



# Seven Steps to Exceptional Customer Service

**A White Paper**

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*"Bringing You Closer to Your Customers"*

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# Table of Contents

**WE ARE IN A NEW BUSINESS ENVIRONMENT ..... 3**

**HIGH CUSTOMER SATISFACTION IS THE GOAL ..... 3**

**THE SEVEN STEPS TO EXCEPTIONAL CUSTOMER SERVICE..... 4**

**1. RESEARCH YOUR CUSTOMERS TO TAILOR YOUR SERVICES ..... 4**

**2. GREET YOUR CUSTOMERS – BY NAME WHENEVER POSSIBLE..... 5**

**3. SHOW THAT YOU VALUE YOUR CUSTOMER..... 6**

**4. ASK HOW YOU CAN HELP ..... 6**

**5. LISTEN TO YOUR CUSTOMERS TO IDENTIFY REAL NEEDS ..... 7**

**6. HELP THE CUSTOMER BY FULFILLING THEIR NEED..... 8**

**7. ADD THE EXTRA TOUCH THAT INVITES CUSTOMERS BACK!..... 9**

**SUMMARY..... 10**

**ABOUT OPTIMAL CONNECTIONS ..... 10**

**RESOURCES..... 11**

## We are in a New Business Environment

- Due to the advent of the “global economy” and the Internet, customers have more choices than ever before - for products, services, support, training, etc.
- Expectations are higher, and unless they are satisfied, clients may take their business elsewhere!
- And take note: only **3-5%** of customers ever vocalize their concerns – if dissatisfied, they tend to take their business elsewhere at the next opportunity.
- It can cost a business up to **15 times** more to acquire a new customer than to retain an existing customer.
- The challenge:
  - Build customer satisfaction and loyalty that will result in high customer retention
  - Differentiate yourself
  - Provide VALUE to the customer
  - Delight customers with exceptional service

## High Customer Satisfaction is the Goal

**Customer satisfaction** is the foundation upon which growth and profitability are achieved – the essential ingredient that ultimately defines business success.

Companies with satisfied, loyal customers enjoy greater customer retention, repeat business, higher margins, greater profits - and consequently, higher stock prices and earnings multiples than businesses that fail to retain and satisfy their customers.

### The numbers tell the story:

- According to global business consulting firm Bain and Company, an increase in customer retention rates of just five percent improves profits by 25 percent to 95 percent!
- The logic behind this math is predicated on the fact that customer turnover is enormously expensive. The high cost of acquiring new customers can only be offset by maintaining profitable, long term relationships.

### Display “uncommon courtesy” toward customers

- In most cases, a great customer service experience with a company or organization is the exception – this ought not to be! In restaurants, it’s unusual – and the basis of a high tip.
- SO – providing exceptional customer service is an opportunity to set your company apart from the competition!

## The Seven Steps to Exceptional Customer Service

1. **Research your customers to tailor your services**
2. **GREET your customers - by name**
3. **Show that you VALUE your customer**
4. **Ask HOW you can help**
5. **LISTEN carefully**
6. **Help the customer by fulfilling their NEED**
7. **Add the EXTRA TOUCH that invites them back!**

### 1. Research your customers to tailor your services

#### “Know thy Customer”

- Gather intelligence on your clients/customers (without being obtrusive), and share this with your staff via a common database.
- This provides a shared vehicle for your staff to record valuable knowledge about your clients, so you can better target your services to meet their needs.
- A shared information database also helps better coordinate your activities so that services are optimally delivered.

#### Develop a shared knowledgebase of customers to better tailor services to clients

- Use this to manage your contacts and relationships more effectively.
- Record the needs profile of members, and track their participation in organizational activities, events, and promotions.
- Leverage this to tailor your services and better target the needs of customers. For example...

Amazon, a leading e-tailor, records the buying preferences of clients.

The next time they log-on, Amazon recommends a purchase based on past activity and buying habits; and when they make a new purchase, a complementary item may also be suggested.

#### Ask “How are we doing?” continually, in a variety of ways

- And listen carefully- via surveys, customer interactions at events, whenever the opportunity presents itself.
- Respond in those areas that require attention, and make the needed changes.
- Be an adaptive, communicating organization to your membership.
- Develop a culture that has a “mind-set” of **placing the customer first**

Siebel, al leading CRM provider, demonstrates this in a number of ways:

All the doors at their corp. headquarters are named after customers

They have weekly customer con calls

They survey their customers in a number of ways, develop action plans, publish the results and then initiate meaningful change to become even better.

## 2. GREET your customers – by name whenever possible

**Studies have show that people make 11 decisions about you in the first 7 seconds of contact!<sup>2</sup>**

- This fact underscores how critical greeting your customer is – so much happens in the first few seconds of a meeting.

**Studies have also shown that people have the strongest reaction when hearing their name.**

- Not surprising, since this is one of the words your hear earliest in your life, and most often.
- Make a habit of greeting customers **by name**.

**Express your thanks for them contacting you.**

- A small but often overlooked expression – “thanks for contacting us” - shows the customer you’re interested in them, and that you value them.

**Get eye contact!**

- When meeting someone in person this is straightforward – **don’t be preoccupied** with someone or something else when your customer calls/arrives! But even while on the phone it is possible to “get eye contact” by really listening and paying attention.
- Remember:
  - Tune out the rest of the world and tune them IN.
  - Make the customer feel relaxed at the outset of the exchange.

**When answering the phone**, have a consistent message that everyone delivers to customers calling on you.

- This practice displays a professional demeanor.
- Example:
  - “Good <morning, afternoon, evening>, thank you for calling the ABC Company, *how* may I help you?”

**And remember: often its not what your say, its HOW your say it.**

- Always greet customers or answer the phone in an pleasant, upbeat voice.
- Let your voice “wear a smile”!
- Enthusiasm is contagious – be positive, pleasant, and enthusiastic about the services you are providing.

**Do NOT keep the customer waiting.**

- More customer dissatisfaction arises out of this one little issue than anything else!
- How many times have you been at a restaurant, and wondered where the server has disappeared to? And doesn’t this happen most often at one of two points: 1) when you’re ready to order, or 2) when you want to pay the bill.
- In this “instant on” generation, expectations are set high!

### **Some things to do:**

- Answer phones on the 2<sup>nd</sup> or 3<sup>rd</sup> ring if at all possible.
- Be punctual for meetings with customers.
- Reply promptly to service requests, whether by phone, email, fax or in-person.

## **3. Show that you VALUE your customer**

### **Values are at the core of great customer service**

- Values are the “inner guidelines” that direct outward behavior.
- They cause us to see our jobs differently, to develop the right attitudes, and to behave differently.
- Which is why so many leading organizations have a set of value statements that they work to engrain into their employees.

### **A few examples of values that encourage the right attitude and behavior:**

- *“You’re the customer – you pay my salary!”*
- *“You’re not an interruption – you’re the reason we’re in business!”*
- *“Total satisfaction of our customers is my one concern.”*

### **Why is it important to internalize good customer service values?**

- Techniques without core underlying values will always fail. Why?
- Ultimately **values** drive our **attitudes, motives, and behavior**.
- Our behavior is usually consistent with what we value – we usually don’t act contradictory to our values.
- When you show a customer that you value them, your sincerity comes through and they naturally begin to like and trust you. This creates a stronger relationship between you and the customer.

## **4. Ask HOW you can help**

Don’t ask “May I help You?” – this just evokes the automatic response of “No thanks”.

Ask *“HOW may I help you?”*. This requires an explanation. In fact, the more open ended questions you ask, the more you’ll “Zero in” on the precise needs and wants of the customer!

### **Key words to use for open-ended questions:**

- *Who – what – when – where – why?*
- For example,  
“What prompted you to get in touch with us?” will start to uncover real underlying motivations.
- Finding out why clients have contacted you will give you a better understanding of their underlying needs.

**Find out what the real underlying needs of your customer are.**

- After all, customers really don't buy your product or service per se – they buy what it will DO for them: **end-result benefits**.
- How it will make them happier, healthier, wealthier, wiser or more beautiful.

So in asking, find out what the **real payoff** is that your customer is seeking from your product or service. In displaying a genuine desire to understand their needs, you will impact your clients and put yourself ahead of the competition.

## 5. LISTEN to your customers to identify real needs

**After you ask how you can help, it's time to LISTEN!**

- Avoid being **pre-occupied** – focus on the customer! If its one thing customers dislike, it's being treated like they are an interruption in your daily routine.
- When in personal contact, look **customers in the eye** when listening! This makes a much stronger impact on your customer, and confirms you're listening and interested.
- Remember – listening involves tuning out distractions, and tuning in on **the message**, the **tone of voice, and body language** (when in personal encounters)

*Studies have shown that a communication is 7% verbal, 33% tone of voice, and 55% non-verbal (body language)<sup>2</sup>*

- Watch gestures – if they fold their arms, or open up to you – these can all be signals that can help you get back on track with attentive listening.
- Be conscious of your own body language – people tend to mirror body language, and if you are acting attentive and open, they will tend to mirror this.

**Active listening involves ...**

- Listening to all the channels of communication
- Eye contact
- Paying attention to emotions
- **Applying understanding** to what your customer is trying to communicate

**Listening well** will get you the answers to your “*who – what – when – where – why*” questions, uncover the customer's real needs, and position you to best satisfy those needs.

**Opportunities for listening:**

- On the phone
- When in personal contact
- Via surveys – event based, monthly, annually – but on a regular basis

**How easy is it for customers to offer a suggestion, or voice a complaint?**

Here are some things you can do:

- Provide an icon on your web site, and/or an email address for customers to send ideas or issues to
- Respond quickly and consistently that you received their suggestion/issue
- Route the request to the right place for action

- Respond with an answer or a plan.

**What are the end-results benefits that your customers are searching for?**

- These are the things you're in business to provide.

## **6. Help the customer by fulfilling their NEED**

**With all the choices that abound today, the winners will be those companies that are “needs focused”, as opposed to “product/service” focused.**

- Purchases are made for what the product/service **does for them**, not for their technology or features.
- Customers buy for the **end-result benefits** they'll enjoy – in the case of a membership organizations, this could be more leads that lead to greater revenue and profitability, that in turn ultimately lead to that new sports car, or larger home for their family.

**When there is a problem, it's really a need. Look at it as an opportunity to create greater customer satisfaction!**

- Every customer request is an opportunity in disguise.
- Studies have shown that if an issue or request is dealt with properly, a customer's satisfaction level will actually be much higher than if no problem had occurred at all!

IBM was and is notorious for turning problems into opportunities.

To deal with problem situations 15 people from IBM would show up – 11 of them by parachute out of the sky it seemed.

They were focused on exceeding the customer's expectations.

Remember – there is no “small” customer – chances are that that “small” customer lives or does business next door to the big company you've been courting for the past several months!

- How do you do this?
  1. Resolve the issue / solve the problem.
  2. Confirm with the customer that they are satisfied with the outcome.
  3. Now -- take the opportunity to give the customer just a little more than they were expecting.

**Want to control the situation and keep customer satisfaction up?**

- Keep the customer informed as issues are being resolved.

Many times customer dissatisfaction is the result of expectations being incorrectly set or a perception that they are not being met properly. A frequent problem: **not keeping the customer informed** when progress is being made toward a resolution.

**Many companies have learned this and applied high-tech solutions to help address this need.**



- Employing email to let a customer know when a product has shipped, or a service has been scheduled or engaged.
- Providing tracking systems via the web so that customers can track shipments, service progress, or problem resolution status.

### **What can you do?**

- For routine requests, let the customer know when the service is engaged, or the product is being shipped.
  - Send an email, or call, thanking the customer, and letting them know their request is being handled
- For problem/issue resolution:
  - Most common technique for non-urgent issues: send an email updating the customer on the status of the shipment, problem resolution, etc.
  - For urgent issues: call the customer by phone and update them on progress (the more critical the issue, the more frequent you may have to do this).

### **View your relationship with your customer as a partnership.**

- Becoming a more common practice in our ‘globally connected’ world.
- Encourages a “value focused” relationship and trust between organizations – working together to solve a problem or meet a need.

## **7. Add the EXTRA TOUCH that invites customers back!**

When there is a customer interaction situation and you’ve addressed a need or solved a problem, often **the thing that will separate you from the competition is giving the “extra little bit”** to show the customer you value their business.

### **Do something Unexpected to show your appreciation!**

#### **Example:**

- I recently visited a local restaurant where there was a disagreement about what my daughter ordered, and what was provided.
- The restaurant waiter took her special order, but then returned to say that her special order was going to “throw their inventory off” because it wasn’t on the menu.
- The manager was called in, and found a creative solution by processing the request under a different menu item.
- He then dropped by later to apologize, and provided us with some **special coupons** that would encourage a future visit, and give us a discount in the process. We were delighted with the attention, and have gone back several times since.

### **Last impressions are almost as memorable as first impressions.**

- How did you leave the customer feeling? What did they take away?

### **Things you can do:**

- Thank people for coming in or contacting you.
- Ask them politely to return soon.
- Leave them with something “extra” – especially in the event there was a problem or issue that was solved.

## **Summary**

### **We're in a new Business Environment**

- Customers have more choices than ever before
- Expectations are higher
- The good news: exceptional customer service is still hard to find, surprising as that may sound!

### **High Customer Satisfaction is the Goal**

- Builds loyalty and retention, in addition to providing references and additional product and service opportunities

### **Put your customers first – in every department**

- Winners are the ones that deliver a product that provides SUPERIOR VALUE to customers, rather than one that costs less.
- Differentiate yourselves by practicing exceptional customer service.

### **Make these Seven Steps to Exceptional Customer Service a habit:**

- 1. Research your customers to tailor your services**
- 2. GREET your customers - by name**
- 3. Show that you VALUE your customer**
- 4. Ask HOW you can help**
- 5. LISTEN carefully**
- 6. Help the customer by fulfilling their NEED**
- 7. Add the EXTRA TOUCH that invites them back!**

**And watch your business grow!**

## **About Optimal Connections**

**Optimal Connections, LLC** was founded in 2002 to provide best in class survey, marketing and help desk services, enabling clients to enhance relationships, contain costs, drive revenue, and raise customer satisfaction and loyalty.

Our Mission is to become a leading provider of customer relationship services in our target markets – for on-line web-based survey services, web marketing , and customer support services.

For more information about Optimal Connections, please visit our web site at <http://www.optimalconnections.com>. You may also contact us by sending email to [info@optimalconnections.com](mailto:info@optimalconnections.com), or by phoning (949) 305-3544.

## **Resources**

For more information, please see these valuable resources on customer service excellence:

1. **“A Passion For Excellence”** – by Tom Peters and Nancy Austin
2. **“In Search of Excellence”**, by Tom Peters and Robert H. Waterman, Jr.
3. **“Hey, I’m the Customer** – by Ron Willingham

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