



# Service **MANAGEMENT**

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**SERVICE MANAGEMENT INTERNATIONAL**

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**SPECIALIZING IN CUSTOMER EXPERIENCE MANAGEMENT**

## in this **ISSUE**

**Where Do We Get Started?  
The Quick Hits Are Under Your Nose!**

**People Power: How to Skillfully Talk to Customers**

**6 Steps to Answering Complaint Letter**

**TOOLKIT:  
Offering New Services – Horizontal Leveraging**

**TIPS  
Losing Their Luster**

## **Where Do We Get Started? The Quick Hits Are Under Your Nose!**

So you want to delight your customers. Your company realized that the price pressure is not going to ease anytime soon (most likely will intensify to the point of impossible to bear). The customer turnover trend is pointing upwards while the profitability trend is pointing downward (it was really suppose to be the other way around). Something went wrong in the strategic process. In short, the facts are hitting you hard and you need to do something about it the – sooner the better.

Yes, you can start in the traditional way by establishing a cross functional team (3 months to form and decide who will participate) that will investigate what has gone wrong (6 months to deliberate and decide what factors should be investigated and what method of investigation should be used). This investigation process will be followed by an in-depth discussion on how to improve things (a 6-9 month engagement in endless cross functional meetings that leads nowhere, while everyone nods and agrees with you). After 18-24 months you will still face your boss with bits and pieces and not a single solution to the problem. By then the problems you faced will probably have intensified.

The alternative is much simpler and easier than you might think. Start delighting your customers right now. Provide employees with permission to do what is right for their customers. Educate them so they understand customer needs and the financials behind your margins and customer profitability. Then just let them do it. Many of your employees already know what needs to be done. It is just that their hands are tied. No cross functional, big project engagement will resolve this basic issue. Sales people sent to bring in as much business as possible despite

the quality of their relationships with the customers will just focus on that. Customer service people measured on average handling time will focus on phone time, not the quality of the service. Marketing people measured on quantity of leads, will not bother to qualify those leads. If finance is told to collect unpaid invoices irrespective of the customer's issues, they will damage the overall customer relationships and loyalty.

Our employees do what they are being measured and told to do. Organizations and executives set the tone and the rest follows. Sure, employees would like to delight customers by sending them a birthday card, but they do not have the budget to do it. Of course they would love to chat more with the customer and try to understand their problems and business issues, but this is not in line with corporate productivity objectives. Sure every so often employees might have impractical or expensive ideas. But this is usually as a result of not knowing the financials of your company. Empower them with that knowledge and they will react like business people with responsibility and accountability.

So where do you start delighting your customers? Right here right now. Do not delay. Get started. Here are the top ten ideas:

1. Send customers birthday cards.
2. Send a customer a personal apology letter with a small compensation when something went wrong.

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3. Assume responsibility when something goes wrong, even if it is not your fault.
4. Give the customer a bit extra, more than what they actually ordered.
5. Check all invoices before you send them to customers.
6. Call customers before sending invoices to ensure they are ready for what is coming.
7. Ask your customers how their business is doing and what else you can do to help them.
8. Upgrade your customer to the next level of service, as a measure of appreciation.
9. Let your customer know you noticed and appreciate their increase in business with you.
10. Ask your customer about their hobbies – engage them in conversation on the subject.

These are just some ideas to get started. I am sure that if you facilitate the right

discussion with your employees, they will come up with additional ideas. They will also be more than willing to do try these ideas as they will realize the impact they will have.

Do you need a cross functional team to design a strategy? Sure you do. Quick hits do not replace a strategy. But the quick hits you can start on will also assist in the formation of the strategy. The moment the organization notices the changes associated with the quick hits, they will realize that the company is ready and willing to make the leap towards customer centricity. This realization will lower resistance and expedite the cross functional strategic team.

Corporate history is littered with major projects assigned to large teams that produced very little, if at all. Focusing on the customer is not a strategic question of “if” but rather of “how”. We can start answering the question “how” right away and do not need the designated committee to lead the

discussion to find answers. Our people have the answers right now. They have simply lost hope or the power to make it happen. The question “how do we get started” is really a question of how can we reignite the fire in our organization. If you finally realized the severity of the issues associated with customer loyalty and profitability, it means the issues are burning. You cannot afford to wait for another committee to do the job for you. You must get started, here and now and make it happen.

One employee at a time.

One customer at a time.

One idea at a time.



## PEOPLE POWER: How to Skillfully Talk to Customers

When you are talking to customers, pick out the most interesting subject in the world to them to talk about.

What is the most interesting subject in the world to them?

**THEMSELVES!**

When you talk to them about themselves they will be deeply interested and utterly fascinated. They will think well of you for doing this.

When you talk to customer about themselves, you are rubbing them the right way, you are working with human nature. When you talk to customer about yourself, you are rubbing them the wrong way and working against human nature.

Take these four words out of your vocabulary -- “I, me, my, mine”

Substitute for those four words, one word, the most powerful word spoken by the human tongue -- “You”

E.g., “this is for YOU”, “YOU will benefit if YOU do this”, “this will please YOUR family”, “YOU get both advantages”, etc.

### **CAPSULE –**

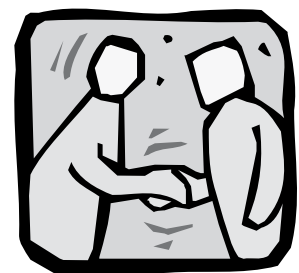
If YOU will give up the satisfaction YOU get from talking about YOURSELF, and that YOU get from the use of the words “I, me, my, mine”, YOUR personality efficiency and YOUR influence and power will be greatly increased. Admittedly it’s hard to do and it does take practice but the rewards make it well worth it.

Another good way of using people’s interest in themselves in conversation is to get THEM talking about themselves. You will find that people would rather talk about themselves than about any other subject. If you will maneuver people into talking about themselves they will like you

better. This is done by asking them questions about themselves.

Most of us are not effective with others because we keep busy thinking and talking about ourselves. The thing to remember is that it’s not how you like your remarks and subject, it’s how your customers like them.

So, when talking to customers, talk about them. And get them talking about themselves and then LISTEN!



## 6 Steps to Answering a Complaint Letter

Consumers are becoming increasingly savvy about customer service and demanding better from organizations and companies that don't meet their needs. Books like *Consumer Revenge* or *It's Not My Department!*, and *How to Get the Service You Want, Exactly the Way You Want It* give the consumer explicit instructions on how to write complaint letters that get results.

If you have the responsibility of responding to consumers' written complaints, here are 6 steps for writing customer service letters that result in good customer relations for a variety of situations.

What we're talking about is strategy. How do you write the letter to achieve your ultimate goals?

### The Six Steps:

#### 1. Understand your audience

The first step in any correspondence is to find out who you're writing to and how that knowledge might affect what you're going to write. For example, is this an individual or a representative of a business or corporation? Or, how much influence does the customer have on future sales? Is this a buyer for a major corporation?

#### 2. Define Your Purpose

The desire to satisfy the customer and to communicate how much your organization values the customer's patronage is at the heart of most customer service letters. But within this broad context, you must achieve a specific purpose, usually a combination of meeting the customer's needs and persuading the customer into a course of action designed to maintain the customer and re-establish the loyalty bond.

#### 3. Set the Right Tone

Once you understand the audience and define your purpose, you have the information you need to determine the tone your letter should take. Yes, the written word has a "tone of voice," which often communicates more loudly than the words themselves. Too often, letters from

companies sound so formal and stuffy that the reader doesn't try wading through the verbiage.

#### 4. Determine the Right Response

What do you want the reader to do with the information you present? What is the reaction you hope to achieve? Do you want the reader to do something specific - pick up the telephone, stop by for a refund, return the product for a replacement? Or do you simply want to foster a positive attitude?

#### 5. What Do You Want The Customer To Do?

When you want a specific action or response from the reader, your message must be persuasive enough to elicit such action. You want to build your argument and end with a strong "call to action" statement.

#### 6. Make It Personal and Readable

What are the two most sure-fire ways to have your reader toss your letter into the round file (a.k.a. trash can) without reading it?

- 1) Address your letter to "Occupant".
- 2) Burying your message in so much text that the reader gets tired of wading through it before the second paragraph.

The solution? Personalize your letters and keep them simple.

The most important point about complaint letters is that they should be welcomed as valuable feedback. Because they point to a gap in your service delivery that should be looked into. One complaint letter on a particular subject - OK, service breakdowns are inevitable, more than one means something is not right. A complaint letter is your call to action, find out or what or where the problem is and fix it.

## TOOLKIT: Offering New Services – Horizontal Leveraging



Some companies are beginning to use information from customers in innovative ways, by broadening the categories of items they can sell to loyal customers. For example, Tesco's (a large supermarket company in England) and Costco in North America now offer customers financial and insurance services as well as food and general merchandise. Those companies have learned that their best customers will be interested in buying other services from them, even if they are not directly related to the reason why the customer's began shopping at the store.

In fact, Tesco uses the Internet to offer a wide variety of new services to its current customers.

It has also started a profitable Tesco-branded bank. This horizontal leveraging of customer assets is one of the most exciting uses of customer information.

### Loyalty Lingo:

Horizontal leveraging is using customer information gathered in one business to offer other business services to customers.

## TIPS

### Q & A

Have a Question?

e-mail me: [ken@kenparson.ca](mailto:ken@kenparson.ca)



#### Tips:

### Losing Their Luster

Coupons, discounts, and promotions are so overused today, they are no longer an effective motivator to get new customers and boost sales. For example, almost every supermarket has overpriced their merchandise. To get it reduced to the price you should pay, you have to carry one of their frequent buyer cards. Consider a different approach by using premiums, gifts, and other incentives to get customers to do business with you.

When one of my friends bought a painfully overpriced luxury SUV, he nearly got into an argument with the sales manager when he refused to give him the free cap and jacket that his golfing buddies had received when they bought the same car. Don't lose sight of the fact that some of the most unique incentives have spurred people to switch suppliers and become customers when coupons and discounts probably had little meaning to them. Begin today to experiment with what motivates your customers to go the extra mile.

#### Assignment:

Get in touch with a premium supplier who can fix you up with different logo items, and try them as gifts and incentives. Think different here!

#### Epilogue:

We all know people make emotional decisions about what they buy and where they buy, so key in on the emotional hook.

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