

# The RetailObserver

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AN EYE ON THE INDUSTRY SINCE 1970

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WITH RENEWAL AND INNOVATION

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# A Winning Strategy

CREATE A SERVICE CULTURE AND WATCH YOUR SALES SOAR

Quality and price are two criteria for consumers when making a purchasing decision. So it is that most businesses compete by matching the quality and prices of their products and services.

What too many businesses fail to realize, however, is that there is a third criteria: customer service. How you treat your customers will determine whether or not they will continue to do business with you or turn to one of your competitors. If you reduce your prices, your competitors will copy you within hours. If you add a new product, they will do likewise. A service strategy—a focus on providing an exceptional customer experience—is the only strategy you can implement that will give you a 10-year lead over your competitors.

I can literally count on one hand the number of businesses that excel at customer service—and that have, as a result, shattered their competition. Three of those companies are Amazon, Southwest Airlines, and Metro Bank UK. All three offer quality products and services at competitive prices, but what really sets them apart is their focus on providing their customers with superior customer service. They know it is that service that distinguishes their organizations and that keeps customers coming back to them. They have focused not only on innovation but on customer service, as well.

They don't have to spend millions of dollars in advertising and

marketing each year to draw customers through their doors, whether those doors are physical or virtual. The increased sales their customer service brings in, combined with the money they save in advertising costs, make for very healthy profits.

There is no reason that other organizations can't be equally successful if they create a culture based on service. How do you do that? Take these four steps:

**1. Change employees' attitudes and behaviors.**

You have to get them excited about serving your customers, both external and internal. Share examples—and praise—of employees who have taken the extra step to ensure the customer is satisfied. Reward those employees for their efforts. That doesn't have to cost a lot of money; it might be something as simple as an Employee of the Month plaque or parking space. And, while this might sound harsh, terminate those employees who refuse to embrace the new standards you have set for customer service.

**2. Train every employee in the art of customer service.**

When you do, focus on execution. Most people know, intellectually, what they should do, but when it comes to executing what they know, they run into trouble. Training should include role-playing, which will give employees the opportunity—

and the challenge—of thinking on their feet and making quick decisions to take care of your customers.

**3. Uplift your employees.** If you want your employees to perform to the best of their ability, it's imperative that you make their jobs so rewarding emotionally that they can't wait to come to work. Praise them and nurture them. Treat them like kings and queens. And remember this: How you treat your employees is how they will treat your customers.

**4. Walk the talk.** It's not enough for the CEO to say, "We are going to make customer service our top priority." Everyone—from the CEO on down—must focus on customer service. They must institute a service strategy that creates a customer experience that is so remarkable their customers tell everyone they know about it. That doesn't mean you have to pay employees more money or hire more people. What you must do is this: Develop the people you have so they understand that their number one task is to take care of the customer. **RO**

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