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# Creating Satisfied Customers

What's Your Customer Service Plan?

By Don Yates

I RECENTLY RECEIVED AN E-MAIL FROM A FRIEND WHO had a poor experience at a Spokane restaurant. He told me the employees didn't smile or greet him with an attitude that suggested they cared he had chosen their restaurant. Moreover, they served other employees before their customers. From his description, I couldn't find any reason to visit this restaurant. It was clear their staff didn't see the value of customer satisfaction for the business' success.

Yet, this should be the highest priority in everyone's business today. The reason is fundamentally clear: if your customers aren't satisfied, they'll go to your local or national competitors who will meet and exceed their expectations.

In addition to knowing how to satisfy your customers, it's vital to also understand the role of your company's customer service practices and procedures so customer satisfaction becomes reality. After all, the more satisfied your customers, the more often they'll return to your business. However, less satisfied customers will visit less often (if at all) and are more likely to tell their friends, neighbors and business associates about their dissatisfaction.

If you are in a business-to-business model, one dissatisfied customer could represent double-digit percentages of your annual revenue. Moreover, one disgruntled customer usually tells three to seven other people about their problem. If those people then tell three to seven more people that's the exponential consequence of poor customer service. Therefore, be proactive and prevent this from happening.

Although many businesses say customer satisfaction is important to them, a customer service plan ensures it's a priority. The benefits include better customer retention, repeat business and free promotion from your most loyal customers.

Consider the auto industry, where customer loyalty is important for its survival. In fact, the industry frequently reports customer retention figures – a gauge of inventory commitment and, as a result, a company's prospective longevity. For the Toyota Motor Corporation, 2005 was a stellar year. J.D. Power's Customer Retention Study reported that Toyota achieved nearly a 64 percent retention rate. (The auto industry average is 49.6 percent.)

Before drafting your customer service plan, remember two essential points. First, your customers have two points of measure: the product and the service your company provides them. Second, your customers will measure your service program in each phase of the buying cycle: pre-sales, purchase and post-sales. Customer satisfaction depends upon the quality of your service, as well as how well your program meets customer needs and fully approaches their wants.

## HOW TO DEVELOP A CUSTOMER SERVICE PROGRAM

### Step 1: Define Customer Expectations

- Communicate directly with your customers. Don't rely on your intuition or your competition to define what your customers expect. This won't clarify their expectations for quality. Directly ask your customers what they want, like, don't like and what they expect from your business.
- Continue seeking customer feedback – whether it's a casual conversation at the point-of-sale, an informal survey or a follow-up e-mail. Decide what works best for your customer base, and then do it.

### Step 2: Develop a Plan

- Involve your entire staff and seek input from employees who have immediate and daily contact with your customers, whether it's on the phone or face-to-face. These employees know best what your customers expect regarding service and quality of delivery. The best measure of quality delivery, however, is what your customers tell you. Ask your customers to rate the quality of service provided and what they recommend you change or add (see Step 1).
- Seek creative perspectives from other staff. This is the most challenging, but including all employees in the planning process makes implementation easier.
- Consider each phase of the buyer's cycle and the type of support your customers expect. Most businesses focus only on the first two phases (pre-sales and purchase) and neglect or minimize the third (post-sales). That is, employees usually only use the pleasant greeting and friendly smile method. While these are important, they're also used by all of your competitors and don't provide your customer with any sense of your company's value.
- Increase employee knowledge of your products, as well as those of your competitors. This is particularly important for high-end purchases, which requires more extensive product investigation.
- Explore your customers' needs and wants and provide assessments for each with a recommended solution. Needs are usually the simplest form of service that customers expect, like a smile and friendly attitude from each employee. Discovering your customers' wants, however, propels your business into specific service areas like installation or customer support for the product throughout its life cycle.

### Step 3: Train Your Employees

Each employee should be considered an ambassador of your company. To help them – and to ensure consistency of service – develop training materials for new hires, as well as existing employees, and keep them updated to reflect new services and other changes.

### Step 4: Commit to the Program

To ensure your longevity and success, each employee must be committed to your program. The CEO or another executive level manager should be the enthusiastic champion and look for ways to improve the program and help sustain employee interest. This is also essential to maintaining the program's quality and application. Fundamentally, each employee is responsible for his or her commitment to good customer service and should be evaluated on this as part of his or her annual review.

### Step 5: Evaluate

- Determine if your plan is working by measuring the results. The most common form is a customer satisfaction rating or percentage, which measures the number of customers that are "satisfied" at each level of service experienced. Typically, this gauges the attitude of an employee through the performance of the provided service, such as product installation.
- Continue communicating with your customers. Find one or more points that measure both the customer satisfaction program and your customers' opinions about its effectiveness.

Because customer service is a well-established business discipline, there are many resources to help you, including Web sites and consultants specifically devoted to this subject and its application to your specific industry – whether it's retail, health care or high-tech.

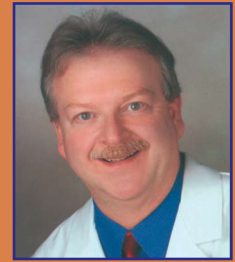
Always remember: customer satisfaction equals customer loyalty – an essential aspect to the success and growth of your business. ☺



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