

CREATE A POWERFUL CUSTOMER EXPERIENCE And Reap the Rewards of Loyal Customers

By John Tschohl

How do you compete for customers? If you're relying on products and prices, you're missing the mark. You'd be much better off to focus on creating a powerful customer experience. It will result in customer loyalty—and, unlike products and prices, it's something your competitors won't copy.

When they were asked why a customer would choose their companies over their competitors, Jeff Bezos, founder of Amazon.com, and Steve Case, cofounder of American Online, had almost identical responses: "Creating a customer experience that is superior to anything our competitors can create gives us a customer advantage."

The drastic downturn in the economy, particularly in the United States, has made that advantage increasingly critical to a company's survival. Creating a powerful customer experience means providing service that is so superior that your customers wouldn't dream of doing business with anyone else. And it means doing so consistently, which will allow you to dominate the market. Customers want awesome service every day, every year. They don't care that you had good service last June; they want good service today.

How do you create a powerful customer experience? Take these four steps:

1. Develop a service strategy. Integrate service into every facet of your business, from hiring to technology. At the core of a service strategy is the belief that no transaction is complete unless the service your customers receive is powerful enough to motivate them to do business with you again and again. Create a management team that is zealous about customer service. Reward employees who go above and beyond the call to provide great customer service; terminate those who do not. Send the message that service is at the top of your priority list.
2. Benchmark against the best. Identify five organizations that provide great customer service—and copy what they do. Amazon.com should be on that list. It is one of the most customer friendly companies in the world, thanks to a powerful blend of people and technology. Customers can place orders with Amazon.com 24 hours a day, seven days a week, and the company acknowledges those orders within seconds. If you send an e-mail to Amazon.com and ask someone to call you, your phone will ring within a matter of seconds. The company also constantly reviews customer expectations through surveys and then does whatever is necessary to meet—or exceed—those expectations.

3. Make it easy for customers to do business with you. Eliminate policies and procedures that frustrate customers. Empower employees to do whatever is necessary to solve a customer's problem—and to do so quickly. Whenever a problem is moved up the ladder, it increases the cost to the company, both in time and money, and increases the chance that you will lose that customer. When a frontline employee solves a customer's problem, it creates magic that results in customer loyalty that will drive your business.

4. Hire with care. Hire people who have positive attitudes and good values. Hire people who like people and then teach them how to meet

your service standards. That means training them in the art of customer service every four to six months. Focus that training on your frontline employees. They are the people who have the most contact with your customers and who can do you the most harm or the most good.

Too often, however, they are also the people who are the least trained, the least appreciated, and the least paid. Remember that how you treat your employees is how your employees will treat your customers.

Southwest Airlines is the most successful airline in the United States and yet it pays its employees a fraction of what other airlines pay. How, then, is it able to hire and retain the best people in the industry? It knows that its people, not its airplanes, are its most valuable assets, and it handles them with care. Southwest Airlines hires good people, trains them well, and treats them like royalty. Those employees, in turn, treat the airline's customers like royalty, which creates a powerful customer experience.

The most successful companies in the world recognize that they can compete on many levels—price, products, and quality—but it is service that sets them apart and increases customer loyalty. If you make a powerful customer experience your top priority, you, too, will be successful.

An international service strategist and speaker John Tschohl also is the founder and president of the Service Quality Institute in Minneapolis, Minnesota. Described by Time and Entrepreneur magazines as a customer service guru, he has written several books on customer service, including *Loyal for Life*, *e-Service*, *Achieving Excellence Through Customer Service*, *The Customer is Boss*, and *Ca\$hing In: Make More Money, Get a Promotion, Love Your Job*. The Service Quality Institute has developed more than 26 customer service training programs that have been distributed and presented throughout the world. John's bimonthly strategic newsletter is available online at no charge.