

Delivering and Measuring Customer Service

By Richard D. Hanks

Focusing on the basics: The importance of fundamentals

Avoid over-complicating things.

It is always a temptation to make service measurement too complex.

If you have leanings toward the theoretical and the academic, it is fairly easy with this particular subject to find yourself sliding down the slippery slope of ...

- Mental gymnastics about insignificant nuances.
- Masterful analytics of accurate but unusable information.
- Incredibly precise measurements of “milking mice.”

In defense of most of the wonderful authors, consultants, and academics I’ve studied, it is not that I find their research incorrect or without incredible merit, but rather that I find most of their conclusions “beyond the mark” of most service businesses who are “living the everyday.” To use a football analogy, a coach might develop a brilliantly sophisticated offensive play, but without months and months of proper conditioning and basic blocking and execution skills by the offensive line, the quarterback will never get a chance to implement it – he’ll be flat on his back.

Deep analytical research can be mentally stimulating and may even provide your company with a unique edge in specific areas, but it generally isn’t where the “low-hanging fruit” exists. Almost always, the 80/20 rule points to *basic execution* as the first place to focus.

However, for the sake of completeness, let me mention some academic complexities that you might want to explore in more depth in a year (or two or three) – after you master the basics.

One: Customer loyalty vs. customer satisfaction

Here’s the first example: Did you know that customer *satisfaction* and customer *loyalty* are not the same? In fact, some research studies have show that more than half of lost customers reported being “very satisfied,” or “satisfied,” just prior to defecting. There are some wonderful academic studies outlining the differences between loyalty and satisfaction. It is now generally accepted that loyalty is a higher-order commitment than satisfaction, and that loyalty involves invoking some sort of *emotional attachment* from the customer. It is also true that customers can be satisfied, but not committed or not loyal, and therefore will not return. The academics love to debate this kind of thing. Some will define loyalty as an *attitude*, others will say loyalty is only about *behavior*.

All good stuff. Clever and thought-provoking. And very important.

But it's also true that one horrific service experience can cause a customer to never even give the emotional attachment of loyalty a second subconscious thought. For example, if the restrooms are filthy dirty in your establishment, it doesn't matter how emotionally attached a customer has become to your company, you may never see them again.

Two: Gaps in “recommending” and “referring”

In measuring loyalty, two specific gaps should not be overlooked: (1) the gap between what customers say they'll do, and what they actually do, and (2) the gap between those who spend the most money with you versus those who generate the most money for you.

(1) Some practitioners of customer service research will call attention to a gap that sometimes exists between those who *say* they are “highly likely to recommend” your company and those who actually end up recommending you. (2) They also occasionally present data showing that those who are most loyal (as measured by the amount of business they give you) are not necessarily the most valuable to your business because they are unwilling to become advocates and will not refer you to others. They point out that those who are most loyal to your company sometimes make you less money than someone who actually buys less from you, but who *refers* a lot of business to you.

These are two important concepts to investigate. And again, there are sure to be multiple consultants and consulting firms happy to perform the fairly sophisticated and time-consuming pre- and post-purchase research necessary to investigate such behaviors. Once again, however, even such fascinating and useful information takes a back seat to *executing* against established operational standards in the short run.

Three: Chasing the wrong customers

The basic premise of this nuance of customer research is that you might be perfectly serving a customer that you would be better off “firing.” For example, if a customer only buys low-margin products from you, it may cost your company more to serve them than the revenue they generate. Understanding the profitability of individual customers or customer segments is something I strongly encourage you to do, but it too is beyond the scope of this book.

Back to the basics

Here's the point: There is some sophisticated and interesting research one can do, but like many of you, after years of exploring the deep and academic nuances of customer service, I'm even more convinced that the biggest wins come in executing the basics. J. Willard Marriott and Conrad Hilton expressed this concept better than I could. Here's what they are quoted at having summarized:

“Hot food HOT, cold food COLD.”

(J.W. Marriott)

“Leave the shower curtain on the inside of the tub!”

(Conrad Hilton)

So sure, read the books, go to the seminars, and attend the one-week executive education programs. But, when you've finished delving into the mysteries of the academic ... come back to reality and *focus on the fundamentals*.

Remember, if it's not simple, no one will use it!

Measuring five basic things

I've found that the service experience generally involves the measurement and improvement of five basic customer experience areas:

1. The *product* or *service* they came to buy.
2. The *person* or *team* that delivered it.
3. The *process* of doing business with your organization.
4. The *atmosphere, location, or method* that encompassed it.
5. The *confidence* and *reassurance* they've felt during their experience.

I suggest you focus on these five areas.

The truth is that concentrating on the basics can be rather boring. It's focus. It's details. It's sometimes drudgery. It's repetition and consistency – but that's why it's the “big win.” It's not really all that hard. For example, simple smile and “thank you” can change a customer's day.

**Very few people want to focus on what I call
the “boring everyday”...**

... but ...

**... it's the “boring everyday” that will
make you stand out.**

Practical Tactics: (Questions to Ponder)

What are your top customer compliments and complaints? List and categorize. If “other” is too big, break it down further. What do they absolutely love about you? Where are you falling short? Are you excelling at the “core delivery” of your company? Does your training focus on the “blocking and tackling” of service in your industry?

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