

"The customer is always right, even if he is not himself." Service Guru John Tschohl on Moscow MFCs, Smile and Soviet Legacy



Time and Entrepreneur magazines dubbed John Tschohl "the guru of customer service". The founder of the Service Quality Institute has been proving to companies around the world for 45 years what the main engine of profit is. In Russia, his books "How to Turn an Angry Customer into a Happy One in 60 Seconds", "First-Class Service as a Competitive Advantage" and "Real Authority", published by Alpina Publisher, have become bestsellers.

"Sorry, we have a standard"

Olga:

— I'll start with history. Recently I stayed in a very good, expensive hotel in Russia. And everything was flawless, except for one detail. Every day, the maids tucked a blanket into my bed frame. And I hate sleeping in an "envelope". And I had to tear him out of there. I went to the reception and politely asked: "Please don't do this!" To which I was answered: "Sorry, we can't, this is the standard." They spoiled my whole impression in general. So we only flag a service when it's perfect or when it's failing?

John Tschohl:

"What a beautiful story! It perfectly illustrates the problem. In this situation, everything has failed. But there are four steps to restoring the service after a failure.

First, the employee needs to take responsibility. The second is to act quickly. By "fast" I mean 60 seconds. The third and most difficult step is empowerment. This girl at the check-in desk had no authority.

And the fourth step is compensation. To say: "I'm sorry" is not compensation, it costs nothing. She should have said: "Olga, I agree, I understand everything. I will immediately call the housekeeping service and personally see to it that they do as you ask. And please accept a basket of fruit or a bottle of wine from us as an apology."

Any business has products that can be presented to an affected customer: they have high value for him and low cost for the company. For a hotel, it costs almost nothing, and you would think: "This is service! I'll come back here!"

Most employees simply do not realize that they work in the service sector. They were not taught this. You can't just tell a person: "Take care of the client." It is necessary to instill in him the skills: how to make decisions, how to provide excellent service, how to restore trust. And that girl at the reception didn't realize what it meant to work in customer service.

Olga:

"Authorize a girl at the reception to give me fruit or champagne?" It seems to me that in Russia, ordinary employees are afraid to make decisions independently and quickly. This is the legacy of the Soviet Union: rigid hierarchy, fear of initiative. Does this mentality interfere with our service?

John Tschohl:

— You know, I know the country so well, I have been working in Russia since 1985. Yes, plus the culture of the former Soviet Union is not about smiles. Well, customer service as a concept simply did not exist for a long time.

But what I see now is incredible positive change. I have to say, I'm a big fan of Herman Gref. What he did with his bank was revolutionary. He took the old, gigantic, slow Soviet bureaucratic machine and turned it into a technology company with a focus on the customer. It's amazing.

Or your My Documents centers in Moscow! It's fantastic. I tell this story in America, and they don't believe me. You enter - clean, light, electronic queue. There is a coffee machine, there is a children's playground! Employees smile at you. You can get several dozen different services in one place. This is a world-class service! I cannot get such a service in my USA. In America, to get anything done, I have to go to seven different dull government buildings. So you're already ahead of the curve in something.

Olga:

— But then why is it so difficult to give powers?

John Tschohl:

— The problem with powers is generally global. In any country, it is incredibly difficult to get an employee to do something for a client. The main reason is that people are afraid of it. And three main fears are to blame. The first is that they will be fired for the initiative. The second is that they will be forced to pay out of pocket for this bottle of wine for the client. The third is that the superior manager will shout at them.

And the management, in turn, is afraid that employees will begin to "give compliments" left and right. But this is not true. Practice shows that ordinary employees are much more careful with the company's money than the CEO thinks. Believe me, when the question comes to the "Main", that's when the company really begins to "give away", because the price of its solution increases a hundred times.

Now I will say that it is not trust in an employee. If someone gives you 1 thousand rubles and says: "Solve the problem," this is not about customer service. This is corruption. And for this, you just need to be fired. But if, going back to that story of yours, you were given a voucher for a spa, it would be a different matter.

Olga:

"Okay, then a question. How can an entrepreneur who does not have millions calculate this "healthy limit" of freedom of action? At Ritz-Carlton hotels, you write, an employee can spend up to \$2,000 one-time to resolve an issue. And where is the line between generosity and losses in a small company?"

John Tschohl:

"Let's say I have a small computer store. The client comes back and says: "I bought a laptop from you a week ago, it freezes." In addition to free repairs, the employee may say, "We will give you another year of warranty." The real cost is zero, and the perception is "wow".

The main problem of small business is marketing. They need customers, they need sales. But usually they don't have money for television, billboards, radio. So the most effective way for SMEs is to make sure that every employee understands that they work in customer service. And its task is to ensure that every customer leaves in delight, whether online, by phone or in person.

Olga:

"But often, you must agree, employees do not understand at all that the client left dissatisfied.

John Tschohl:

"Yes!" When the service fails, most customers behave like my wife. When we go out to dinner and something goes wrong, she says, "Let's just have a quiet meal, okay?" – she doesn't want me to get into a conflict. And most people will not go to sort things out either. They will simply disappear and never return. And then the company has to spend even more on advertising: social networks, television, billboards, radio.

And trust in employees is the best marketing. It creates word of mouth. There is only one question: how to make the client truly happy? The employee literally holds the customer in their hands, and that's where the magic happens. The price of this magic is minimal.

–

Hospitality is not a service

Olga:

"Here's another story for you. In Dagestan, I lived in a small guesthouse. The hostess was incredibly hospitable: every evening pies, the table was bursting, heart-to-heart conversations. But during the week, the sheets in the room have never been changed. And I was so embarrassed to tell her about it, she is so sweet... When I returned, I said to my friend: "The hostess is a miracle, but the hotel is not so great." And he said, "Don't confuse hospitality with service." It was a revelation for me.

John Tschohl:

"Your friend is absolutely right. Hospitality is about warmth, about attitude. And service is about performance. It's about getting the job done.

I teach six key principles of service. The first three are "soft" skills: treating guests well, the habit of being polite, and positive communication. This is just about hospitality. Your hostess was wonderful at this. But the next three skills are "hard": listening, keeping promises, and knowing what you do. And she failed to "keep her promises." At the hotel, the client expects the sheets to be changed – and to do so without reminders.

Most employees spend most of their time just standing and chatting with each other. And you need to know everything about the company, hone your speed, and learn to work harder than others. One of the illusions of your employees is: "Pay me more, and then I will start working better." Oh, of course! At first, you consistently provide first-class service, and only then you start earning more. Because then you are promoted. You can't climb the career ladder with your hands in your pockets.

Most companies don't realize that they work in customer service. They think: "We are a hotel", "We are a hospital", "We are retail", "We are an IT company", "We are a bank". And you need to change the paradigm and finally understand: all of you, absolutely everyone, work for the client.

The price of the second mug of beer is not worth the loss of the client.

Olga:

— There is a famous rule — "the customer is always right." But how it infuriated me when I worked on the other side of the barricades, as a waitress! There were situations when the client was obviously wrong: he was rude, demanded the impossible.

John Tschohl:

— Remember, the client is always right, even if it seems to you that he is not himself. And here's why: it's all marketing expenses. If the client says: "I paid for two mugs of beer, and you brought one," there is no need to argue. The price of the second mug of beer is not worth the loss of the client, who will then return and bring five friends.

Yes, 10-20% of clients are demanding and scandalous. But they are often the most profitable. You just need to be able to restrain your ego and make a decision in favor of the client. This is not a defeat, it is an investment. This is a marketing moment, a chance to make the client fall in love with your company.

If the client is delighted, you don't need to spend money on marketing, word of mouth works great for him.

Olga:

— It seems that we have come to the most important thing — to people. What makes them work well?

John Tschohl:

— Do you know why people actually leave their jobs? The number one reason is that they don't feel appreciated. They don't feel respected. Most managers and business owners can't say to their employee, "Thank you, you're a great waiter." They think: "I'm paying you a salary, why else should I thank you?"

The second reason for leaving is constant conflicts with clients that are exhausting. And the third is internal conflicts in the team, envy, bad atmosphere.

But the fact that people allegedly leave because of money is, it seems to me, nonsense. This is a convenient excuse not to tell the truth, so that everyone immediately falls behind. After all, no one will say to the boss, "I'm leaving because you're an arrogant guy who doesn't care about me."

Olga:

— I don't quite agree about my generation, but young people seem to be looking not so much for a salary as for meaning, a big idea. Does this make things more difficult?

John Tschohl:

— Shall we talk about zoomers? Ok. Honestly, many of them are very lazy. They are glued to their phones. They also need to be trained. But all people, regardless of age, desperately need recognition. Imagine: you have a choice – your boss gives you \$100 as an employee or a handwritten certificate of gratitude: "Olga, I just read your article. It's amazing. We are proud of you as a whole." What touches you more?

Olga:

"Personally, it's money..."

John Tschohl:

"Oh, no!" When you, as a boss, write out just a bonus, a person thinks: "What a mess! I invested so much, and they only gave me money." And what about literacy? You will hang it on the wall. You will show it to the family. You will keep it. Money is running out.

And recognition is an unlimited resource. The main thing is that it should be specific, sincere and timely. Recognition gives twice as much return as money.

AI in the service is suicide

Olga:

— The world is rapidly moving towards AI and chatbots. Will they be able to replace a person?

John Tschohl:

"Oh, that's my favorite topic. Many companies are implementing AI in call centers, and this is a disaster. In fact, they tell the client: "There are many of you, and I am alone, and we do not want to talk to you."

AI can and should be used for routine tasks, for automating internal processes in order to free a person. But when companies put it on the front line, it's a disaster for business! The consequences are terrible. Try calling Federal Express – you'll never get to a live person. This is suicide for the company. Companies that do this are just shooting themselves in the foot.

Now look at the Mayo Clinic, one of the best in the world. I can call them at 3 a.m. and a live person will answer after the first dial tone. 24 hours a day. Their annual revenue is \$18 billion, which is what true customer experience is all about.

Olga:

— You have been doing your job for 45 years. What drove you at the very beginning – love for people or hatred for poorly done work?

John Tschohl:

(Laughs) I grew up in a poor family and I really didn't like to be poor. But he was very persistent. One of my first jobs when I was nineteen years old was working in the quality control department of a factory that made cans for peas, corn, beer, and other things. My task was to clean up the garbage, sweep. I volunteered to take double shifts myself. He said: "Give me two hours of overtime a day, I can do it in ten hours, and you can clean the third shift." But I was answered: "We are a trade union enterprise, you can't do that."

As a result, I set a goal to become a millionaire by the age of thirty and I did it. But in the 70s, I saw companies that spent a lot of money on advertising, and then treated customers in such a way that, God forbid, they did not return. It was madness, millions were thrown into the sand!

I realized that the reason for the poor service was simply that no one had ever trained people to do it. In 1979, I wrote the world's first service training program, Feelings. So I'm just in love with customer service. My new program is called Smile.

I'm from Minnesota, and we have the expression Minnesota Nice. Everyone is smiling. This is the first step to excellent service.

Olga:

— Is it still achievable in Russia?

John Tschohl:

— I love Russia. I've been to you about fifty times. Russians are very intelligent and insightful people. But I want you to get rid of internal limitations. Your country has the potential to become the strongest in the world, not because of its army or its oil reserves, but if you invest in the development of your people.

One of the problems in Russia is that most companies have a quarter more people than they need. A continuous "imitation of vigorous activity". But if you want to reduce costs, you need to develop efficient, customer-oriented employees. Then fewer staff are needed. If there are twenty people in the company, all of them are well trained and know how to make decisions, then you can get by with fifteen.

All over the world, companies think: "To improve service, you need to hire more people." This is usually done. And I believe that adding people without initiative does not mean adding value. We need those who really work.

The problem is that companies do not invest much in the development of people. And it is necessary to train all personnel - and do it regularly, about once every four months. You can't take a person, conduct one training with him and wait for his life to change.