define the goals and objectives to each and every member. By defining and monitoring realistic and deliverable expectations, employees will understand the company's commitment to their customers.

While the task of doing so may be perceived as daunting, many an organization is surprised to find out that when asked, most team members will take the task on amongst themselves. Basic core direction is all that is required. ***Senior Management needs to empower their staff to help them grow their business.*** Often, with locations and branches spread throughout the country, local staff is in the best position to know the local business culture in their areas. ***We need to acknowledge, train and empower them to deliver customer service and value.***

Companies need to develop basic expectations and deliver the message to their employees. Simple things like how we answer the phone, mode of dress, clean and friendly customer service or reception areas. These are audio and visual cues that create expectations and can help differentiate companies from other service providers in the same industry.

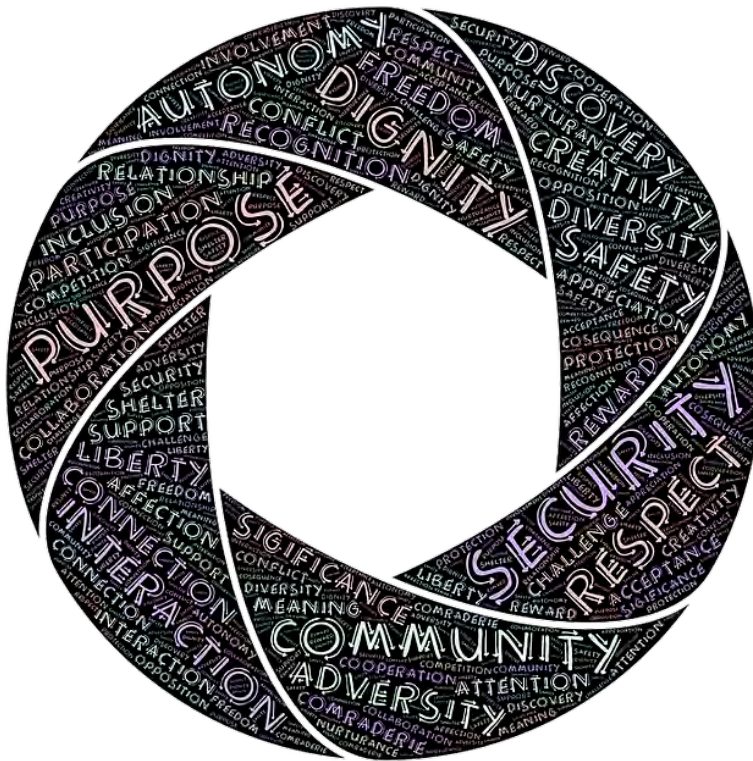
### **Where do you fit in the three levels of customer service?**

1. Rude
2. Indifferent
3. Exceptional

### **Why is exceptional customer service so important?**

On Average:

- 40% of customers say the reason they leave a company is poor service.
- It costs eight times more to attract new customers than keep established ones.
- Retaining 5% of existing customers can increase profits from 25 to 50%. Retaining only 2% has the same effect on profits as cutting costs by 10%.
- 60 to 80% of customers say they were "satisfied" with their experience just prior to leaving.



Most important, customer service must start with each other. We need to respect each other and treat our fellow team members with dignity and respect. Without this, any attempt to deliver external customer service will wither and stall. Companies need to define who they are as an organization and how they are perceived internally and externally. ***Remember, fellow staff and customers perception is our reality!*** Companies must use this benchmark to modify the reality into a message that they are proud and determined to deliver to the street.

**Ask yourself the following you may not like the answer but the good news, it's never too late!**

As an owner or senior management of an organization, when was the last time;

- You picked up the phone to do nothing else but to call and thank a client for their business?
- You visited the field and worked with your front line staff to deliver you vision of customer service?
- Defined and clarified expectations?
- Celebrated those going above and beyond expectations?
- Said thank you for a job well done?

Too often we succumb to the warm insulation of the corporate environment and delude ourselves in thinking there are too many important things to deal with and you have no time.

Well, let me tell you something, if you fail to deliver and embrace customer service to your staff and clients I can just about guarantee you lots of free time in the future.

Regards

**Scott Johnson**

*(Your friendly, common sense advisor)*