

# DOES IT REALLY PAY TO FOCUS ON EXCEPTIONAL SERVICE?

**M**y experience and persistent advice when I hear companies clamor for a top spot in their market and on the road they take in life, is to focus feverishly on exceptional service and you will be rewarded.

I've found that any company that can build a brand around exceptional service will increase its value by at least 25%. Frankly, it could be 100-400% or more. Every now and then I run into service leaders like those listed below that exemplify what I've been preaching for the past 40-some years – service leaders who truly understand the power of incredible customer service.

- **Amazon** – From humble beginnings in Jeff Bezos' garage in 1995, everything Amazon does is about enhancing the customer experience. Its success is mainly attributed to its approach to its customers.

In 2003 I invested \$1,000 in Amazon, and the stock by March 31, 2019 was worth \$59,984.

- **Home Depot** – Home Depot's goal is to provide the highest level of service, the broadest selection of products and the most competitive prices.

In 2003 I invested \$1,000 in Home Depot and the stock on March 31, 2019 was worth \$9,175.

- **Costco** – The Costco corporate vision statement emphasizes customer experience and satisfaction and states that Costco aims to provide their members continually with quality goods and services at the lowest possible prices. (Light years ahead of Sam's Club!)

In 2003 I invested \$1,000 in Costco and the stock on March 31, 2019 was worth \$9,494.

- **TD Bank** – The bank's published Values Statement states that they are client-driven and that they: "Listen to each client and are empowered to deliver solutions that best fit their needs." They aspire to deliver client experiences and interactions they are proud to stand behind.

In 2003 I invested \$1,000 in TD Bank and the stock on March 31, 2019 was worth \$4,305.

- **Southwest Airlines** – Their vision is to become the world's most loved, most flown, and most profitable airline. They exist to connect people to what's important in their lives through friendly, reliable, low-cost air travel.

In 2003 I invested \$1,000 in Southwest Airlines and the stock on March 31, 2019 was worth \$3,445.

- **Apple** – The company is committed to bringing the best user experience to its customers through its innovative hardware, software and services. They provide a high-quality buying experience with knowledgeable salespersons who can convey the value of the company's products and services and that greatly enhance its ability to

attract and retain customers.

From its 1980 initial public offering (IPO), its share price has gained 98,000%. As of May 2017, it was the most valuable company in the world with a market capitalization of approximately \$800 billion and nearly \$256 billion in cash. Stock price up 270% over last 3 years and up 1030% in the past 12 months.

There are only a handful of firms that really provide awesome customer service. I always ask myself: if this is true, why do most firms feel satisfied with just okay customer service? I simply do not understand why more companies don't tip the scales in their favor by copying successful companies, or taking a leap of faith by getting into the game with a clear-cut pathway to increasing their value and the success of their company and their employees. It all starts and ends with your customer experience. Exceptional Service includes:

- Speed
- Eliminating stupid rules and policies
- Mastering empowerment
- Mastering Service Recovery
- Constant training on Customer Service
- Remembering and using customer names
- No IVR. Answer phones with a live person in 1 -2 rings

Management must drive a customer service program with continuous training for all employees, reinforced by rewarding high-performing service employees, and management standards that are regularly refreshed and renewed.

When management is committed to customer service by daily word and deed, the result is a well-established infrastructure that facilitates free communication interchange internally and externally. As essential as strategy, objectives, and support system as a foundation for a service plan, the entire program would collapse without a corporate culture and training to sustain it.

First and foremost for success is a chief executive as committed to customer satisfaction as he or she is to stockholder satisfaction. **RO**

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