ChangeThis



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Where Has Service Gone?

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In a time not so long ago, before the internet, catalogs and credit cards, buying was different. You didn't "process your order"; you interacted with people. You didn't have a customer account; you had a name. You didn't wait for an under trained clerk to "get his supervisor"; you personally knew the owner and his family. You didn't buy from a foreign country or from someone who had a thousand stores; you walked to the corner market.

What happened to those days? What happened to the personal attention and meaningful relationships? Where did that "small world" go? Did it vanish? Is that type of service gone and forgotten? Or, is it just broken?

It's not that the "idea" of good service is broken. Rather, it's that some of the key elements of the old system are missing. They haven't adapted to our "new", fast-paced, digital world. There are far more things from which to choose and a lot more people choosing—all of which is happening in a tenth of the time.

Think about it as you jump through the myriad of hoops to buy just about anything. The focus on people is all but gone. Efficiency and productivity now rule the day with an emphasis on things like inventory turnover, sales per call and account growth. To some degree, we have done this to ourselves. Service has evolved around our demand to get things done quickly. We wanted drive-thrus and "no waiting" policies so we could cram even more activity into an already packed day. We cut our tolerance for standing line to less than sixty seconds just so we can stand in another line. Now, we're mad as hell because no one will recognize us, pay attention or give us the time of day. We want it back, don't we? We want to slow down, make the most of life and have people treat us like individuals again...just like old times. At least it seems so with customer complaints going through the roof and markets responding with "niche", "custom", "personal", "meaning" and "quality of life". That's the right idea. But, we're still falling short; here's why and, more importantly, what to do about it.

REMARKABILITY

Almost anyone who has ever produced a product or service knows they need it. Most of them believe they've got it. Even more tell us they have it. Very few actually deliver to give us an experience so powerful and so meaningful that we can't stand not to talk about it.

We are no longer living in a time when limited choices, localized purchases and "just good enough" dictates success. In our information rich age, control is no longer in the hands of the producer. Now, it resides firmly in the grip of the customer, where the world is at our fingertips and being remarkable isn't just expected, it's demanded.

So, stop being average. Here's how you achieve remarkability in three not so easy steps.

First, be insanely passionate about what you do. It's often been said that what we do best is what we love to do; it's a relatively simple concept to understand but is often overlooked in favor of short-term earnings, financial security and risk-averse thinking.

Being the best requires sacrifice—the release of some comforts and, most of all, a "do it for the money" approach. When you were growing up, you didn't dream **about becoming** an astronaut, a dancer, a baseball player or a policeman for the money. Nope, you simply thought it was the coolest job on the planet. It wasn't until your parents and teachers clouded your thinking with "reality" and the financial responsibilities of life that the passion for those vocations waned. So, the first rule of restoring that passion is to **forget about the money.** Then, **do what you love**. If it doesn't work, make adjustments and try again. You didn't stop riding a bike because you fell off; so don't stop now. Act like a kid; play for joy and fear the day when someone tells you to stop.

Second, create romance...with design and a story. This is the part that exudes your passion, creates interest and attracts people—kind of like bees and honey. <u>Seth Godin</u> calls it a "Purple Cow".' Others use terms like "extraordinary", "one-of-a-kind" and "unique". No matter what you call it, all of the best experiences are based on an attractive design and have an interesting story. That's precisely what gets emotional juices flowing. Take cars, for example; why do people place orders, make deposits and pay more than the sticker price for vehicles like Porsche, Mini Cooper and Audi? At the same time, GM can't drop prices fast enough, stop the myriad of gimmicks nor sell the cars in their inventory. People who buy Porsche or Mini buy a story—a story of superior design, superior performance and exclusivity; they buy a tale they can tell their friends. On the other hand, the vast majority of Chevy buyers make the purchase because it's affordable. The problem is that there are too many companies making affordable, boring cars. You do the math.

Or, consider the person who paid over \$58,000 on eBay for the microphone that graced the desk of Johnny Carson on *The Tonight Show*. What's more valuable: the mic or the story?

What story will you tell your colleagues when you roll up in your new Regal?

If you do this well, there's no need to jump up and down, stomp and holler to get attention or buy fancy billboards and expensive ads. People will fall in love with you for what you are, not for what you claim to be. We all know how the latter turns out; so, don't do it.

Third, focus on making friends, not selling your product. Give the customer a chance to feel special, to have a relationship with you and to promote that relationship to others. Making friends and building personal relationships requires two things: people and trust.

Unfortunately, customers inherently distrust companies, their people and the products they represent. That's natural. We are taught early on to trust our family and friends and to stay away from strangers. Your job is to earn trust by making friends out of strangers. You do that by building your business around extraordinary people and by listening and telling the truth. It's not done by hiring warm bodies, skimping on training, creating a customer service de-partment just to have one, or by not returning emails and phone calls. It's not done through gimmicks, unwanted emails, telephone solicitations, nor by trying to convince someone to be interested in your product when they're not. That's all a waste of time and money.

And, here's where the math kicks in; the more friends you have, the easier it is to make new ones. If you're lucky and reach a tipping point, well life is good. So, stop trying to convince total strangers how good you are and find people who may want to be your friend.

BUDGETS

You often hear people complain about cost pressures and expense cuts, especially around budget time. More often than not, it's not that budgets are inadequate. Rather, it's that they're misaligned. Too many resources are placed into programs designed to make up for poor product design, lack of talent, and a lack of remarkability. Money is too often spent on the "icing" without any concern for what's in the "cake". No amount of slick advertising or PR campaigns will make up for an average product or uninterested people.

What's a good indicator that there's trouble in wonderland? A growing ad budget.

For instance (not to keep picking on them but, hey, they're an easy target), take a look at the key players in the U.S. auto industry. Collectively, Ford, GM and Daimler Chrysler spent over \$4 billion on advertising...in one year!² GM led the way with well over \$2 billion³, and is still the worst off with nose-diving sales, a seriously unhealthy financial picture and a glut of average

products for a foundation. The trend is clear, spend more and more on advertising to try to convince people you have nice products. Wake up! That strategy doesn't work anymore.

My advice...

Take at least **half of your advertising budget** and **move it** to something far more important—your **people**. Then, if you're feeling really creative, use the other half to improve your product.

ADAPTATION

Memorable experiences are difficult to produce because they can't be prescribed. No matter how hard you try to script a customer's experience with SOPs, service standards and employee training sessions, the genuine memories are almost always a product of improvisation... where the game is played out of bounds, and the rules are broken or, better yet, forgotten.

Most organizations don't promote improv in the workplace because they're afraid to fail, afraid the customer and the employee together will take them someplace they don't want to be and afraid of the unknown. To them, the unknown is a dangerous place that is too risky and full of pitfalls. Conventional wisdom tells us to avoid danger at all costs and take the safe route. So, instead of embracing the possibility of creating customer evangelists and tripping a few times along the way, they hire robots, program them to play according to the script, train them to ask for help when they get stuck and hope no one complains. The problem is people don't like dealing with robots and rules. They certainly don't like to wait while someone tracks down their boss. In fact, all they want is a reaction, some attention and to believe someone cares.

Yes, some companies claim they "empower" the staff. But, when you take a close look at most empowerment programs, you'll find it's simply a masked form of control, a bone designed to pacify the employees and to provide fodder for the publicist.

Hire the most **talented** and **trustworthy** people. Train them on the basics and where to find answers and **get out of their way**!

The key to mitigating fear of the unknown and to keeping your staff honest when dealing with customers is to **stop piling on rules and guidelines**. Frankly, that's the easy way out. As with most easy things, the rewards are nothing to write home about. Rather, the right thing to do is much more challenging (of course); the right thing to do is to make an investment and spend whatever time and money it takes to **hire the most talented and trustworthy people**. Train them on the basics and where to find answers and **get out of their way!**

One of the few rules of improv is to unconditionally accept the gift someone gives you (information, a complaint, a situation, etc.) and to do something with that gift, i.e., take action. Rejecting the gift, saying "no", is not an option. Here's a rule every company should adopt: only call your supervisor if you're about to say "no" to a customer. Don't bother your boss if you can somehow make the customer happy. Risky? Sure it is; minimize the risk by hiring the right people.

Producing memorable customer experiences is founded on more than smiles and using someone's name. It requires a healthy dose of talent, trust and the ability to adapt; it requires continually moving the experience along a path of higher and higher expectations.

THE WRONG AUDIENCE

This one seems to affect all types of companies, large or small. It's easy to fall victim to thinking that your product or service will be liked by everyone, especially since you're convinced it's the best of the best. But, it's not going to happen, not in this lifetime or the next—no matter how good you are. People are different. You just need to accept that.

Another common blunder is to make a whole bunch of the same product, altering each slightly in an attempt to satisfy as many people as possible. Again, not a good idea; too many variations leads to a lot of average, half-baked stuff. Figure out what you can do the best and make that. And, if you think you can change someone's mind about you and your product, think again. People generally know what they want and they definitely believe they're right. Who are you to tell them they're wrong? Don't waste your time using push and bully tactics to "force" people to like their experience. Rather, **find the right audience**; find people who are already aligned with your product or service and those who have a demonstrated interest in experiences like yours.

You can't be all things to all people. When that's attempted, it aggravates those looking for something different to the point where they might even think you provide "bad" service. So, stay on course.

TOO BIG

Large companies are often not as good as small ones at consistently providing memorable experiences. Malcolm Gladwell devotes a chapter to this subject in his excellent book, <u>The</u> <u>Tipping Point</u>, in which he refers to the phenomenon as "the rule of 150".⁴ He illustrates that once an organization, club, culture or community hits 150 people, it changes; the inhabitants, faced with too many choices, can no longer focus on the development of meaningful relationships with each other. Hence, the organization splinters into sub-groups that work independently from one another. This is a powerful concept as it relates to providing memorable service and the adaptation principle you previously learned about.

The critical component to successful adaptation is the transfer of new knowledge to others.

Assuming that you are not an organization of one (where the problem of "big" certainly doesn't apply), the critical component to successful adaptation is **the transfer of new knowl-edge to others** in the company. Without this exchange, anything learned is dead, and so is the process of enhancing the customer experience. In large companies, the transfer of this valuable information is either interrupted or delayed to the point where it takes too long to work effectively. For instance, see if this scenario rings a bell:

I've called my telephone company on occasion when I have DSL outages. I don't have a problem with outages...things break, I accept that. I'm always given the same answer, it will be 24–48 hours to get someone to look at it...we'll have someone contact you. But, I never hear from anyone...ever. So, each time I report a problem, I'm tasked with calling back multiple times to "follow-up" on the situation. Now, the fact that I need to

call back is bad enough, but each time I call, I'm required to rehash the entire scenario and answer annoying questions like, "how may we help you today?" On two occasions I've been given a different number to call to reach the "people in the field". Guess what, they have no clue who I am, or what I'm calling about. And, as icing on the cake, while I'm on hold, I'm asked to complete a customer service survey!

This company is simply too big and disconnected to handle their current level of business.

The other typical issue with growing companies is the amnesia that sets in; they forget. They forget to stay small; forget how they used to outmaneuver the big competitor; forget how to fail and get back up again and forget that small issues often lead to larger ones. Now that they've grown, failure isn't one missed phone call, that's actually acceptable. Now, failure is equated to missed revenue and profit projections and declining service scores. The problem with forgetfulness is the loss of perspective. By the time issues are identified, studied by management, and a solution is executed, the small, agile, service-insane competitor (who knows their customers on a first-name basis and stores every nugget of information for every employee to use at their discretion) well, they're eating your lunch, bit by bit.

Here's another situation I think many of us are faced with way too often:

Have you ever called a company where you are asked to input your account number first, before you are allowed to talk with anyone? What's the first thing the agent asks you for when you finally get through? Yep, your account number. I'm sure at some point, some VP suggested this routing system to make call processing more efficient. But, unfortunately for him and his company, you don't remember the efficiency of the call. You remember a computer answering the phone and the dopey second request for your account number. Had you dealt with a small company, odds are you would never go through teleprompting. And, it's very possible the person taking your call would either give you an immediate answer, personally call you back or tell their co-worker, "Hey, Michael's on line one".

As your company grows, **break it down** into smaller more manageable pieces, flatten out the organization, **hire great people**, and let them be part of the **evolutionary process**.

Big companies operate in a defensive mode. They protect earnings, study things to death and control every customer interaction because they're afraid of the unknown. They react to issues once they're in a report or worse, in the shareholder's pocketbook. Employees don't care enough to report or fix problems because there's no incentive to do so. If someone does take the time to listen, chances are no one will listen to that person or, at least, not until it's too late.

Smaller groups and smaller environments **usually foster better teamwork** and more effective communication. Small organizations see issues up close and almost immediately. They actually have a chance to prevent large scale failure and the good ones do. Smaller companies are **nimble**, they can react quickly to change—change in the market, change in the environment, and even a changing customer. That ability to react, juke and jive, and make adjustments allows them to push the adaptive process forward more quickly—thus, moving the customer experience along a path of higher and higher expectations. Failure is okay in small companies because it's usually repairable and accepted as a way to learn. Here's advice: as your company grows, **break it down into smaller more manageable pieces**, flatten out the organization, hire great people, and let them be part of the evolutionary process. Keep it small...and as Seth says...Think Big!⁵

A BROKEN COMPENSATION MODEL

Many hires don't really care about the customer or the company. They don't need to because the vast majority of employers use a compensation model that doesn't support caring. It supports functioning and being average.

As I mentioned earlier, budgets are severely misaligned, with companies often spending more on PR and advertising than on the front line people that ultimately determine a company's fate. The recruitment scenario goes something like this: hire people from the existing labor pool for the cheapest amount possible (cleverly disguised as the prevailing market wage) and hope they stay for six months or more. Shoot them through an orientation and a crash on-the-job training course and off you go making magic happen with the customer. Here's the result: employees do just enough to keep their jobs while hoping that no one complains. There's no creativity, taking chances, or great ideas. Sure, there are a few that slip through the cracks and occasionally perform acts of brilliance. But, not to worry, they'll be gone soon—gone to a place where they're valued and trusted to do more than read a checklist. And, the customer? At best, they hit one of your one-offs and write you a nice letter. However, the vast majority will either be unimpressed or hacked-off to the point where they will forgot their experience within 24 hours. That's a huge missed marketing opportunity and the most costly mistake you can make. The bird in the hand just flew away. But, it's okay. in the end, some marketing VP and an ad agent will convince you to spend three or four times what could have been invested in your most valuable asset: your people.

On the other hand, you could try something different. You could take a few chances and set up your company to be really great for everyone.

Passionate, imaginative and creative people have a natural tendency to prosper and to be successful. They want to be with others just like them. They don't want to be average. They certainly don't want to fail. All you have to do is **get a core of these folks on your team**, put them into a position to win and **get out of their way**. The rest will take care of itself.

Getting them on the bus...

Hiring these sorts of people takes guts, patience, compassion and money. It means you'll **pay more than everyone else** and care for them like your children. And, you'll listen, even if you know their ideas are wrong.

Winning...

Having winners on your team is only half the battle of winning. Put the right person in the wrong position or give them responsibility they can't handle (with no training or tools) and the game's over before it's even started. The key is to **put people in the right seat on the bus** (thanks for the analogy Jim Collins⁶), train the mechanics until everything becomes second nature and set just enough rules to keep people out of trouble and to free their minds to "think". You don't want people focusing on how to complete the report. You want them to think about how to best serve people. Yes, mistakes will be made and some may be costly. But, it's a small price to pay for fabulous ideas, exceptional service and blowing the doors off your competition.

Keep winning...

Finally, it's vitally important to keep the winning, thinking culture alive if you're going to sustain success for the company and for everyone involved. Remember, **remarkable people want to be a part of something important** and they want to prosper. So, give it to them. Reward them for thinking differently, for taking a chance and even for making a mistake. When something works, give them stock, bonuses and genuine appreciation. When something doesn't work, give them credit for trying, be nice and listen to their next idea. Then, talk about avoiding the mistake in the future.

To win, failure must be accepted and even encouraged if the end result is better than the missteps along the way. A great leader has the foresight to embrace that concept ahead of time.

THE ROBIN WILLIAMS EFFECT

What makes Robin Williams so memorable? Even if you're not a fan, it's likely you remember him. But, why? Can you recite one of his jokes? I bet not.

The reason we remember Robin Williams and people like him is his **delivery**. It's how he tells jokes, behaves, and makes us feel that is so memorable. It's the sweat, the constant motion, the waving of his arms, his colorful attire and facial expressions that create a story that we just can't forget. His story defines passion.

Do you and your employees tell a story like this? If not, it's time to refocus. No, in fact, it's time to smash the camera and start over.

Companies often lose sight of (or never actually see) the delivery side of the experience equation. They are so focused on making the best widget that they seem to forget about an equally important aspect of making something really great—the people. Passionate employees who build relationships with customers make memorable experiences. **Fancy reception lobbies, eight megapixel cameras and \$200 dinners don't relate with your customers, people do**. Without their enthusiasm, creativity and ability to think, the experience will be stale and very average.

Make sure you have a fair amount of these folks on board (see the previous section for instructions). Then, see the next section to make sure you keep them there.

CARE

There's always a lot of talk in this area and usually far less action. You hear it from HR managers and read a lot of mission statements referring to "the employer of choice". But, in many cases, it's these same companies who are doing the head scratching when it comes to lost market share and increasing customer complaints. If you have service problems, the underlying issue and root cause lies in how you hire and look after your people. Strategically, it's relatively easy to solve. **Partner with the best talent available**, then **bend over backwards to take care of them**. In practice, it's very difficult to pull this off. But, the rewards of hard work are exponential when it comes to selecting and retaining the best people. The intricacies of this subject are well covered by people much smarter than me, like <u>Dr. Gerald Bell</u> and his <u>Selecting Achievers Program</u>.

Here's a short story about a company that seems to get the hang of it.

Recently, I spent a few days on board the <u>Crystal Symphony</u> with a group of about 400 travel professionals. I'm not much of a cruise person. People that know me, know that. So, I didn't have great expectations about my four-day float in the Caribbean.

I'm still not a big fan of "cruising". It's just too confining and structured for me. But, I'm very enthusiastic about the staff aboard the Symphony. From my initial welcome by my housekeeper, Aniko, to the group send-off at disembarkation, it was truly a wonderful service experience. And, of course, being in the "business", I became curious about what made this fine-tuned clock tick so well. So, I started holding conversations with the staff, determined to find the root cause of the "problem".

It came down to this: caring. The staff cared about me because the management of <u>Crystal</u> cared about them. I heard over and over again how they were well taken care of in every aspect of their life as a cruise ship employee. In comparison to other cruise lines (most of them had worked for another line at some point), they had superior accommodations, more recreational opportunities, better food, a staff bar, higher compensation and, most of all, bosses that cared more about them, while treating them as equals.

It's easy to tell if you have a staff problem. Look at three things: 1) How hard is it to attract people to work with you?; 2) How quickly do people leave?; and, 3) Are you losing or gaining customers? In essence, if you care about your staff, it will show where the "rubber meets the road".

When there are service issues, start with some serious reflection on how employees are treated, not on what they are doing wrong. My guess is that companies who are recognized for superior service truly put their people first, even ahead of their customers. On the contrary, if sales are suffering, the employees are probably suffering as well.

SOPS

While not necessarily intended to do so, systems and procedures often limit the passion and creativity of the best people in the organization. Standards and SOPs should allow employees to focus on building relationships with customers by serving as reminders or taking the guesswork out of recurring tasks, in essence minimizing left brain processes. Procedures shouldn't stifle the artfulness of service or take anything away from a person's ability to think on their feet. **The right brain should be left free to infuse character and emotion into the guest experience**, allowing those wonderful people you hired to really exercise their passion and build customer relationships.

Another problem is that systems and technology are too often implemented to serve the Chiefs, not necessarily the Indians. Terms like efficiency, cost savings and productivity rule when SOPs and systems are created. Make sure there's a balance when you impose this sort of control. **Ask employees to participate in the evaluation** or, better yet, let them develop the solution; it might be better than you think.

Remember, people don't want to do business with robots—people reading a script. They want to feel special and deal with other people—individuals with feelings, just like them. So, you need to let your staff express their individuality as much as possible; that's what's memorable.

Service isn't broken or some kind of a lost art. We can get it back; we just need to forget most of what we're doing now and remember what we used to do.

Endnotes

- 1 Purple Cow, Seth Godin
- 2 Source: Marketing Today
- 3 Source: Marketing Today
- 4 The Tipping Point, Malcolm Gladwell
- 5 Small Is The New Big, Seth Godin
- 6 Good To Great, Jim Collins

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ABOUT THE AUTHOR

Michael is a respected authority on hospitality marketing, service and brand design. He coaches existing and prospective hoteliers on how to develop memorable experiences by creating and delivering authentic stories to their guests. His work is published at <u>*Star In The Margin</u> and he can be heard on his recently founded podcast, indieHotelier.

Michael's hospitality career has spanned two decades and taken him from coast to coast. He has served as General Manager since 1996, and held progressive leadership positions in eleven properties, all at upscale and luxury levels.

Since 1998, Michael has become focused in the area of hotel openings and repositionings. During this time, he personally led three pre-opening campaigns, and assisted with six start-up projects. Michael works with a network of specialists who focus on new hotels, restorations and repositioning projects. Please visit his page on the Memorable Solutions network at http://www.memorablesolutions.com/Michaelchaffin.htm. Visit the author's website: http://www.michaelchaffin.com

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