



February 2014 Client Newsletter

Dear Judi,

Everyone knows how important customer service is. But...do you know how to create a service culture there? Read on.

Judi

How Companies Can Create a Service Culture

No business can stay in business without customers. How customers are treated determines how long the doors stay open. Poor quality service has probably doomed as many businesses as poor quality products.

1. **Understand you're in the service business.** Most companies think they're in banking or retail. It's a paradigm switch. Southwest Airlines is successful because it understands it's a customer service company that just happens to be an airline.
2. **Look at all the policies, procedures and systems you have in place that make life miserable for customers.** You could have the nicest people in the world but also stupid hours, stupid rules or stupid procedures that irritate customers. And they won't come back.
3. **Have empowerment.** Every employee must be able to make fast and powerful decisions on the spot, and they'd better be in favor of the customer.
4. **Be more careful about whom you hire.** Service leaders hire one out of 50 applicants, sometimes one out of 100, and they're very careful. You have to look for the cream, the A players, instead of bringing on B and C players.
5. **Educate and train the whole staff on the art of customer service with something new and fresh every four to six months.** No matter if you have 100 or 1,000 employees, you better have something new and fresh constantly in front of them, so when they go to work, they say, "Fantastic -- I'm taking care of customers."
6. **Measure the results financially so you know the impact customer service is making on revenue, on profit and on market share.** You have to track the numbers so you understand that it's worth the time and effort.

It's the commitment to following through on all six that establishes the service culture.

The five critical elements necessary for breakaway service?

1. You have to have speed. "How do you shrink the time by 90 percent? If it normally takes 10 days to do something for a customer, how do you do it in one day? That's speed. Speed is not going from 10 hours to nine hours. Speed allows you to differentiate in the marketplace." Amazon's

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- emphasis on speed is a great example.
2. You have to empower employees. They've got to do whatever they've got to do, on the spot, so the customer walks away off the Internet, out of the store, on the phone -- however they were interfacing -- and they think they have touched heaven. The most important person in every single company is the frontline employee.
 3. Quality in whatever service or product you're selling is essential.
 4. Service. If you took the two words, quality and service, they're highly intangible. So if you asked 100 customers to define "quality service," there would be 100 different answers.
 5. It is also important to use the customer's name, remembering the customer and making each customer feel special.

For complete article, [click here](#).

By Harvey MacKay
Star Tribune, January 8, 2012

Client Use of Mystery Shops

The Bank of Bennington uses our mystery shopping reports for training and measuring employee performance. They also use them to reinforce positive outcomes. In addition, the entire results are used as part of Service Culture Score which counts for bonus calculations.

9 Customer Experience Statistics to Refocus Your Team

Customer-facing professionals need to know not only the scope of the challenges they face but also the results that stem from their actions. Statistics centered around the customer experience can help bridge the gap between performance and results.

The 9 statistics below are categorized into three important customer experience areas: customer loyalty, customer effort, and social customer service.

These facts can help you recharge and refocus your teams and can motivate them to provide the best possible service to your customers.

Customer Loyalty

- **It can be ten times more expensive to win a customer than to retain one, and the cost of bringing a new customer to same level of profitability as the lost one can be up to sixteen times more.**

Imagine the amount of money your company will save - and make - simply by keeping the customers you already have. Higher profits create a healthier business; for frontline employees, this can lead to better pay, more functional teams, less turnover, and bigger budgets for providing even more great customer service.

- **Increasing customer retention rates by 5% increases profits by 25% to 95%.**

Sales is sexy. The quest to land a new customer, the feeling of success that comes from welcoming that new customer into your organization's experience.

However, the statistic above should serve as a reminder that service is even sexier, and that existing customers are like gold in your pockets.

For complete article, [click here.](#)

By Adam Toporek, Customer Experience Strategist

Upcoming Events:

IRi 2014 Summit "**Winning the Race to Growth**", March 10-12 in Orlando.
For more information, [click here.](#)

American Marketing Assoc. - "**Marketing Research Academy for Business Professionals**" program. March 18-21 in Atlanta. For more information, [click here.](#)

Worldwide Business Research - "**Next Generation Customer Experience**" conference. March 18-20 in San Diego. For more information, [click here.](#)

Strategy Institute - "**Customer Experience Strategies Summit**". March 25-26 in Toronto. For more information, [click here.](#)

Customer Experience Conference. March 27-28 in New York City. For more information, [click here.](#)

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