



CUSTOMER SERVICE AND THE BOTTOM LINE

Companies, sole traders and those gifted with the entrepreneurial gift, spend inordinate amounts of time and energy focusing on increasing sales and profits, and rightly so. Always on the hunt for new opportunities, we create front end strategies, strategic partnerships and referral mechanisms to build the ever evolving sales pipeline. Included in this front end activity is often expensive advertising, laborious and intensive activity with at times, little in the way of results. Perhaps there's an easier way?

Occam's Razor (one of the statements linked to the medieval philosopher, William of Ockham, and that accentuates the shaving away of unnecessary assumptions) indicated that "the best solution to a problem is usually the easiest one." Business owners and management tend to overcomplicate the problems and issues that surround us, and the looking for the one cause with the easiest solution is at the heart of the statement.

In my personal experience, both as a business owner and a customer, one of the 'easier ways' sits right under our progressive and analytical noses. I think because of its profound simplicity, it escapes our notice. *That 'easier way' is the provision of exceptional customer service and the adding of significant value to both our existing and new clients.*

For our purposes here, I'll use both a positive and negative, personally experienced example for reinforcement.

Walking with some friends on a warm summers evening along the South Bank restaurant strip in Brisbane, the place was abuzz with most restaurants overflowing. We walked past one that had only a few customers but enticed us nevertheless due to its aromatic impact. We decided to eat there. What happened over the next hour helped me understand why the place was empty. The welcome was gloomy, we had to ask for water, I lit the candle on our table, we had to wait (and wait) for the waitress (who wasn't busy), we had to get up and get serviettes, there was no eye contact as they walked past us... and so it went. Food was great, service was lousy and I've never been back nor ever will.

The antithesis to this experience was my first visit to the Pan Pacific Hotel in Perth, Australia. Warmly welcomed, called by name, preferences listed, rooms cleaned perfectly etc made for ongoing repeat visits. Having stayed there over a 12 month period, I decided, for a bit of variety, to try out another hotel in the vicinity. The rooms and presentation were excellent but the service...incredibly average. The cleaner left dirty cups in my room, no one called me by name, my booking was messed up, eye contact was lacking and so on. Needless to say, I'm back at the Pan Pacific. Upon my return, nothing had changed. Warm greetings with numerous "nice to see you mister Hodge" and I'm treated as if I'm the most important person there (perhaps I am!). What was I thinking by trying somewhere else.

The restaurant referred to above, like many other businesses, potentially is spending thousands of dollars on advertising, but *lousy customer service only gives them one time business rather than repeat business*. Thus the bottom line is seriously impacted by both increased advertising spend and decreased patronage. Not a great recipe for any business. The hotel on the other hand, after dealing with them once, created a pathway back, with no additional marketing cost and have extracted large amounts of revenue from my wallet.

The Easy Way - for a healthy bottom line

New clients

- Add value straight up. This might be in the form of an upgrade to what they've paid for, a small thank you gift, additional service or product for free etc.
- Ensure you explain the process, what they can expect, your pricing etc
- Take the risk away. Offer strong guarantees in favour of the client that emphasises that *you* have to perform and that their business is valued
- Call them by name
- After they've completed their first lot of business with you, follow them up with a phone call to ensure their complete satisfaction, send them a loyalty card or discount voucher to assist in their return
- Ask their permission to be added to your mail out list and ensure you keep in touch with them through newsletters, updates etc every 30 days

Existing clients

- Develop a system that when they call or walk in, their details are easily accessible. Train yourself and your team to remember names.
- Create levels of memberships that have increasing value
- Reward them for their ongoing patronage. Examples might include upgrades, free entry to upcoming events, social invites and special client evenings, Christmas gifts, complimentary drinks etc.
- Give preferential treatment. Categorise your customers allowing you to understand who are your top tier and provide something in addition to what you would you general client base.

Referrals

Again, one of the simplest, easiest and overlooked ways of generating business. Simply asking for referrals works. Acquisition cost is next to nothing and is the absolute best way of filling your sales pipeline.

Training your frontline team

Easy but neglected. Train your people to smile (or yourself for that matter), talk intelligibly, look at customers in the eye, go out of your way to make the customers experience incredible. It might mean making coffee for them, cleaning up after a job (in the tradesman's case), showing them around, explaining the process etc.

Surveys and follow up

The best method here is a phone call. BMW Brisbane are exceptional at this. Within 24 hours of my car being serviced, and without faltering in five years, I receive a phone call to ensure I am happy with the service received.

In closing, some personally experienced examples:

The Great

- Staff who remember my name with the simplicity of a genuine smile
- Employees who notice the small things, taking it upon themselves to improve my condition
- The taxi driver, mindful of my time and money takes the quickest route (and goes through orange lights).
- The company, hotel or store that makes me feel like I'm their most important client, not just a number or dollar

The Bad

- The waitress who asks "do you want a drink?"
- The retail assistant who says "are you happy browsing?". Reinterpreted... "please don't bother me, I've got better things to do."
- The tradesman who grunts and leaves a mess
- Sales people who are more interested in getting the sale than in my needs

The Ugly

- Telephony support who upon my complaint say "I understand." How can they? They're not me!
- Invoices that end up double what I expected because things weren't explained properly at the start
- The bank that provides one teller for lunchtime queues.
- Overhearing a "f*&% ing hell" by reception staff

As in all things, what you value, shapes your actions. And, if your company puts me first and communicates I am important, I will more than happily be a long term paying customer. I will refer my friends, be your evangelist and open my wallet. It will then mean decreased marketing costs, increased sales and profit for you. Easy!

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