

# Quick Skills

## CUSTOMER SERVICE



# Customer Service

# Contents

<b>Introduction</b> .....	1
<b>Workshop 1: Putting the Customer First</b> .....	3
Your Customers–Your Company’s Greatest Asset.....	4
Each Customer Is Important.....	4
Giving Customers What They Want.....	7
Determining Customer Satisfaction.....	9
Seeing Things from the Customer’s Point of View.....	9
<b>Workshop 2: Knowing Your Customers</b> .....	13
Developing a Customer Profile.....	14
Using Information.....	18
Why Customers Buy.....	18
Sell Benefits, Not Features.....	19
Show That You’re an Expert.....	20
Internal Customers.....	22
<b>Workshop 3: Pleasing the Customer</b> .....	25
Building Relationships.....	26
Meeting Customers’ Unspoken Needs.....	31
Staying in Touch.....	33
<b>Workshop 4: Building a Partnership</b> .....	35
Building Rapport.....	36
Creating Win-Win Solutions.....	40
Using the WIIFM Principle.....	42
<b>Workshop 5: Providing Superior Service</b> .....	45
Going the Extra Mile.....	46
The Double-Bagger Attitude.....	50
Become a CARER.....	52
Working as a Team.....	54

*continued on next page*

# Customer Service

# Contents

continued

<b>Workshop 6: Soothing Dissatisfied Customers</b> . . . . .	56
Viewing Complaints as Opportunities . . . . .	57
When a Customer Is Angry or Upset . . . . .	58
Stop Complaints Before They Develop . . . . .	61
Service Recovery . . . . .	62
Saying No . . . . .	62
Coping with Your Own Stress . . . . .	64
<b>Workshop 7: Customer Service by Telephone</b> . . . . .	67
Telephone Etiquette . . . . .	68
Soothing Upset Customers . . . . .	70
Guidelines for Placing Calls . . . . .	71
Leaving Messages . . . . .	72
Telephone Technology . . . . .	72
The Telephone as a Customer Service Tool . . . . .	73
<b>Workshop 8: Serving Customers Electronically</b> . . . . .	78
The Way of the Future . . . . .	79
Developing Customer-Focused Websites . . . . .	79
Serving Your E-commerce Customers . . . . .	80
Providing the Human Touch . . . . .	80
Using Email Effectively . . . . .	82
<b>Workshop 9: Customer Diversity</b> . . . . .	85
The Changing World of Business . . . . .	86
Serving International Customers . . . . .	86
When in Rome . . . . .	89
Demographic Trends . . . . .	90
Checklist . . . . .	92

# Customer Service

In today's marketplace, customers are bombarded with offers for products and services. Newspaper, radio, and television ads vie for their attention. Interesting sites on the Internet, charming store displays, and colorful catalogs compete for their dollars. It's a buyer's market.

In this type of marketplace, customers call the shots. And what customers want—what they demand—is superior service. They have neither the time nor the patience for anything less. Dissatisfied customers simply take their business elsewhere.

Smart companies have responded by making customer service their number one priority. Everyone from the CEO to the newest hire focuses on providing excellent service. Whether you are a mechanic, bookkeeper, researcher, librarian, sales clerk, computer programmer, or custodian, your actions influence whether customers will remain loyal to your company.

In this workshop, you will learn how to put the customer first, every day, in every interaction. And that knowledge will help you succeed at work, as well as in every other area of your life.

Workshop 1 views customers as the most important people in a business. It describes the value of repeat buyers and emphasizes the importance of providing superior service. In Workshop 2 you'll learn to identify your customers and what they want, and to use the knowledge when selling products or services. Workshop 3 provides strategies for showing customers that you care about them. Workshop 4 teaches you how to form a partnership with your customers by building rapport, creating win-win

solutions, and demonstrating how they will benefit from every transaction.

Workshop 5 ties all of the previous ideas together, presenting

an overall strategy for developing loyal customers.

Ways of dealing with difficult customers and transforming them into satisfied, repeat buyers are discussed in Workshop 6. In Workshop 7, you'll learn how to use the telephone as a powerful customer service tool. Guidelines for providing superior online customer service are given in Workshop 8, and in Workshop 9 you'll learn how to relate to all customers in our increasingly diverse business world.



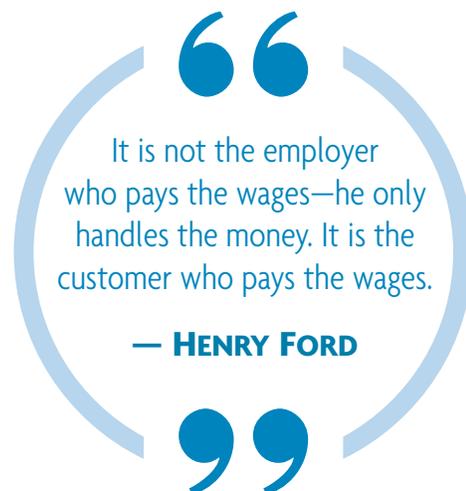
# Introduction

Take a few minutes now to complete this self-assessment to see where you stand on important issues in customer service. For each statement, mark the response that best applies to you.

	<b>Yes</b>	<b>No</b>
1. I get impatient when I think people are taking too much of my time.	<input type="radio"/>	<input type="radio"/>
2. I often have trouble getting my thoughts across to other people.	<input type="radio"/>	<input type="radio"/>
3. When I'm pressured, I tend to get curt with people.	<input type="radio"/>	<input type="radio"/>
4. I'm easily distracted while people are talking to me.	<input type="radio"/>	<input type="radio"/>
5. I usually judge people by how they look and sound.	<input type="radio"/>	<input type="radio"/>
6. I get defensive when someone criticizes me.	<input type="radio"/>	<input type="radio"/>
7. I tend to procrastinate instead of telling people something I know they don't want to hear.	<input type="radio"/>	<input type="radio"/>
8. I really don't want to hear about problems.	<input type="radio"/>	<input type="radio"/>
9. When I'm involved in a disagreement, I make sure others hear the point I'm trying to make.	<input type="radio"/>	<input type="radio"/>
10. It's hard for me to not jump in before others are finished talking.	<input type="radio"/>	<input type="radio"/>
11. What I say is more important than how I say it.	<input type="radio"/>	<input type="radio"/>
12. The attitude that the customer is always right is old-fashioned.	<input type="radio"/>	<input type="radio"/>

How many times did you mark “Yes”? If you marked “Yes” even once, you will benefit from the workshops in this book. Remember, customer service is not solely the job of a few people with the title of customer service representative. It must be embraced and practiced by everyone in a company, every day, and with every customer. In the following

workshops, you will learn how to build relationships with customers—that is, you’ll gain the skills you need to keep customers loyal.



# Putting the Customer First

# Workshop

David, who has been in business for almost two years, is ready to hire someone to help with his carpet cleaning service. Lately, he's had more requests for cleaning than he can handle alone. When he asks callers how they learned about his service, many of them say a friend recommended his company.

David is pleased, because he built his business by providing excellent customer service, and he sees his philosophy is paying off. He always arrives on time, does quality work, treats his customers respectfully, and charges a fair rate. He tries to look at every job from the customer's point of view.

Knowing that each customer has unique concerns, David takes the time to listen, ask questions, and identify what his customers want. Some of his clients value quick service; others want him to pay extra attention to certain areas of their rugs. David always tries to do something extra for each customer. He knows that clients are pleased when he exceeds their expectations.

David has heard many stories about missed appointments, shoddy work, and rude employees from customers who were dissatisfied with other cleaning services. The person David hires must understand that

customers are the most important people in his business.

He sits down to write an online "help wanted" ad. David thinks, "I need someone who keeps at a job until it is perfect, who doesn't have to be reminded to clean up afterwards, who is polite to all customers, and who can build good relationships with customers so they keep calling us back."

He thinks for a moment, then jots down the following first line: "Wanted: Believer in superior customer service."



## What's Inside

### Here, you will learn to:

- ◆ appreciate customers . . . p. 4
- ◆ give customers what they want . . . . . p. 7
- ◆ see the customer's point of view . . . . . p. 9

## Your Customers— Your Company’s Greatest Asset

David has the right attitude. He understands that customers want excellent service. He knows that customer loyalty doesn’t just happen. It is created—by exceeding each customer’s expectations. Satisfying customers is his highest priority.



Treating customers well starts with the first encounter. Large and small companies teach this lesson to their employees. In her book *Estée*, the makeup entrepreneur Estée Lauder who grew a billion dollar company, tells the story of her first personal appearance at the Estée Lauder makeup counter in a San Antonio department store. Estée watched a woman approach the counter and stare longingly at the jars on display. When she turned to assist the woman, a salesperson tapped her on the shoulder and said, “Not her, Mrs. Lauder. Don’t waste your time. She never buys anything.”

Estée didn’t listen. She gave the woman her best service, and the woman bought two of every

product Estée showed her that day. The next day, the woman’s relatives came to the store and also purchased from Estée. The moral of this story is: Everyone is a potential customer, so give every customer superior service.

While customers’ first impressions may help you gain their business, they will stay with your company only if you treat them with respect in every transaction. Every contact, whether in person or by phone, postal mail, or email, should be viewed as a way to build and nurture your relationship with your customers.

## Each Customer Is Important

Why is building a relationship with every customer so important? First, it’s how you create loyal customers—the repeat buyers who bring companies most of their business. And, second, dissatisfied customers don’t keep their feelings to themselves. They tell other people—generally, a lot of other people—about their negative experiences.

“  
Every company’s greatest assets  
are its customers, because without  
customers there is no company.

— **MICHAEL LEBOEUF**

*Author, How to Win Customers  
and Keep Them for Life*

”

## Loyal Customers Generate Income

According to Small Business Trends, 65 percent of a company's business comes from its repeat customers. In addition to the money they spend personally, these customers refer their friends, and those friends often become loyal customers also.

To get an idea of just how valuable loyal customers are, think of your own experience. If you spend just \$7 at McDonald's once a week, your gross worth to the company over 10 years will be \$3,360! If your family spends \$100 a month at Amazon.com, you will bring Amazon \$12,000 over 10 years. That's a lot of money, and it helps to explain why companies put such emphasis on excellent service.

## Dissatisfied Customers Tell Their Friends

Another important reason to keep customers loyal is because they tell their story to others. In pre-Internet days, dissatisfied customers typically told 8 to 16 people about a bad experience, and those people continued to spread the word. Today, customers can vent their frustrations in chat rooms, social media, and email, so the number is much higher. Making matters worse, you may never know about a customer's dissatisfaction.



The White House Office of Consumer Affairs says that for every customer who reports a complaint to a company, there are 26 other dissatisfied customers who never tell the company.

Approximately 91 percent of "wronged" customers never buy from an establishment again. Add to that the effect of their negative referrals, and you can see how dissatisfied customers put a big dent in a company's financial success. Research shows that a company can increase its profits by 25 to 100 percent just by cutting the rate at which customers leave.

“  
What brings customers back  
for repeat business are convenience,  
good service, and good prices.

— **H. ROBERT WIENTZEN**  
*President and CEO of the Direct  
Marketing Association*

What makes a customer decide to leave a company? There are many possible reasons; but most often, it's because the owner or employees don't seem to care about the customer's business. Customers need to be told how valuable they are—the more often they are told, the better. There are many different words you can use to show customers that you care. Words like the following do the job nicely:

- ◆ “I see.”
- ◆ “I understand.”
- ◆ “How can we serve you best?”
- ◆ “Yes, we can do that!”
- ◆ “We value your business.”
- ◆ And the two most important words:  
“Thank you.”



## A Company That Values Its Loyal Customers

Jill Griffin, customer service expert, tells how Entenmann's (the company that produces packaged baked goods for grocery stores) reacted when it saw sales begin to level off. The first thing the company did was track what customers were buying. It also assessed what factors were influencing its customers' buying patterns. From the data, Entenmann's learned that its customers were growing older and more concerned about their health. They wanted more fat-free and cholesterol-free products. Based on this information, Entenmann's conducted a survey to see whether its customers would buy fat-free and cholesterol-free products if the company made them available. The customers said they would.

Entenmann's then had to decide whether to develop a new line of products to serve its loyal customers or try to find new customers for its existing products. Knowing the importance to the bottom line of satisfying loyal customers, Entenmann's chose the first option and created a new product line of fat-free products. It was the right decision. Not only did the new line become extremely successful and help to retain the company's existing customers, it also attracted a large number of new, health-conscious customers. In this way and many others, Entenmann's has proven itself to be a loyalty leader among U.S. companies.

# ACTIVITY 1.1

NAME \_\_\_\_\_

## You Are a Loyal Customer

Think about a favorite place where you shop for products or services. It might be an online music service, coffee shop, gas station, hair salon, or some other place. How much money do you spend there in one month? One year? Ten years? If the establishment has 1,000 loyal customers like you, how much can it earn from them?

Name of company: \_\_\_\_\_

Amount spent	By you	By 1,000 customers
One month	_____	_____
One year	_____	_____
Ten years	_____	_____

## Giving Customers What They Want

Research shows that buyers value service even more than product quality and price. They want to be served by knowledgeable employees who can explain the benefits of the products and services they sell and who can make suggestions that solve the customers' problems or meet their needs. They look for companies that care about them, provide personalized service, and provide lots of attention.

The meaning of good service varies. Some customers may want full service, all the bells and

whistles; and they are willing to pay a little more to get it. Others may want the best price, the least hassle, or the fastest delivery.

Companies spend hundreds of thousands of dollars to determine what their customers want and need. Then they improve their products and services or create new ones to fill the customers' desires.

Have you ever wondered why Coca-Cola and Pepsi provide so many options?

It's because some people like the original drink and others want caffeine-free, zero calorie, cherry flavored, or some other variety. The soft drink companies want to make money from all these customers; and to do that, they cater to different tastes.

“  
Make a customer,  
not a sale.

— KATHERINE BARCHETTI

*K. Barchetti Shops*”

In the airlines industry, Southwest Airlines prides itself on knowing its customers. The company realized that leisure flyers and businesspeople weren't being served appropriately. These customers wanted convenient, low-cost flights and were willing to do without extras to get them. But no airline was serving this need. Southwest came up

with a plan. It would eliminate meals on flights and luggage fees and use the savings to lower ticket prices and offer more flights. The plan worked. Customers flocked to Southwest; and year after year they rank the company as one of the top airlines in customer service.



## ACTIVITY 1.2

NAME \_\_\_\_\_

### What Does Good Service Mean to You?

Think about three products or services you recently purchased, such as a new shirt, a meal at a restaurant, a haircut, or a repair for your computer. In Column 1, write the names of the companies where you bought the three items. In Column 2, identify the product or service. Then, in Column 3, circle whether you were pleased or displeased with the experience. In Column 4, explain why you were pleased or displeased.

Company	Product/Service	Satisfaction Evaluation		Comments
_____	_____	Pleased	Displeas	_____
_____	_____	Pleased	Displeas	_____
_____	_____	Pleased	Displeas	_____