



CONTENT DISCLAIMER

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CARIBBEAN DEVELOPMENT BANK
CARIBBEAN TECHNOLOGICAL CONSULTANCY SERVICES NETWORK

PUBLICATION

ENHANCING CUSTOMER SERVICE DELIVERY
FOR MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES

PARTICIPANT'S MANUAL

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TABLE OF CONTENTS

| | |
|---|----|
| Table of Contents | 1 |
| What is Customer Service? | 2 |
| Customer Identity | 5 |
| Service Is Intangible | 7 |
| Key Elements of CSD | 9 |
| The Customer Promise | 12 |
| Customer Service Culture | 14 |
| Would You Do Business with You? | 16 |
| Cycle of Service | 21 |
| Service Delivery Strategy | 22 |
| What About When Customers Complain ? | 26 |
| Experience Economy | 27 |
| Customer Retention | 36 |
| Measuring Service Levels | 38 |
| How to Get Effective Customer Feedback | 40 |
| Developing Staff toward a Service Culture | 44 |
| The Fred Factor | 45 |
| Service Winners | 48 |
| How Well are you Coaching your Team | 50 |
| Customer Service Action Plan | 52 |

What is Customer Service Delivery?

Customer Service Delivery Is...

- The _____ anticipation of the needs of your customers and _____ customers in a _____ and _____ manner.

- The _____ that customer trends are constantly changing, so there's a demand for you to change with them

- The knowing that each _____ demands a _____ service offering.



- Think about your favourite place to visit, shop or dine.
- List the top 3 reasons why you go there

- Think about your least favourite place to visit or do business
- List the top 2 reasons why you feel negative about it?

Customer Service Delivery is often seen as an activity, performance measurement and a philosophy.

"Customer service delivery is a _____ attitude that can be summed up as: I care and I can do."

"Customer service delivery is about treating others as you would like to be treated yourself"

"Customer service delivery is about relaying the correct message to the correct customer"

There are three questions your customers ask about you?

- 1. Can I _____ you?**
- 2. Are you _____ ?**
- 3. Do you _____ about me?**

Service Delivery



Who Are My Customers?

Your customers are both internal and external. Both of these customer types have different expectations and needs. It's important for you to understand these expectations so that both sets of customers feel that they are receiving the maximum benefits and ultimate experience from your product.

Customer Identity

Your business serves many customers that are all different and have varied needs. To have a successful business you first need to identify the needs of all of the different customers that you serve.

Shareholders/Investors

Trust
Loyalty & distinct ownership
Profitability
Respect
Responsiveness
Obedience

Managers

Autonomy
Respect among staff and colleagues
Recognition for hard work
Rewards & benefits
Cooperation

Staff & Teams

Appreciation
Rewards & benefits
Respect from managers
Respect from coworkers
Empathy in personal matters

Community & Environment

Product Types
Sustainability
Relevant Product Choices
Socially Responsible
Community Action
Responsible Business
Staff

External Customers Expectations

Regulars, Walk Ins, Word of Mouth, Internet
Truth
Transparency
Value
Commitment
Empathy
Relationship

More than Satisfaction

In times past it was acceptable to ONLY focus on goods and services

Remember the days of the phrase 'Customer Satisfaction'?
But do we want our customers to be only satisfied?



Write down 3 words that come to mind when you hear this phrase.

- a) _____
- b) _____
- c) _____

Now write one word for each phrase below

Customer Loyalty _____

Customer Delivery _____

The Customer Promise _____

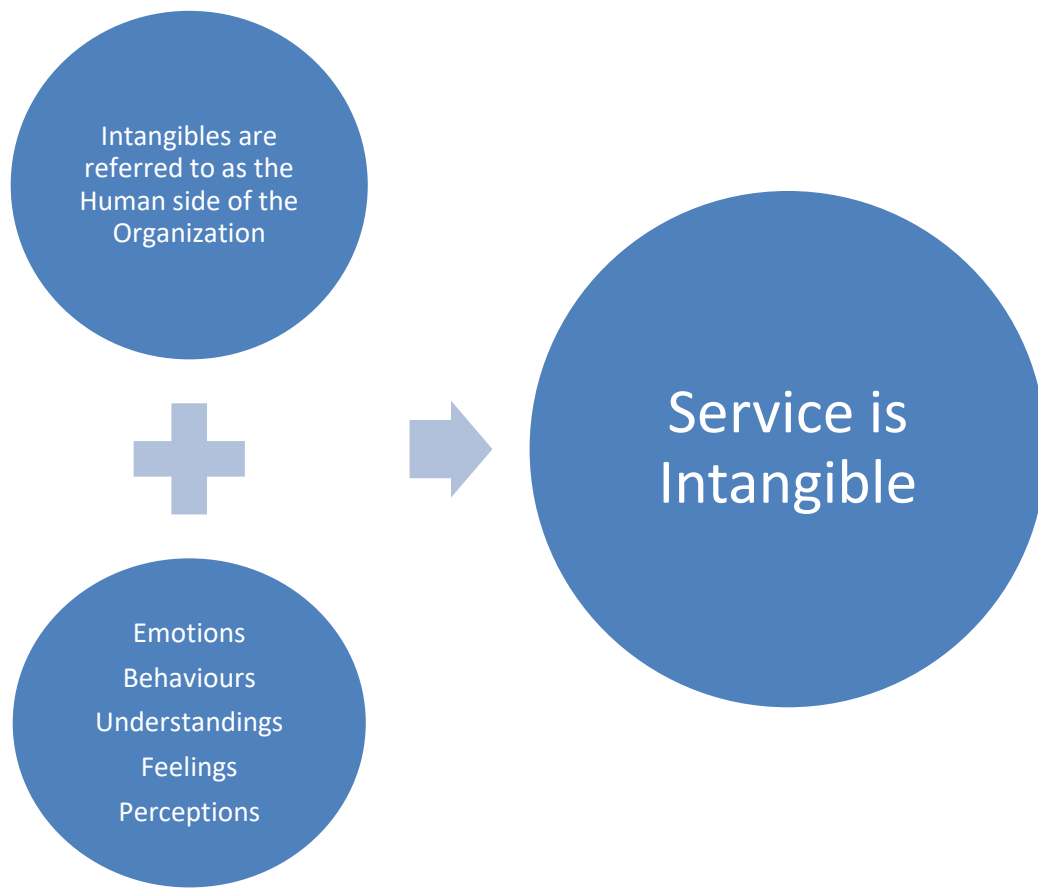
There is a shift from Customer Service to Service Delivery

Service is Intangible

This is such a simple concept and can seem almost obvious, yet it's probably the one area of service that a lot of organizations miss. Once owners of an organization understand that service is intangible they will always strive to improve those intangibles by investing most of their time, energy and finances into these areas.

Because the majority of these intangibles hang on the attitude and moods of your staff, it's important that the majority of your time as a business owner is placed on developing the people who are responsible for acting these behaviors out.

You can always tell how much an organization cares about service when you critique the hotels training programme. Beyond the brochure copy, website scripts and phenomenal photography of the printed matter, there's something more that customers must feel if you want to attract new one's or retain the existing ones.



What Does Service Feel Like?

Examples of Intangible Service

- Satisfaction
- Attentiveness
- Flow
- Helpfulness

Examples of Intangible Service

- Sensitivity
- Tone
- Attitude
- Knowledge

Examples of Intangible Service

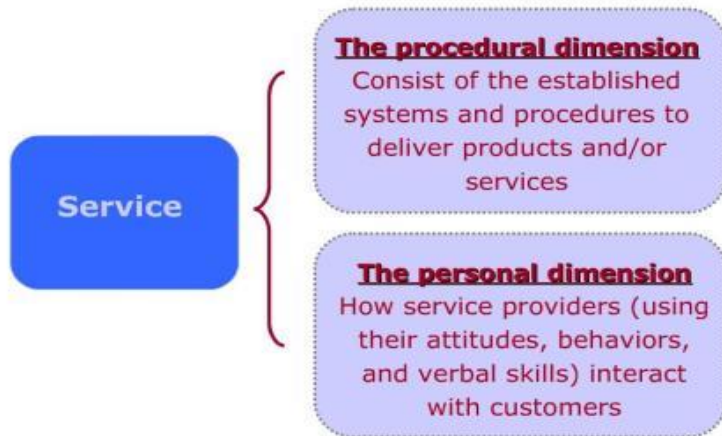
- Understanding
- Tact
- Guidance
- Flow

KEY TASK 3

- Use the list above to grade your business on a scale from 1-10 on the intangibles
- Try to think of the departments and teams and not just the overall structure or management
- Now list the departments that you think could do with some improvement in a specific area

Key elements of Customer Service

Two Dimensions of Service



➤ What is the main dimension of your business?

➤ Do you lean more toward The Procedural Dimension or the Personal Dimension?

Two Dimensions of Service



Where does your business fit?

Five Elements of Quality Service



These five elements should be deliberately worked into your Customer Strategy and should contain your customer promise and your service delivery ideals.

Keen, regular, deliberate focus on these key elements will help you to always ask yourself the questions:

Are we where we used to be?

Are we where we want to be?

Are we who we say we are?

Five Elements of Quality Service

Reliability

- The ability to provide what was promised, dependably and accurately
- Action strategy : make sure that you correctly identify customer needs, promise only what you can deliver, and follow through to ensure that the product or service was received as promised

Five Elements of Quality Service

Assurance

- The knowledge and courtesy of employees, and their ability to convey trust and confidence
- Action strategy : take the time to serve customers one at a time. Provide service assertively by using positive communication techniques and describing products and services accurately

Five Elements of Quality Service

Tangible

- The physical facilities and equipment and the appearance of personnel
- Action strategy : maintain workspaces in a neat, orderly manner, dress professionally, and maintain excellent grooming and hygiene standards

Five Elements of Quality Service

Empathy

- The degree of caring and individual attention provided to customers
- Action strategy : listen for emotions in your customers' messages. Put yourself in their place and respond compassionately by offering service to address their needs and concerns

Five Elements of Quality Service

Responsiveness

- The willingness to help customers and provide prompt services
- Action strategy : project a positive, can-do attitude. Take immediate steps to help customers and satisfy their needs

The Customer Promise

A clear customer promise is a clear and attractively written statement about the unique experience you provide to your customers. It is your answer to the question your customers think but almost never ask: 'What makes your company worthwhile for me?'

Not all promises are created equal. Each organization carries its unique marketplace permissions and organizational competencies. Your best customer promise depends on several important factors:

- Is your promise compelling to customers and does it distinguish you from competitors?
- What permissions and limits have customers placed on you? The marketplace has to believe in your ability to keep your promise.
- Do you have credible reasons for the customer to believe your promise? What assurances can you provide that your promise will be delivered in the marketplace?
- Can you consistently deliver on your promise?
- What current or new capabilities can support marketplace implementation?

Finding the right promise that resonates best with your target customers is the critical first step. But making empty promises is a futile and unprofitable exercise. Keeping promises made to the customer is the only way you will build customer loyalty. This is the new paradigm for success!

Why Making Promises Is Not Enough Anymore

These days, consumers are more realistic in that their desires are now based on experience rather than expectation. Consumers who've been disappointed for so long seem to have surrendered!

In other words, consumers now expect imperfect results from companies. They have become cynical and assume that certain things will likely not go their way. But don't confuse expectation with acceptance. When the inevitable let-down occurs they search elsewhere for a new product or service provider. Not a good situation.

Companies need to turn around these negative expectations. Making a promise is not enough to get people flocking to your door. You have to give them a credible promise and a reason to believe that your promise is not another empty one.

For example:

- You promise me speed? Why should I believe that you could actually deliver speed?
- You promise me luxury? How are you going to deliver luxury?
- You promise me safety and security? Can you really keep me safe?

How to Let Consumers Know Exactly How You Will Fulfil Your Promises:

You have to communicate the “What” and the “How” to your prospects and customers. The Promise is “What” you say you’re doing. The reason to believe is “How” you do it. For example:

- We will deliver speed by flying your packages overnight to your destination rather than truck them. (Fed Ex)
- We will deliver luxury by giving you the Heavenly Bed. (Westin Hotels)
- We will safeguard you with our Roll Over Protection System. (Volvo XC90)

Marketers call these the pillars of the promise. They give customers the additional details they need to make an informed decision.

3 Ways to Make (and Keep) Your Promise

What promises are you making to *your* customers? To motivate customers, a brand promise must achieve the following three goals:

1. It must convey a compelling benefit
2. It must be authentic & credible
3. The promise must be kept, every time

Promises Kept

A promise can define a company in the marketplace. Below are a few examples of companies that create expectations and consistently deliver on them. Can you think of others?

FedEx - Your package will get there overnight. Guaranteed!

Apple - You can own the coolest, easiest-to-use cutting-edge computers and electronics

McKinsey & Company - You can hire the best minds in management consulting

The Nature Conservancy - Empowering you to save the wilderness

What is Your Customer Promise?

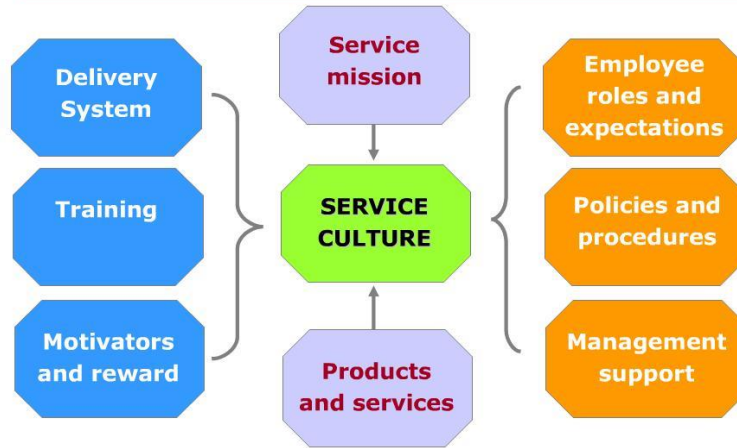


Examine and discuss the business type model you’ve been assigned. Create a Customer Promise using the key elements documented above.

Customer Service Culture

For your staff to deliver superior service consistently, they must be acculturated, i.e. instilled with the concept and spirit of customer service delivery. We ought to create within our organization the culture of customer service via key strategic components:

Service Culture Components



Service Culture Components

Service mission The direction or vision of an organization that supports day-to-day interaction with the customer

Products and services The material, products, and services that are state of the art, competitively priced, and meet the needs of customers

Service Culture Components

Delivery System

The way an organization deliver its products and services

Training

Instruction or information provided through a variety of techniques that teach knowledge or skills, or attempt to influence employee attitude toward excellent service delivery

Motivators and reward

Monetary rewards, material items, of feedback that prompts employees to continue to deliver service and perform at a high level of effectiveness and efficiency

Service Culture Components

Employee roles and expectations

The specific measures that indicates what is expected of employees in customer interactions and that define how employee service performance will be evaluated

Policies and procedures

The guidelines that establish how various situations of transactions will be handled

Management support

The availability of management to answer questions and assist frontline employees in customer interaction when necessary

Would You Do Business With You?

How to Get, Keep, & Wow Customers in a Highly Competitive Marketplace

Ways your business can be propelled

What would you do today to make it easier for your customers and clients to do business with you? (If you were truly brave!)

1. _____
2. _____
3. _____

What do your customers and clients want and expect from you?

Reasons Companies Succeed

1. _____
2. _____
3. _____
4. _____

Cycle of Service

What are all the steps along the way in serving the customer that can impact your business?

Crucial Moments

1. _____
2. _____
3. _____
4. _____
5. _____

How to Handle the Irate Customer

L
E
A
R

How to Handle High Maintenance Customers

1. _____
2. _____
3. _____
4. _____

Why Customers Leave

- 1%
- 3%
- 5%
- 9%
- 14%
- 68%

PIMS Report (Profit Impact of Market Strategy)

Clues to Superior Service

How to Have a Productive Day

1. _____
2. _____
3. _____
4. _____
5. _____

What Customers Respond to:

1. _____
2. _____
3. _____
4. _____

What employee empowerment really means

Why Customers Won't Complain?

Tough Questions to ask continuously:

1. Who is your competitor?
2. Why are some doing better than you?
3. What are your most important weaknesses?
4. What are your most important weaknesses?
5. How would your clients rate your services?

The Best of Times and the Worst of Times

Think of a time you were in the marketplace (this week if possible) and a specific experience you had that was either wonderful or awful. Turn to two people beside or behind you. All of you need to share your real life experiences - both good and bad – as customers. What do you do in your business about the following?

First Impressions?

Greetings?

Company Identity?

Salesmanship?

Final Impressions?

How do you think your internal clients would rate you on all of these areas?

Four Secrets of Service

1. _____
2. _____
3. _____
4. _____

What can we learn from other people's experiences?

Your Service Strategy and Vision

How will you know when you have achieved it?

How could you measure it?

Where would you like to see yourself 5 years from now?

Why is it important to you?

What will it mean to your company?

How will your company benefit from the realization of your own personal achievements?

What decisions to you need to make before you can commit?

What hurdles will you have to overcome?

What strengths do you have that will help you overcome these hurdles?

Find a Different Way to Do the Ordinary!

Cycle of Service

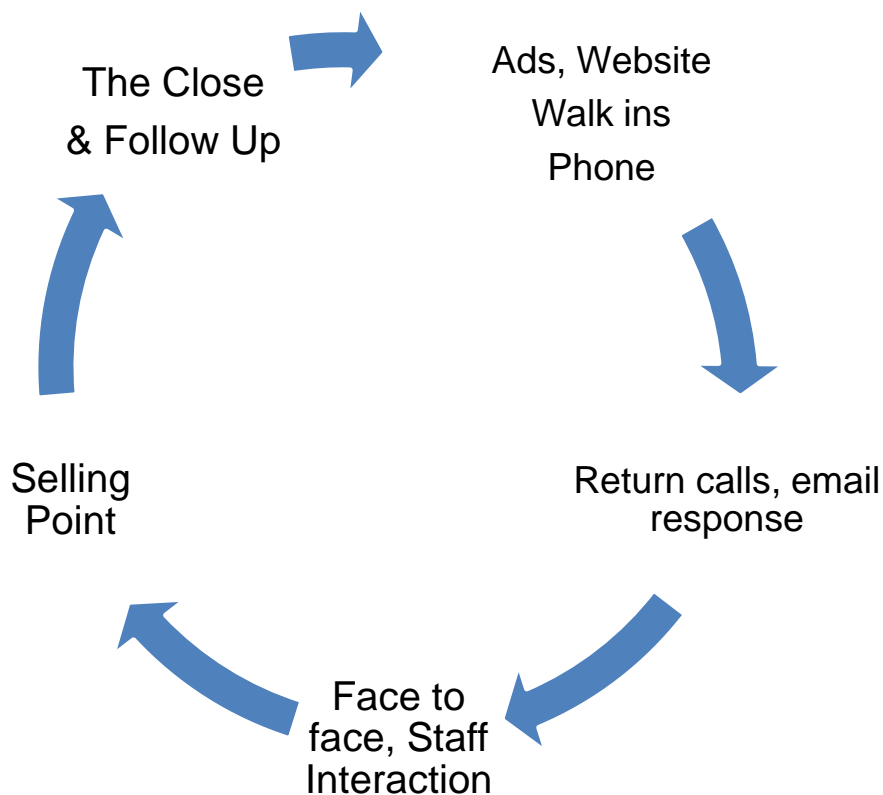
Service is based on a cycle or a group of touchpoints. Touchpoints are all of the possible areas in your business that your customers come into contact with.

The problem with many small and medium sized businesses is that they only consider the service cycle when the customer comes through the door. This would explain websites with inaccurate or outdated information on them as well as fliers or brochures with typos and errors.

If the business owner can understand that the service cycle has begun from the time the customer initiates interest in your company or product, more attention would be spent on every area of customer access.

As a small or medium sized business you need to start to identify each point of contact your customers have with you.

Examine where the customer starts when they first contact you, and then go through the whole 'Service Cycle' until the customer considers the service they sought has been delivered. The customer determines when the cycle of service has been completed.



Discuss the business type you have been assigned and use the results to build a Cycle of Service

Customer Service Strategy

One of the biggest challenges that small to medium sized businesses face is not having any kind of documented strategy that outlines the way they will:

- A. Prove themselves reliable to their customers
- B. Offer special touches
- C. Recuperate from challenging situations or when things don't go to plan
- D. Offer a fair solution to customers if they have not lived up to the customers expectations

The customer service strategy can be as simple or as intricate as the organization desires. The important thing is that the strategy is documented and that everyone who joins the business knows exactly what they need to do in all of the key customer strategy areas.

There are four (4) key steps to identifying a Customer Service Strategy:

1. Steps in identifying a Customer Service Strategy

- Determine the most important service attributes for meeting and exceeding customers' expectations
- Determine the most important service attributes on which competitors are most vulnerable

2. Steps in identifying a Customer Service Strategy

- Determine existing and potential service capabilities of our company
- Develop a service strategy that addresses important, enduring customer needs, exploits competitor vulnerabilities and fits our company's capabilities and potential

There are four (4) core key elements of a Customer Service Strategy:

SERVICE Reliability

SERVICE Surprise

SERVICE Recovery

SERVICE Fairness



SERVICE Reliability

Service Reliability

The attitude of companies that nurture the values of accuracy and dependability prevent many errors caused by carelessness

Designing accuracy and dependability into the service system. Frequently mistakes are due to a failure prone service system and flaws in the design

SERVICE Surprise

Service Surprise

Great service companies "major in minors". They use details to be different and to signal customers that the company is special.

The "WOW" is the total service experience; it is 101 little things done with the customers' interest uppermost in mind.

SERVICE Recovery

Service Recovery

Research findings reveals that customers in general are far more forgiving of a service failure when the company makes a sincere, concerted effort to remedy the problem.

Satisfactory recovery service sharply increases customers' willingness to recommend the organization and improves their perception of the service quality.

SERVICE Fairness

Service Fairness

Customers expect service companies to treat them fairly. They become angry and mistrustful when they perceive otherwise.

Customers expect service companies to keep their promise! They expect the company to take responsibility of something goes wrong

Do You Have a Documented Customer Service Strategy?



Discuss and develop a customer strategy by examining the key components mentioned above.

Every small to medium sized business owner should ask themselves the following questions:

1. How will the business show it's reliability to its customers?
2. What unexpected, special and value added touches will the business offer its customers?
3. What measures will the business take to ensure that it deals with mistakes efficiently?
4. How fair will the business be to its customers in order to resolve difficultites

What About When Customers Complain?

It's never a matter of what will go wrong; it's more a matter of what the people in your organization will do when something goes wrong. There are some key elements that must be in place to ensure that mistakes, errors and mishaps are dealt with efficiently, effectively and professionally.

1. Ensure that dealing with customer complaints is included in your Customer Service Strategy
2. You **MUST** have a clear chain of command to deal with unhappy customers
3. Empower members of your team to take action and offer small incentives quickly
4. Complainers like to see the highest level of authority when something goes wrong, so be available!
5. Become the friend of your customers. People who have a relationship with are more likely to give you more than one chance
6. Create a service recovery strategy so that you are ready to deal with issues when things go wrong

10 Tips for Handling Complaints

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

The Experience Economy is Alive & Kicking Are You?

In recent times, there has been substantial research and reports that indicate that the global financial crisis could put a halt to what we call 'our industry'. It appears that many people will still travel but will choose destinations and accommodations that offer the highest level in customer value. Even the wealthier visitors who have the disposable income to travel are seeking for an experience that fits the amount they have paid. What is apparent is that there is a greater need for us to create increased value when people interact with our business.

What is it?

Experience economy is the next step in progression of commodity, goods and service economy in the pursuit of higher level differentiation and profit.

Experience economy is still maturing so the rule book is still very dependent on the company's vision on providing guests with the most memorable experiences.

Memorable experiences are created by

- a) defining a compelling theme
- b) harmonizing it with positive innuendoes and avoiding negative cues
- c) offering a mix of memorabilia
- d) engaging all the five senses

Entertainment, Educational, Aesthetics and Escapists are the four realms of experiences. The concept of creating an experience when people walk into your business is not new. It has been around for the life time of our industry. In 1998, Joseph Pine wrote a book called "The Experience Economy" with a tag line "*Work is Theatre and Every Business a Stage*"

More than ever before we must work harder to create experiences that our members TRULY value when they walk through the door or when they interact with our business in the community or even on-line!

Quoting from the first paragraph of the Experience Economy:

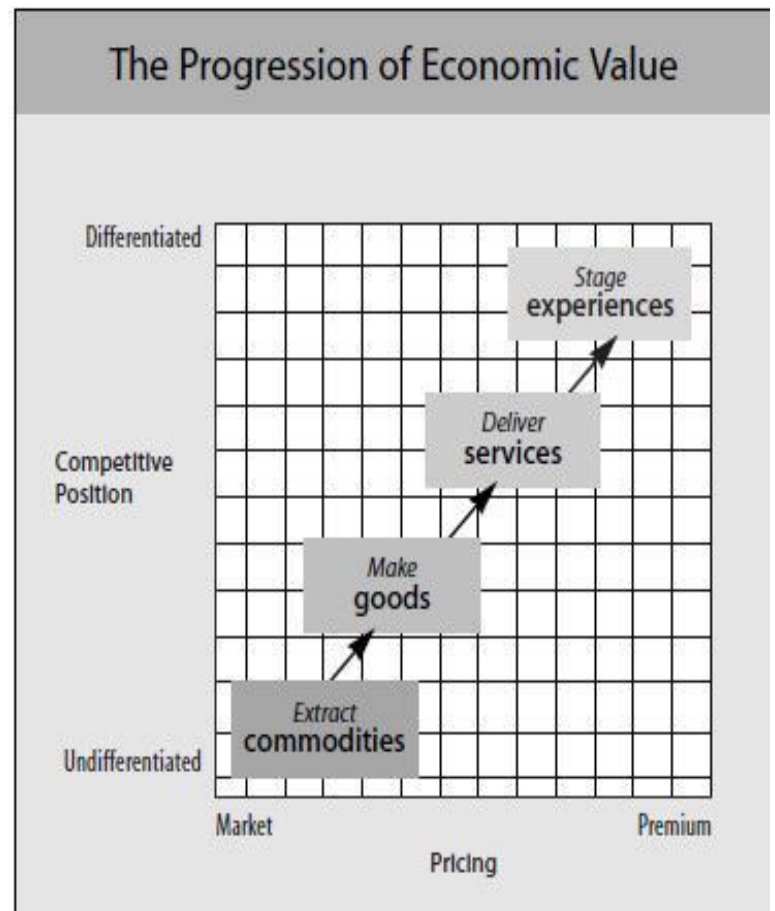
“Commoditised. No company wants that word applied to its goods or services. Merely mentioning commoditisation sends shivers down the spines of executives and entrepreneurs alike. Differentiation disappears, margins fall through the floor, and customers buy solely on the basis of price, price, price.”

How it Works

To explain the Experience Economy, the authors used the evolution of a birthday cake to help explain how the world has passed through various types of economies:



- **Commodity Economy**
Cakes baked from scratch
- **Good-based Economy**
 - Uses pre-mixed ingredients
- **Service Economy**
 - Order whole cakes
- **Experience Economy**
 - Buy a memorable event!



Experiences for Your Own Customers

What would this look like to your business?

Agrarian/Commodity Economy:

Customers came to a business for maximum support; one business supplied everything i.e. the local corner store. The business owner was KING!

Goods Based Economy:

All that mattered was the fact that the goods were being supplied and the customer was able to purchase them at the price that the business owner dictated.

Service Economy:

Customers now have many choices of buying. They can make much wider choices. i.e. various businesses offering the same product at competitive prices. Buy one get one free, Interactive shopping online, barter shopping on social media sites, E shopping

Experience Economy: **Loyalty reward programmes, customer recognition, value added incentives i.e. birthday calls, cards, first name interaction via email, the business comes to the customer = MEMORABLE EXPERIENCES.**

How does this tie in with the Customer Experience?

Goods = Tangible
Services = Intangible
Experiences = Memorable

&
Every Experience is Different

Benefits of the Experience Economy

- This type of service is based on interaction between the 'staged' event and your customers' state of mind. Therefore each experience can be different and adds to greater job satisfaction for your employees.
- There's no rule book. You can use slogans like 'Whatever your desire, we can fill'. This allows you to tailor make each act of service to suit the particular customers' requirements.
- You can taper to suit the culture of your environment so this takes the pressure off of the staff and management to deliver something that is not authentically their own

Experiences can be thought about across 2 dimensions

1. Customer participation
2. Connection.

Customer Participation



Passive

Active

Passive

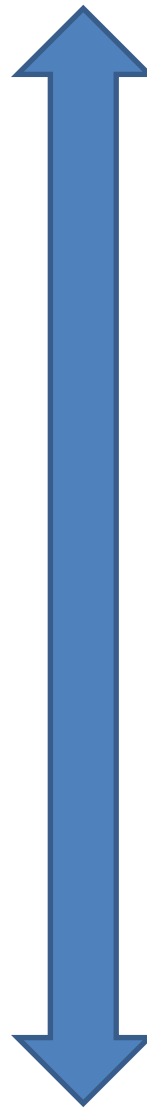
With customer **participation**, you can have passive participation, where your customers don't affect the performance at all, e.g. where a customer visits the mall where your business is but doesn't enter. Instead he/she stays outside and has lunch in the courtyard with your retail store in sight.

Active

You can have active participation, in which customers play a key role in creating the event that yields the experience, e.g. a group of shoppers looking for specific items for a special event i.e. a wedding. This time the group visit the mall specifically to engage in the experience that your store has to offer and specialises in. In this instance they are actively looking for wedding apparel and your store becomes a hive of activity as the shoppers try on clothes and accessories and then make purchases.

Customer Connection

Customer Connection



Absorption

Immersion

The second dimension for the experience is connection or the environmental relationship that unites the customers with the event.

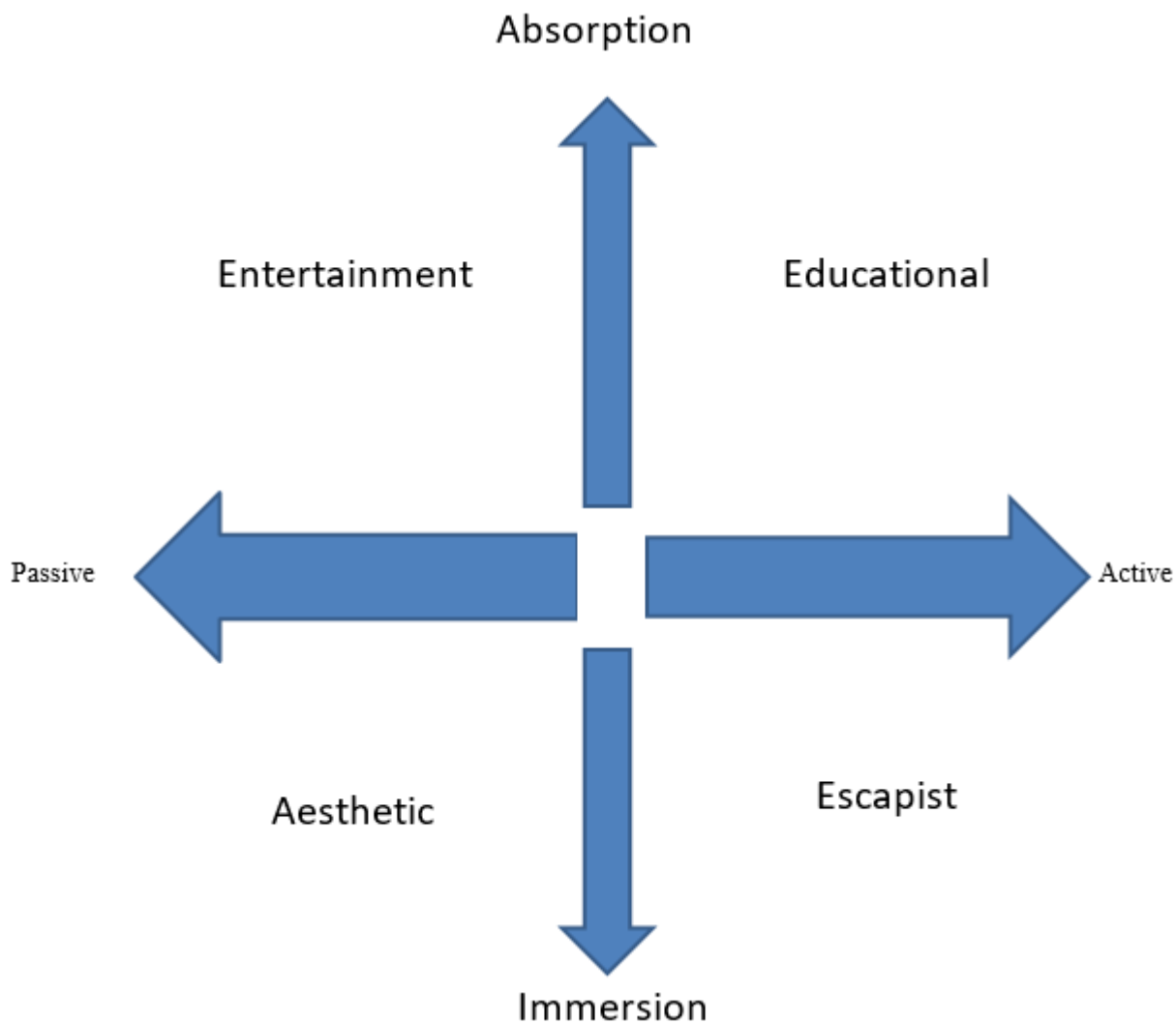
One end of this we have absorption and the other end immersion.

An example could occur within the same group activity of shopping for a wedding, where some of the group engage your store with the intention of purchase and the rest of the group sit outside in the mall and wait patiently for the rest of the group to complete their shopping experience. The shoppers in your store are at the stage of immersion in the activity while the others seated outside the store are in more of a state of absorption in the various activities taking place around them.

Your goal of course is to try and affect every member of the group by the experience you offer, so that every member is immersed. This now becomes the prime responsibility of the business owner or the staff.

Not that everyone has to come into the store and purchase. But the sales assistant has to create an illusion of creativity, choices and met needs that cause the absorbed players to become immersed with interactively shopping. They may not be interested in buying at first but are eventually pulled in by the ambience, feel and activity that you are portraying.

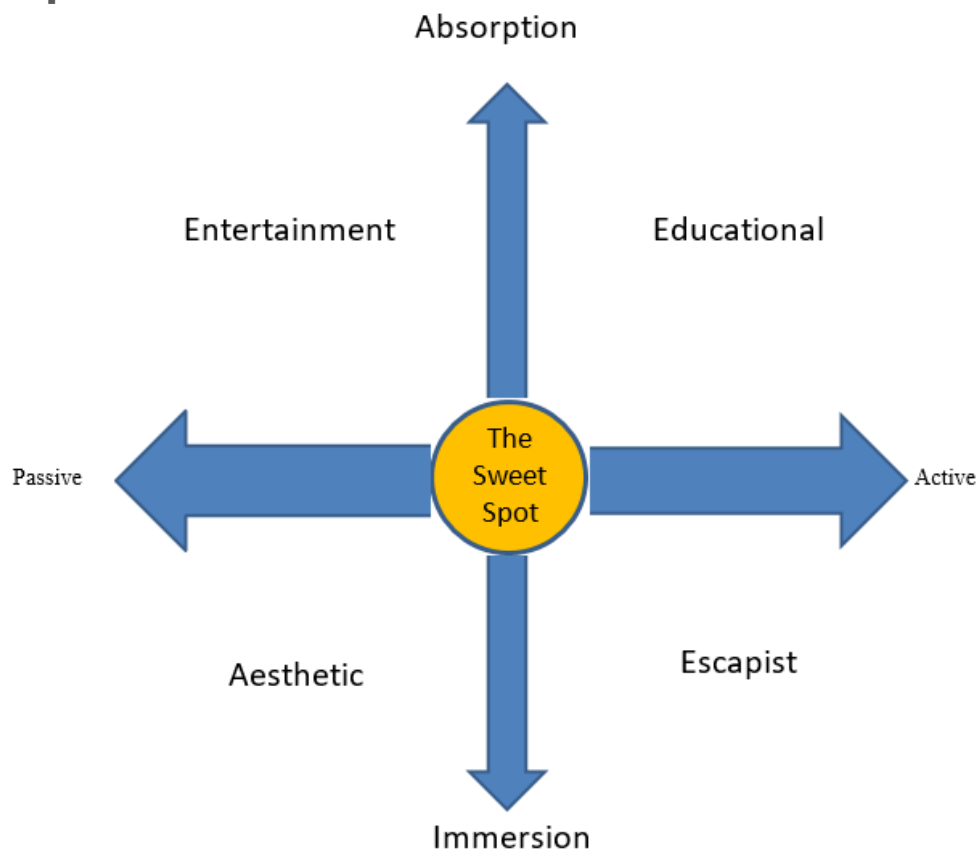
THE 4 E's



Experiences can be sorted into 4 broad categories according to where they fall along our respective spectrums:

- We have the **Entertainment** ¼ - a restaurant or cinema is an example where people have passive participation and are absorbed more than immersed in their TV program or dining experience.
- The **Educational** ¼ - encompasses experiences with more active participation and more absorption – for example the activity we’re doing right now. A training course is a great example of this.
- The **Escapist** ¼ - this experience does have some educational value and even amuses us, but the focus is immersion of the customer. This is where the customer get’s to totally immerse in a product. Eating ice cream at a parlour for instance.
- The **Aesthetic** ¼ - is where your customers have little effect but are totally immersed. They are totally immersed in the reason why they came. The mall experience is an example where customers are engaged in the entire experience of which your business is one..

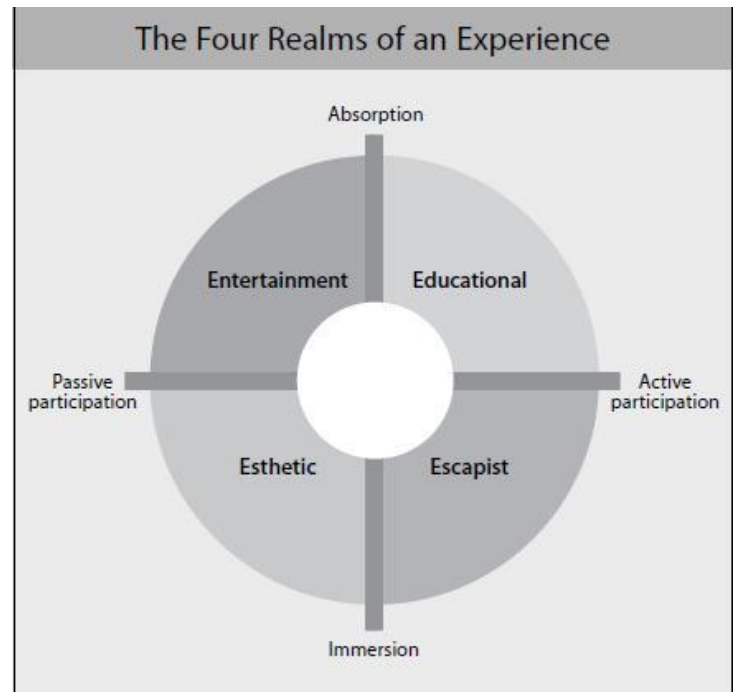
The Sweet Spot



The richest of all experiences are those that encompass all 4 realms – and this is called the sweet spot! This is the challenge for you in your business, where and what is the sweet spot?

Four Realms of Experience

- Entertainment
 - Seated watching the hotel band
- Educational
 - Chef's Cooking Class
- Esthetic
 - Guided Island Tour
- Escapist
 - Guest participation in the dinner floor show



4 Step Plan

1. Theme your experiences
2. Harmonise the impressions with positive cues
3. Mix in memorabilia
4. Engage all 5 senses

Designing Memorable Experience

Theme the experience

Forum shops in Las Vegas

Harmonize with positive cues

“Your adventure is about to begin”

Eliminate negative cues

Off-stage personnel to answer phones

Mix in Memorabilia

T-shirts & lapel pins on Geek Squad website

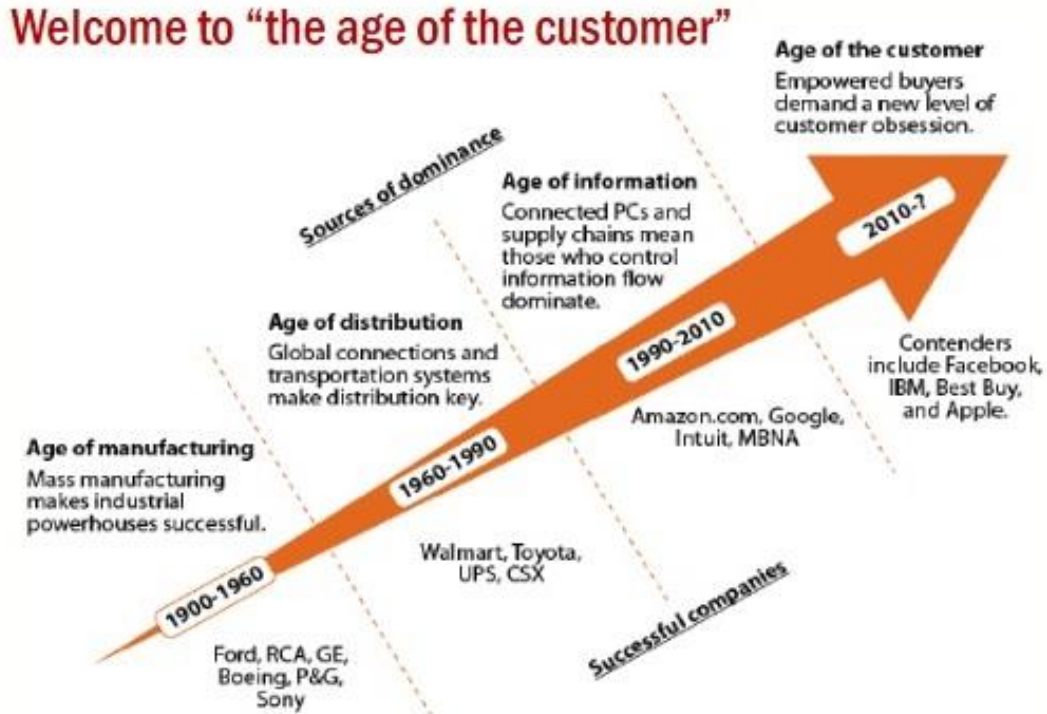
Engage all five senses

Piping bakery smells into grocery shop aisles



Using the information above, examine the business type you have been assigned and design your experience economy programme.

Customer Retention – A Journey to Advocacy



Source of Diagram: Forrester Research, Inc. Competitive Strategy in the Age of the Customer

Key Components of the Customer Age

Survival of the small business owner is the understanding that there is a major shift from seller control to customer control.

The traditional 4 basic elements of customer and business relationship have changed significantly as seen in the table below.

| Business Age | Customer Age |
|--------------------------------------|---|
| The product | The Product is the Same |
| The buying decision | Hundreds of choices, variety, accessed through travel |
| Information control (Business owner) | Internet & Social Media |
| Word of mouth (One or two persons) | Millions of people – Internet & Social Media |

There are two Age of the Customer realities to which your business must be able to adjust: 1) Your customers have virtually all the information they need to make a purchase decision without ever contacting you and have possibly already highlighted another company as a plan b in case you cannot deliver; 2) There is no longer place for bad service, standards or performance.

The Customer Cycle

As in any other cycle of life, there is also a customer lifecycle. This is a vitally important process for the small business owner to understand.

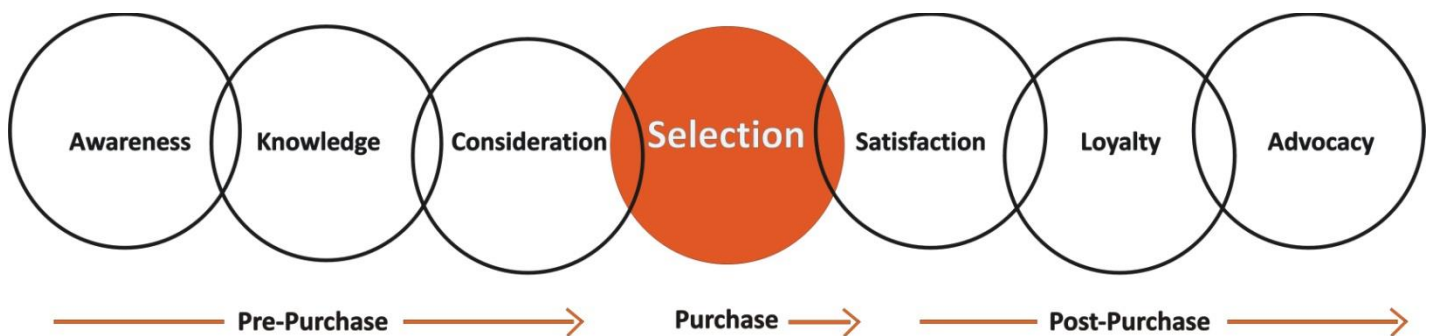
Each step of your business and the products you offer have strategic spots that are called 'touchpoints'. These 'touchpoints' are what take the customer through the journey from building awareness about your product and company, to selection and purchase, right through to becoming an advocate for your business. This is where the customer now becomes a direct means of advertisement and marketing for your business; otherwise known as the 'Raving Fan' syndrome.

3 Core Touchpoint Stages

Pre- Purchase touchpoints drive acquisition through awareness, knowledge and consideration

Purchase touchpoints drive intention, selection & purchase

Post- Purchase touchpoints drive retention through customer satisfaction, loyalty, and advocacy



Measuring Service Levels



How to measure

Often small and medium sized businesses fall short in the area of measuring employee performance because they think that the business or staff is too small to engage in any kind of valuable evaluation process.

This is to the detriment of many a small business. Whether the business employs one staff or many employees, there is always a need to measure the experience that the staff member is offering to your customers.

There are multiple ways and tools for you to measure how well your employees are performing. They include some "SMART" measurements. These are usually based on the tangible behaviours and performance of the staff and can be easily measured over time. Such as units sold, hours worked, customers talked to, complaints resolved, etc.

Then, there are the more subjective metrics used to measure how well an employee is performing. These measurements tend to depend more on an external party, outside of the staff pool conducting some level of assessment on the employee behaviour, attitude, performance and overall commitment to the business.

Service Level Measurement Tools

- (1) Internal auditing
- (2) External shopping
- (3) The actual customer experience

Internal auditing

In call centers, this is usually called "ghosting" or "whispering." In food and retail locations, this is often called something like "supervisor shopping" or "internal shopping." With this method, employees of the company use their skills to audit a location and/or employee for adherence to processes and procedures.

Pros: Company and policy knowledge, relatively inexpensive.

Cons: Subjective and biased, not the actual customer, not continuous or consistent.

External shopping

This is often called "mystery shopping," as conducted by "secret shoppers." In this method, third parties are paid to pretend they are a customer. They visit a location and perform detailed reviews of performance against pre-determined standards and specifications.

Pros: Detailed, more areas can be graded, can measure processes.

Cons: Questionable quality (because shoppers are not always sufficiently trained), expensive, not the actual customer, very small sample, not continuous, day-to-day inconsistencies will not get noticed.

Customer experience

Sometimes called "customer excellence measurement," or "customer experience measurement," "compliance monitoring," or simply "customer feedback." In this method, customers themselves voluntarily leave comments about the experience they just had.

Pros: Feedback is coming from the actual customer, anonymous, inexpensive, continuous, large sample.

Cons: Not as precise in measuring compliance to desired processes. Customers care very little about if you have excellent procedures in place. They are much more concerned about if you are going to be able to deliver the end product.

How to Get Effective Customer Feedback

Customer feedback in the 'Age of the Customer' is something that any small business should be spending a great deal of time of accessing and compiling. The worst thing that can happen to you as a small business is for people not to let you know how well or bad you're doing.

Customer feedback is becoming more and more difficult to manage as a business owner because there are now so many avenues for customers to feedback about your product without you ever being involved or knowing about it.

The aim of the small business owner is to find ways that engage the business in customer interaction pre purchase, purchase and post purchase. This way you are more likely to have a better rapport with your customers and may be more aware what they are saying about the business.

Below are some methods of gaining customer feedback. It is essential that all four (4) are used at some time throughout the life of the business.

Different Methods of Gaining Customer Feedback

Verbally asking for feedback – this can take place face to face, on the phone or by electronic communication.

Pros: The business gets to talk with the guest on a personal level and the feedback is first hand, the business gets a opportunity to solve any issues directly with the customer in real time and is hopefully able to defuse the issue or complaint quickly and efficiently

Cons: The customer may feel embarrassed or shy to voice an opinion to the business owner face to face especially if the experience was negative, the business owner can be forced into hasty compensation due to not wanting to cause a scene in front of other customers, if the staff are not trained to deal with customer issues this method can infuriate the situation as oppose to defuse it.

Social Media – this can be a fantastic and very effective avenue to get the word out that the business offers exceptional service.

Pros: This medium opens up the business to an extremely wide network of people using the same social media sites, this advertising can often be free if the feedback becomes viral, the comments and feedback are better coming from the customer than the business and makes the feedback way more authentic.

Cons: If the feedback is negative, millions of people are likely to know about it, one mistake or bad report can damage the business for a long time, this method makes it harder for the business to remedy a negative situation as oppose being able to physically communicate as in the face to face method.

Mystery Shopping – this method is a great way to get feedback about the business when other internal parties are unaware.

Pros: You can get a good handle on what is happening when you are not around, the business owner is not at the business, the employees have no idea they are being evaluated so you can usually get to see the real

deal, this is also a great way to see how well the employees are performing and handling things when you are not around, you can catch your staff doing something RIGHT!,

Cons: If the Mystery Shopper is not trained the results can sometimes be biased and inaccurate, if the MS is a friend of the business owner the results cannot be neutral, if the MS exercise is not properly explained to the employees after the evaluation has taken place the employees can feel mistrusted and spied on.

Staff Appraisals – Remember your employees are your customers too! This method is used to evaluate your employees' performance and delivery of service over time. The staff are evaluated every six months based on a series of criteria i.e. sales, customer engagement, commitment to the business, follow up, handling complaints etc.

Pros: The employees are always kept abreast of changes happening in the business and are given time and training to keep up with the changes, employees get a chance to feedback any issues or situations that are happening day to day that affect the business in the long term, the business owner is able to keep open communications with the employees and vice versa.

Cons: The staff have to be open to this kind of interaction otherwise they may not communicate with the owner in a one on one setting, if the business only has one employee the business owner may not see staff appraisals necessary, in small businesses there is always very little time allotted for strategy and building the organization.

The Survey – This method is handy for gaining feedback for baseline data that can be used to plan further development of a product or line and deciding whether it is time to reduce or discontinue a product.

Pros: This method is better suited for the business to gather data that can be used to make decisions on products, purchasing, discontinuing of a product, staff evaluation, service evaluation etc., this method allows the business owner to gather data that is simple to as intricate depending on the owners needs and purpose for gathering the data in the first place,

Effective Customer Feedback

Begin the survey by managing the customers' expectations i.e. length of time the survey will take. Try using language and key words like the ones underlined below:

“Thank you for being our customer. Please help us improve our product and out service to you by completing this short and simple survey. The entire survey will take approximately 5 minutes to complete”.

1. Don't ask open ended questions
2. Be specific and try and ask the question for the answer you really want
3. When using multiple choice questions always make sure that there is space for the customer to advise why they have chosen the answer they have given
4. If the questionnaire is online make sure that it is user friendly i.e. avoid lengthy fields for contact information. An email address will do and is probably more convenient to the customer

Take a look at the customer feedback survey below. There are some key elements that you want to ensure your customer survey covers:

1. What did the customer think about the business?
2. Did you create any advocacy; will they tell anyone about the business and the service they received?
3. What did the customer feel about the experience and contact with your staff?
4. Have you given the customer the opportunity to say how you can improve?
5. Have you asked the customers permission to contact him/her?
6. Have you provided a means for the customer to leave his/her contact information?

1. What is your overall satisfaction rating with our company?

5 - Very Satisfied

4 - Somewhat Satisfied

3 - Neither Satisfied or Dissatisfied

2 - Somewhat Dissatisfied

1 - Very Dissatisfied

2. Please tell us why you feel that way.

3. How likely are you to recommend our product to a friend or colleague?

5 - Very Likely

4 - Somewhat Likely

3 - Neither Likely or Unlikely

2 - Somewhat Unlikely

1 - Very Unlikely

4. Please tell us why you feel that way

5. Please rate your level of satisfaction with your sales representative in the following areas.

| | 5 - Very Satisfied | 4 - Somewhat Satisfied | 3 - Neither Satisfied Nor Dissatisfied | 2 - Somewhat Dissatisfied | 1 - Very Dissatisfied |
|---------------------------|--------------------|------------------------|--|---------------------------|-----------------------|
| Professionalism | | | | | |
| Understanding of my needs | | | | | |
| Responsiveness | | | | | |
| Knowledge of the product | | | | | |

6. If you have any additional comments about how we can improve your satisfaction with our products and services, please fill them in here

7. May we contact you about any of your responses?

Yes

No

8. Contact Information, if applicable:

Developing Staff toward a Service Culture

Choose the right people in the hiring process

Many small to medium sized businesses do not have firm and set hiring guidelines or hire out of despair, so these next steps act as a great litmus test when confirming a permanent appointment. The other important factor as a business owner is to never ignore the 'gut feeling'. Many times the business owner already knows that they person is not going to be able to fulfill the task but still proceeds to hire for whatever reason. Remember, if the person cannot fulfill the task after three months' probation, the chances are they are not the right person for the job.

Create an efficient probationary programme

There are ways to identify staff who are going to make great service winners. It's important that these qualities are discerned quite early in the probationary period. After the probationary period has passed and you are not seeing at least 80% of these qualities, you should not be looking to confirm the permanent appointment.

Implement an ongoing training programme

Training and development is a key factor in developing a Service Culture in a small business. The employees must always be made aware of recent changes about to take place and new product lines coming on stream. They should also be developed in the areas where you notice their greatest potential. Training should and must be an integral part of your service strategy and should be part and parcel of your development package for all of your employees. This is the best time to reiterate the vision and mission of the company.

Implement an annual staff appraisal programme

Staff appraisals are imperative if you want to evaluate employee behavior, productivity and growth over time. There are various ways to carry out an appraisal. The most effective way is to dedicate some specific time to meeting with the employee and going through the strengths and development opportunities of each staff member. You can then weight their tasks using a percentage method and begin to look at the relevant areas that affect their jobs and your business.

For example, if you are running a luxury transportation company you may want to weight the employee on punctuality, interaction with the customer, attendance, cleanliness of vehicle and professionalism. The weighting of your staff appraisals will be determined by their job roles and skill sets.

Adopt Interactive Sessions

The days of the General Staff Meeting where the boss tells the employees what he thinks of them are over. Similarly so are the days when the employees simply sit and listen to the boss, say nothing and then go into the staff room and complain amongst each other. Encourage your staff to be vocal at planning meetings. Let them know the agenda beforehand and advise them that they will be involved in bringing ideas and solutions for the Christmas/Easter/Valentines promotion etc. It's important that you allow them to share ideas and listen carefully, even if you do not totally agree with what is being suggested.

Keep the vision before them

Find creative ways to continually enforce the customer strategy and vision. If you make time to know your staff, you will know what methods work best.

The Fred Factor

The challenge of leadership today is to bring _____ in the times of confusion.

Principle #1: Everyone makes a Difference

The first job of leadership is to prove _____. People who do not feel significant do not make significant contributions. People who believe they are only ordinary do not make extraordinary contributions. We lead organizations that are populated with difference makers.

Old Saying: ' _____ gives people dignity'

New Saying: ' _____ give work dignity'

The secret to happiness is not changing the job we have, but to do the job we have differently

Important Questions:

Did you add to or take away from the experience of our customers?

Did you add to or take away from the spirit of teamwork among your colleagues?

We are all _____ makers and the only choice is what type of difference we're making.

Principle#2: Success is built on relationships

Quality matters:

The quality of your _____ is important.

The quality of your _____ with your customers is critical.

What makes a leader/organization great is not its leadership-ness but it's

.

What it allows us to do, achieve and experience as people.

Everything is _____ on relationships.

Principle #3: Continue to create value for others without costing a penny

The ability to create value for customers

We have to learn to replace:

- Money with _____
- Capital with _____
- Outspending the competition with _____ the competition

Old Economy: Taking base metals and turning them into Gold

New Economy: Taking _____ and turning them into Gold

Principle #4: You can reinvent yourself regularly

Self motivation is the key. We have the opportunity to reinvent ourselves everyday.

- Re-invent our businesses
- Re-invent our practices/procedures
- Re-invent our habits
- Re-invent our relationships
- Re-invent our lives

Every morning, we all awake to a _____, which is a Gift.

Do not _____yesterday, _____ today!

Nobody can prevent anyone from being extraordinary. People can withhold Support; Resources;

Encouragement.....but the chance to be extraordinary is simply a _____we make each day.

The Fred Factor is:

1. The ability to continue to create new _____ for the people you live with and work with through _____; through _____ & through.
2. The ability to _____ the _____ that resides in each of us as ordinary people
3. Simply making the into _____ the Extraordinary

Leadership is:

1. not Power over people but Power _____ People
2. not about the title but the ability to _____

Be The Difference You Desire To See In Others.....

Service Winners.....

Those with a positive attitude and a cheerful outlook

Those who genuinely enjoy working with and for other people

Those with the ability to put the customer on "center stage"

Those who view their job primarily as a human relations profession

Those who can allow customers to be right (even on the occasions when they are not)

The above qualities should be documented as a part of your three month probationary plan. The individual's performance should be weighted heavily and measured on the categories that you've chosen.

Never fall into the _____ ! Learn to separate _____ from _____. There must be proof of _____ and _____. By this I mean some people are punctual, highly dependable in a crisis, can perform the function of the job, i.e. meet high sales or service targets. But trying to get them to conform to change, teamwork or being positive is almost impossible.

Salary Makers or Salary Takers

Just as there are different kinds of leaders, there are also different kinds of employees. Salary takers or salary makers! The takers give as little as possible and take a salary. The makers give everything they've got and make a contribution beyond the salary they earn. People who are willing to be developed are usually always salary makers.

Salary Takers

What will I receive?

What will it take to get by?

It's not my job.

Someone else is responsible.

How can I look good?

Will it pass?

The paycheck is the reason I work.

Am I better off because I work here?

Pay me now. I'll produce later.

Salary Makers

What can I give?

I'll do whatever it takes to get it right.

Whatever the job, I can help you.

I'm responsible.

How can the team look good?

Is it my best?

The paycheck is a by-product of my work.

Is the team better off because I work here?

I'll produce now. You can pay me later.

How Well Are You Coaching Your Team?

Answer the questions using the following key; then total your score

1. I have chosen my employees well.

1 2 3 4 5

2. I have proven to my employees I care about them.

1 2 3 4 5

3. I have encouraged them to care about one another.

1 2 3 4 5

4. I know what my employees prefer.

1 2 3 4 5

5. I actively encourage team growth.

1 2 3 4 5

6. I have developed a team that "fits."

1 2 3 4 5

7. I support my employees.

1 2 3 4 5

8. Even though my business is small, I see the importance of training my employees

1 2 3 4 5

9. I am not afraid to share information and frequently update them when changes are being made.

1 2 3 4 5

10. I reward hard work and discipline mediocrity

1 2 3 4 5

11. My employees are willing to put the team before themselves.

1 2 3 4 5

12. I have proven that I am committed to my employees' needs.

1 2 3 4 5

13. I understand that all of my employees are different individuals.

1 2 3 4 5

14. I have my employees respect.

1 2 3 4 5

15. I reward my employees according to their performance.

1 2 3 4 5

16. I have built a positive environment.

1 2 3 4 5

17. I expect and prepare for problems and change.

1 2 3 4 5

18. I know the capabilities of all my employees.

1 2 3 4 5

19. I take the time to teach and delegate.

1 2 3 4 5

20. I do only the tasks that cannot be delegated.

1 2 3 4 5

Scoring :

90-100 You are a great coach with a dream team; you're ready for the championship.

80-89 You are an excellent coach; keep fine tuning your team and your skills.

70-79 You are a solid coach; don't stop now; keep up the good work and strive for the excellence that is within your reach.

60-69 Your players are beginning to look like a team; keep learning and building.

Below 60 You have a lot of work before you, but don't despair; use the principles in this chapter to begin team building and improving your coaching skills today.

ACTIVITY: Find a partner

Highlight 5 key areas that you know you want to improve in

Using the keys you have just learned from the module above, list five areas you will implement

Customer Service Action Plan

Now it's time for you to translate all of the information you've gathered throughout this course and convert it into action points.

So often small businesses fold because they do not take the time to plan and develop actions that will take the business forward. Many micro and small businesses don't bother with this level of detail because they feel they are too small, do not hire enough staff or are ignorant to the benefits of good planning.

Follow these steps to implement best practices ideas and suggestions for service innovation within your business.

Your action plan should contain achievable and measurable results.

Step 1: Create a service-driven culture

1. Identify your company philosophy and vision and communicate it throughout the organization.
2. Employ a common language throughout your business to describe jobs, duties, customers, and employees as a reflection of their value and importance to organizational success.
 3. Become obsessive in your attention to the smallest of details within the environment. Little things make a big difference in customer service delivery.

Step 2: Develop strong leadership

1. Hold employees at all levels, regardless of title or position, accountable for successful performance of their duties and responsibilities.
2. Provide frequent opportunities for managers to perform frontline duties as part of their regular job duties.

Step 3: Hire and keep quality employees

1. Implement recruiting incentives for current employees to refer their friends and associates for open positions within the business.
2. Develop innovative recruiting strategies.
3. Take a fresh look at the recruiting process to ensure that initial encounters with applicants generate positive first impressions.

Step 4: Provide opportunities for employee's personal and professional growth and development

1. Provide training that supports business strategic objectives.
2. Ensure training objectives are targeted to achieve desired performance improvement.
3. Ensure the number of annual training hours per employee within your business compares favourably to that of industry norms and service leaders.

Step 5: Listen to your customers

1. Identify the needs of your customers with:
 - a. Surveys
 - b. Informal, one-on-one conversations
 - c. On-site customer visits
 - d. Focus groups

Step 6: Empower your employees to serve your customers

1. Solicit employee suggestions and ideas for product or service innovation within the business.
2. Acknowledge and implement, when possible, employee suggestions.
3. Use examples or stories from within your business to demonstrate how employees are empowered to do whatever it takes to satisfy a customer.

Step 7: Reward and recognize employees

1. Implement formal reward and recognition programs to honor and celebrate employees who provide excellent service:
 - a. Service awards (pins, plaques, certificates)
 - b. Incentive compensation programs based on the businesses profitability
 - c. Cash bonuses
 - d. Special time off i.e. ½ day off for Christmas shopping
2. Utilize informal reward programs to provide immediate recognition for outstanding employee service performances. Consider these examples:
 - a. Dinner or lunch out with the owner/manager
 - b. Movie tickets
 - c. Gift certificates
 - d. Letter from the President, CEO, Chairman
 - e. Mention or article in the company newsletter (If applicable)

Step 8: Demonstrate community support

1. Identify community needs requiring financial sponsorship or volunteerism.
2. Select community projects to support that are most in alignment with the values and philosophy of your organization.
3. Increase employee awareness and opportunities for volunteerism in community events and projects.

Step 9: Utilize innovative technology to support customer service

1. Stay abreast of current information and resources to continuously upgrade or invent support operations technology.
2. Prepare employees to utilize new technology and transition from current practices and behaviours to the new practices and behaviours that may be necessary.

With this 9 step plan for action,

- Benchmark your company's service standards against these best practices of other micro, small and medium sized businesses.
- Make a commitment to implement the strategies you've outlined that has given them success
- Continuously evaluate your progress, make necessary adjustments and continue your journey to excellence.

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