



MTD Quick Tips

Dare To Deliver

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Although your customers won't love you if you give poor service, your competitors will.

This is a statement that rings true as many companies see customers as a figure or statistic not as a person with feelings and emotions.

A customer is the life blood of any business and we need to respond politely and attentively as their wants need satisfying and their call, request is doing us a favour.

This customer needs to be looked at as a customer for life not one for the moment or this particular sale.

Try working this out – for each customer what is their average annual purchase, now multiply that by their potential purchasing lifetime and this will give you their lifetime value. But this is only one and this will only happen if you meet their expectations.

If you exceed them then the potential is awesome.

So what do we as managers and business owners need to do?

See the customers as core to the business and build it to ensure that everything that you do is in the interest of the customer and is done to ensure that the customer can do business easily with you.

Jack Welch in his tenure at General Electric turned a structure on its head by focusing his team on the customer and not traditionally with the front line staff busy looking at their managers and the managers ensuring they are doing what their directors want and the directors know towing to the MD etc.

They looked at the business with a view of 'is what I am doing helping the customer'. This ethos turned the company from one where the employees had their backsides facing the customer as a result of looking up the hierarchy to one where the employees were supported to face the customer, from Chief executive to front line.

To do these there needs to be a culture that reflects this.

The MD, Chief executive must be at the forefront and not only talk the talk but walk the walk. Without the buy in there will be failure.

BA for example in their 'Putting People First' programme, went from the world worst airline in the 1970's to the best following a change around in culture.

Colin Marshall the then Chief Executive attended 95% of the customer service sessions. With 40,000 employees think of the impact.

How many times have you seen Stelios on his flights? How often does Richard Branson serve breakfast on his transatlantic flights?

What is the mission of the company? How does it relate to the customer?

Can it be readily translated and interpreted by your team? In Ritz Carlton's case they have kept it simple, their credo is 'We are ladies and gentleman serving ladies and gentleman'

The staff need to be allowed to deliver exceptional service and need the tools to do this. Business should be looking at 'wowing their customers. The real wows come when people are allowed to interact with people.

A business can be broken down into three parts. There is a core product in a business, the reason it was set up a service or product that customers want. On top of this there are enhancements that the owners, managers and staff have made to differentiate their business from the competition. Finally there are the wow factors where there are actions and reactions that make the customers go 'WOW!' How many 'WOW' moments can you create in a day?

An example could be a hotel where the basic product is a bed, in a room with a bathroom and somewhere to have breakfast. That covers all sorts of establishments.

The team running this could then add a pool, a spa, a golf course, conference facilities, 24 hour room service and this would differentiate themselves from many establishments but how many hotels offer this.

The WOWs will be how the people in the hotel interact and help exceed the customer expectations- it's a frosty morning on your day of departure, you have got up late, there is an important meeting to go to and someone from the hotel has scrapped your car windscreen-how does that make you feel?

TGI Fridays recognise that their staff are on stage. They deliver fantastic service in an environment where customers are wanting to have fun, be entertained and have a great restaurant experience. With this in mind, applicants for jobs are auditioned rather than recruited and this sense of fun and enjoyment is promoted as part of the culture.

Along with the 'WOW' moments there will be times when the customer is unhappy and action needs to be taken. A customer who experiences a problem and then sees the business work hard to rectify the problem is going to be more loyal than a customer who merely gets what they expected.

When things do go wrong what can you do?

Firstly listen to the customer, to their problem, their feelings what they are looking for you to do.

Secondly empathise with them, they are a person with feelings, flesh blood and emotions like you.

Thirdly apologise. Say you are sorry. Research has shown that in nearly 50% of cases where there was poor service all the customer wanted was an apology, yet only 29% received one. A hospital in the US saved millions and dollars by saying sorry.

Penultimately, rectify the customer's problem. Is your business set up so that the person who receives the problem can deal with it? Are they empowered to make decisions and rectify any issues that may arise? To use Ritz Carlton as an example, any employee who needs to rectify a customer issue has the authority and has been given the power to use up to \$2,000.

Finally notify other people in the business. They need to know what the problem was, how it made the customer feel, how it was rectified and how the customer felt once it was sorted out. There then needs to be a plan and action taken to ensure that it does not happen again.

Great businesses will know what the cost of any poor service is, not only in terms of money to rectify but also in terms of the potential of losing a customer's lifetime value and their referrals but they will also involve their employees in ensuring that it does not happen again.

Until the next time, take care of yourself

Live, love and laugh

Sean

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About Sean McPheat



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Founder and MD of international management development firm MTD Training, Sean McPheat is widely regarded as a leading authority on modern day management and leadership.

Sean is a bestselling author, and has been recognised for his own business building skills through the **British Business Awards** and has been featured in the **Who's Who Of Britain's Business Elite**.

He has been a regular judge for the UK's Young Enterprise Programme but was not as horrible as Simon Cowell (well almost!)

Sean has been featured on **CNN International, the BBC, SKY, ITV, The Guardian, Forbes, Arena Magazine, Marketing Weekly, Business Zone, Winning Edge** and radio stations such as BBC WM and LBC (London's Big Conversation).

Sean has over **250 media credits** to his name and his weekly email tips go out to over **60,000 people** interested in management and development strategies.

Sean is also a **much sought after media figure and motivational speaker** on all topics related to management, HR, business improvement and entrepreneurialism.

