

Creating Exceptional Customer Experiences: Be The Customer

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By 1980, “Star Wars” had taken the movie-going public by storm, and in the business world the “Quality Wars” had begun in both the private and public sectors. During the steady march from a manufacturing to a service economy, businesses that succeeded learned a key lesson. Competing in an era where customers no longer tolerated poor quality required *the proactive involvement of people able to take personal responsibility for the creation, sales, and delivery of quality products*. Businesses, large and small, learned this lesson well, contributing to a different standard for world-class products and professional services.

Unfortunately, many organizations failed to address their next challenge in the same successful manner. A major revelation emerged in the early 90’s—the way a business treated their customer paid dividends. Sadly, while customer service levels in various industries saw slight improvements, levels of customer loyalty, service satisfaction, and customer experiences today are average at best.

The challenge is clear: a good product and/or professional service and competitive pricing have now become the ante just to get into the game. Winning and losing are now a function of the *human factors* that set the tone for the customer. To a significant degree, sustained profitability, repeat business, and the enthusiastic referrals an organization receives depends on the *quality of the customer’s business experience*. Many customers regard their experience as the *defining moment* with a business.

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The Human Factor

In customer service, quality is defined one interaction at a time. How an employee interacts with a customer is one of the most significant elements of the value customers consider when buying a product or professional service. Employees are “on stage” every day, performing the role expected of them, and customers evaluate this performance constantly. From the customer’s point of view:

- Employee performance *significantly* differentiates the company/ products/ service from the competition.
- Employee performance represents the *character and culture* of an organization.
- The *quality* of the customer’s experience is dependent on human performance.

- Excellent employee performance is the *alignment* of policies, rules and procedures that support customer excellence combined with *performance management practices* that emphasize quality customer care.

While this may sound like old-fashioned common sense, it's definitely not common practice. Eight out of ten stories that customers relate about a poor or great business experience deal with the *human factor*—the quality of the customer/employee interaction.

By relying on CRM systems, technology, and operational systems—all necessary components—management has taken its collective eye off the ball. Reliable systems are essential to support exceptional customer experiences. However, any system is in jeopardy when people lack the proper attitude and skill sets necessary to make the system work. Without a framework for managing customer-focused performance and the requisite skill set, the organization leaves this critical competitive component to chance!

The Challenge

During a two-hour discussion at an organization, department heads itemized their desired results from their business strategy. The list contained the usual suspects: profit percentage, sales volume, reduced costs, low prices from vendors and suppliers, and so on. The question, *“And what do your customers need when they choose to do business with you?”* brought rhetorical answers like a quality product, priced right, with quality service. Finally, they were asked, *“What specifically will you deliver regarding quality service—what value will the ‘experience’ provide to create repeat business and referral?”* An embarrassing silence ensued, followed by the normal rationalizations regarding the importance of customers.


During a meeting with another organization to assess the cause of rapidly dropping customer satisfaction and loyalty scores, both managers and employees routinely reacted to declining business with comments like:

“They just don’t understand how much we have to deal with on a daily basis.”

“They have to understand that we do other things besides cater to them.”

“They have no patience. When they want something they expect us to drop whatever we’re doing.”

This customer service group—yes, customer service group—not only didn’t have their eye on the ball, they weren’t even on the playing field. These company representatives were investigating



When it comes to customer-focused performance, most organizations leave a lot to chance.

customer satisfaction and loyalty, after all. Seeing through the customer's eyes is critically important.

Why is the customer experience so often left off the radar screen?

Be the Customer

You need to experience the business in exactly the same manner the customer does

In his book, *The One Thing You Need To Know*, Marcus Buckingham calls for a leadership focus on controlling insights. He sees them as the *"best explanation of most events"* and as a *"focus that gives your actions the most influence."* With so many items on the performance plate, employees need to know what is central to the success of the organization. To leave the customer's experience out of the performance management process relegates this vital business component to chance.

Regarding customer loyalty, there's no better controlling insight than to repeat the words of Feargal Quinn, owner of SuperQuinn, a chain of supermarkets and shopping centers in Ireland: *"BECOME THE CUSTOMER"*

Quinn puts context to his controlling insight:

"You need to think like a customer. You need to be able to wear the customer's hat, to walk in their shoes. You need to get a 'feel' for the customer. In a real sense, you need to be able to become the customer."

—Feargal Quinn

When Chevy Chase said "be the ball" in the movie *Caddyshack*, audiences laughed. However, "BE THE CUSTOMER" as a controlling insight is no laughing matter. It is a matter of profound business sense.

"Be the Customer" does not mean documenting the time that customers stand in line and then returning to an office and writing a memo or e-mail to someone about queuing time. "Be the customer," means actually standing in the particular line with all the variables that are present for the customer. It's experiencing the organization with all the normal and real customer variables present and understanding, on an emotional level, the true IMPACT on the customer.

Employee knowledge, training, attitude, initiative, courtesy, respect, and follow-through are all substantially different when employees and leaders truly try to "Be the Customer." It forces them to put their money where their mouth is when making proclamations about the importance of the customer.

A Call to Action

“The boss is the customer—and he or she can fire everyone in the company from the chairman on down simply by spending their money elsewhere.”

The simplicity of this message from Sam Walton establishes the reason and motive to take customer care seriously. There’s no real choice. Whether companies pay attention or not, the customers will vote with their money and their word of mouth.

It is hard to imagine how so many organizations can ignore something that is at the root of their profitability. Believing in and talking about being customer-focused is one thing. Delivering a great customer experience is another. So here are guidelines for putting this controlling insight into routine business practices.

- Set clear performance expectations and standards regarding the customer’s experience.
- Provide consistent, routine, and daily management attention toward those expectations and standards.
- Exhibit genuine leadership enthusiasm for the quality of the customer’s experience—and make it an explicit agenda, not a hidden one.
- Routinely provide anecdotal customer stories regarding the experience—positive and negative—to every employee.

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Best Practices?

There have been two major drawbacks for customer-focused improvement initiatives over the past several years:

1. Copying the practices of renowned customer-focused companies.
2. Managing customer-focused performance issues in the same manner that technical or tangible work is managed.

Nothing translates. This is a hard lesson learned by many over the past two decades. In an attempt to improve customer experiences, many have studied the practices of organizations with good reputations only to find that those practices didn’t transfer with the same quality and results. In hindsight, this isn’t shocking. Effective best practices in customer-focused organizations are supported by its underlying assumptions, philosophy, culture, and performance management skill sets. Without this important understanding, companies merely copy with no sense of purpose.

Merely copying what others do is a poor prescription for success.

The performance management practices that work so well with technical and tangible work requirements fail when applied to most areas of customer-focused performance. The quality of customer care is often intangible—measured through the customer’s filters and difficult to quantify on any ledger.

Adding to that, the customer significantly controls the variables of the interaction. With little control over the variables in work requirements, companies can achieve a quality result primarily through flexibility and adaptability to customer needs and expectations. Customer-focused work must be managed from a different framework of performance management—requiring managers to acquire new skill sets.

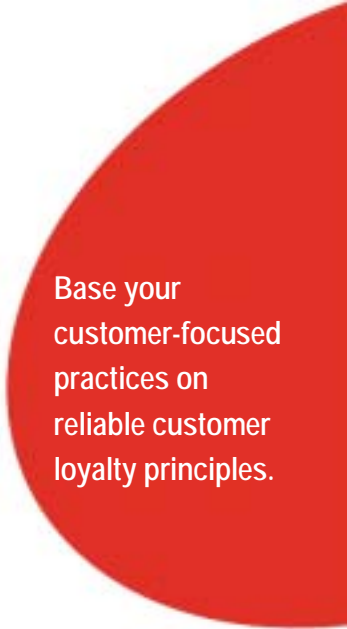
What is Common?

Investigating customer-focused efforts at such best-in-class companies as Disney, Nordstrom, Coca-Cola, L.L. Bean, American Honda, Nucor Steel, Romano’s Macaroni Grill, and P.F. Chang’s would seemingly create a substantive list of best practices. Yet all these companies approach their customer experience objectives differently. The nature of the industry, the nature of the product, the type of customer and the company culture all dictate differences in practices.

While there are no common practices, common principles do emerge from these world-class organizations. This common philosophy provides a reliable and consistent framework for customer-focused efforts. Companies can significantly improve their customer service efforts by applying this framework and developing practices—supported by these principles—that are relevant to its business and culture.

The four customer-focused strategic principles common to companies with superior reputations in customer care are:

1. **Brilliant at the Basics:** Operational excellence—doing what the customer expects, day in and day out.
2. **Be the Customer:** The capacity to approach work using the customer’s filters.
3. **Under-Promise, Over-Deliver:** Never failing to perform up to the expectations the company has set for customer care.
4. **Remarkable Recovery:** Proactive—enthusiastic response to complaints, errors, and mistakes.



Base your customer-focused practices on reliable customer loyalty principles.

Providing training that educates participants on these four principles and develops relevant practices around these principles is recommended for organizations that want to improve their customer-focused business strategies.

The common principles relevant to managing customer-focused performance in companies with superior reputations in customer care are:

- **Manage Customer Expectations:** Avoiding communicating expectations that can't or won't be met.
- **Define Reality:** Using qualitative, anecdotal customer information to influence customer-focused performance.
- **Customer-Focused Measurement:** Creating a performance scorecard using the customer's filters.
- **Align the System:** Ensuring business procedures, policies, and rules support exceptional customer experiences.
- **Make Recovery Strategic:** Proactively using complaints and mistakes as opportunities to earn customer loyalty.
- **Define the Playing Field:** Ensuring appropriate flexibility for employees to respond to customer issues.
- **Consequence Management:** Ensuring accountability for taking care of customers.

Managers must be trained in performance management skills that support these principles. In turn, an organization's performance management process must balance technical job performance with an emphasis on the customer's experience.

Can Training Help?

Let training create clear expectations regarding the quality of customer care.

Providing managers and employees with an education process based on customer experiences is a critical path to success. Such training provides management a great opportunity to set clear expectations for employees regarding the quality of the customer's experience. Such training makes relevant performance issues clear and leaves no doubt about what is expected from employees when interacting with customers.

The organization gets a higher return from face-to-face performance conversations between manager and employee. Once an employee has been through appropriate training, failure to demonstrate an acceptable level of subject knowledge, or failure to make proper choices in customer situations, becomes a performance issue that can be managed.

Key elements for creating a customer-driven culture include:

- Measuring the knowledge and concepts the learner acquires from training. (This can be done through tests or scenario analysis.)
- Measuring the quality of decision-making skills with regard to customer situations. (This can be done through scenario analysis and evaluation of on-the-job decisions the employee makes in situations relevant to the subject trained.)
- Use of the training experience to set “clear” expectations for employees regarding their responsibilities and actions with customers. (This will change the tone and context of conversations regarding employee performance.)
- Making the major issues addressed during the training consistent areas of employee accountability after the training. (Management attention and follow-through is the best tool for ensuring the transference of what is learned in training to application on the job.)

Success in a Customer-Driven World

We are in the midst of a customer revolution—a revolt against the insanity, silliness, and disrespect customers too often encounter. The following is a story about organizations that seem to revel in the world of the absurd. It illustrates the emotions behind rolling eyes, stifled giggles, and errant wailings of customers.

“We were in search of an ice cream cone when we came to a well-known ice cream vendor that offered multiple flavors. A young clerk behind the counter—in a pleasant and clean store—gave us a friendly greeting and asked what flavor we would like. We replied that we needed a minute to decide. While pondering the selections, another employee behind the counter came up to the young clerk and said something. Then the young clerk approached us and said, ‘I’m sorry but I forgot...In order to get served you’ll have to take a number.’

We asked why we had to take a number when there were no other customers present. The young clerk replied, ‘I’m sorry folks, but it’s our policy.’ We politely replied that we had that part figured out but that we wanted to know why the policy was being used at this moment. Getting a blank stare, we then asked why the store used a numbering system at any time. The clerk just shrugged, so we asked if the numbering system was put in place to ensure no customer would be served out of turn. The young employee replied that this was, indeed, the case. We then pointed out that we would definitely be served in turn, as nobody else was present! Being once again informed that we had to take a number to get served, we asked to speak to the manager.

The customer revolution is here—with the customer’s choice driving business success.

The customer is the financial life-blood of the organization—proceed with caution!

We asked the manager why we had to jump through this silly hoop in order to give this store money for its product. We were curtly informed that we must take a number to get served because that was the way the store processed customers. 'Processed'—how nice.

Having exhausted all alternatives, we took a number. The young clerk, obviously embarrassed, with the supervisor watching closely, called out, '21, please.'" We asked, 'Are you speaking to us?' Confused, the young clerk responded, 'Of course. You're the only customers here.' We conceded, 'That's the point we've been trying to make!'

After moments of silence she asked us if we still wanted an ice cream and, if so, what flavor. We said we knew but couldn't tell her yet. When she asked why not, we asked her if, according to policy, all customers had to be served in turn. When she said they did, we showed her our number...24. We then asked where the other three customers were and how long it would be before they got served.

Upon leaving (with ice cream finally in hand), we apologized to the clerk for being such a bother, but told her we thought the whole system was ridiculous and asked whether she thought so, too. She looked over at her supervisor and then back at us and in an exasperated voice whispered, 'Every time!'"

Let's give this story and similar stories of customer malaise a financial perspective. In a recent cross-industry study, 20 percent of customers report abandoning informational or transactional interaction attempts with a company and going to a competitor due to a sterile and unenthusiastic customer experience. At this level of abandonment, a company achieves only 80 percent of its revenue potential and well above a 20 percent loss of possible revenue in the future.

Those 20 percent of lost customers not only won't come back, but they will also influence others who might have conducted business with your company. Add to that over 80 percent of customers who have switched to a competitor admit rating the company they left "very satisfied or extremely satisfied" in the six months before they defected. Improving the customer experience through frontline performance and appropriate management practices is a high leverage business strategy.

A Final Comment

There's a saying, "Every person is put on Earth condemned to die, time and method of execution unknown." Perhaps this is as it should be. But companies shouldn't "execute the mind" before that final time has arrived. For the customer, the idea of being "processed" has a terrible aftertaste. And what about the employee? How long will management insist on implementing policies that management doesn't have to work under, doesn't have to take the grief for, and

that continue to drive employees and customers crazy? How long will an employee tolerate awkward situations before they move on or just give up? It's time to stop the insanity.

About Impact Achievement Group (IAG)

Impact Achievement Group is a training and performance management consulting company that provides assessments, coaching, story-based interactive workshops, and simulations for managers at all levels of organizations worldwide. Impact Achievement Group helps companies dramatically improve management and leadership competency for bottom-line results.

Company experts Rick Tate and Julie White, Ph.D., are internationally recognized authorities in leadership development, human performance, customer-focused business strategies and workplace communications. Books include "Leadership and the Customer Revolution," "People Leave Managers—Not Organizations," and the "Service Pro." The following table provides an overview of Impact Achievement Group services. For more information, please visit www.impactachievement.com or call 888-248-5553.

Impact Achievement Group, Inc. Solutions



Customer Loyalty: The Service Advantage™ program embeds The Human Side of Service principles into the performance practices of your organization to ensure each employee understands the concepts, tactics, and economic value in creating exceptional customer experiences. The principles are learned through story-based, engaging discovery activities and case studies to develop competence in employee-customer interactions.



Management and Leadership: From new supervisors to seasoned executives, Impact Achievement Group meets the core business needs of raising employee performance, increasing retention, and achieving business results. We offer your managers at all levels, a comprehensive series of workshops, simulations, and tools based on best practices and fundamental leadership principles.



Assessment, Selection and Succession Planning: Impact Achievement Group offers organizations the unique opportunity to assess how well managers create an engaging work environment, effectively set expectations, hold employees accountable, and conduct effective workplace discussions. By combining the power of the "Leadership Impact Survey"™ and the Harrison Assessment™, we can determine the "what" and the "why" of how well performance is being managed in your organization.



Coaching and Professional Development: With the need for talented leaders at every level of the organization increasing with the velocity of today's business environment, it's critical to have every leader personally equipped for peak performance. Our seasoned coaches bring years of practical experience, tools, and techniques to impact the performance of leaders throughout your organization.