
Fix Problems...Fix Relationships...Build Loyalty

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JoAnna Brandi

ABSTRACT

This article by Senior Fellow JoAnna Brandi stresses looking beyond the sale itself to achieving and maintaining good customer relations and customer loyalty. If you'd like your customers to 'rave' about your business read this!

Fix Problems . . . Fix Relationships . . . Build Loyalty

Can You Relate to THIS?

Companies with a deserved reputation for 'impeccable service' generally have more loyal customers than those that don't. And not because they're so perfect. But, they do one thing far better than their competitors. They demonstrate that they care -- not just when things 'go right' but, more importantly, when things 'go wrong.' Here's a story from a friend of mine named Bill that makes this point very well.

It seems Bill was in the market for some new clothes and went to a retail store in a nearby mall. To make a long story short, the salespeople didn't live up to their reputation for 'legendary' service. He left. Then he went to a Men's Wearhouse across the street. He was, "pleasantly surprised" by the warm, sincere greeting of Tim the manager and a salesperson named Matt. Bill told me that rather than the tired, "How may I help you?" they talked with him asking, "Have you ever been to one of our stores?" rather than pushing their clothing. He bought several slacks that he wanted and a new raincoat that he hadn't planned on. Not bad, huh? OK, then came the 'Moment of Truth!' In a few days, he returns to pick up the slacks (they needed tailoring) and only one fit the way he liked. With a big smile, Tony (the tailor) took them back for an adjustment. After several 'adjustments' the slacks still weren't suitable. Matt (who attended each 'tailoring' session) said to my friend, "Bill, if THIS fitting doesn't turn out the way you like, we're going back to the rack and find something that does!" Tim, the manager overheard this and added, "Bill, we just want you to be happy -- no matter what it

takes." Pleased at their attitude, Bill did eventually have to select new slacks. Then, in a gesture of true 'caring' Tim asked Bill if he needed anything else. Bill said, "Maybe a sportcoat." Tim replied, "Look, we're having a sale starting next week. But, because of all you've been through, I'll hold the sale just for you. Today. Anything else you want, you can buy . . . at the reduced 'sale price' that won't be public for another week." Bill bought not one, but two sport coats! And, he's been a 'raving fan' of Matt Hall and Tim Dickerson at the Men's Wearhouse store in Farmington, Connecticut ever since.

Folks, care to guess at how much referral business Bill's going to generate for this store over the coming years? Well, THINK ABOUT IT!

WHY Is This Happening?

Creating a loyal customer depends on managing two factors. Your business must satisfy two (2) different kinds of customer expectations:

1. Business Expectations and
2. Relationship Expectations

My friend found name-brand clothing, in a convenient location, at good prices, in a pleasant atmosphere. These satisfied his expectations for what the business had to do to earn his business. But the way that Matt and Tim treated him from their "greeting at the door" to the way they handled "the tailoring problem" satisfied his expectations for what their relationship had to be to earn his loyalty. So when I say he's a raving fan of Matt and Tim, I'm not kidding. And, why? Because he feels they really CARE . . . for him and about him . . . as a customer!

But there's something even more basic going on here. Matt knew what to do to resolve a 'business' problem to avoid a 'relationship' problem with Bill and he knew HE had the capacity to do it. This communicates, in Bill's mind, that he'll never need to wonder, "Gee, what happens if there's a problem?" He'll KNOW! If I look at what happened here, four things are extremely evident to me:

- 1.that this business has a clear vision to guide it -- "Make the customer happy - no matter what it takes!"
- 2.that this business has a well thought out 'recovery process' for any possible business problem that might come up
- 3.that the salesperson was well trained to use it, and
- 4.that the salesperson was empowered to use it because of the support that his manager confirmed . . . by his ACTIONs.

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Customer Care ACTION Project

"Managing Problems to Create Magical Moments and Loyal Customers"

The lesson learned from this example suggests some steps YOU can take from now on to ensure 'outcomes' that are better for you:

ACTION Step 1: UNDERSTAND . . .What Your Customer Is Expecting from Your Business

Customers have expectations about both how you operate and how you interact with them, personally. You probably know how to operate your business but, are you equally skilled at managing the experience you create for your customers -- the kind that makes them 'raving fans?' If not, find out or pay the price!

ACTION Step 2: DESIGN . . . A Problem Recovery Process . . . to Turn 'Upsets' into 'Loyalty'

OK, problems will happen at some point. Even in the best run businesses. But . . . be ready to respond to them BEFORE they happen. And practice, practice, practice them like fire drills . . . to get them right!

ACTION Step 3: TRAIN / MOTIVATE / EMPOWER . . . Your Employees to Resolve Problems ASAP

To a customer, the person they're talking with IS your company. Don't prevent your staff from being able to resolve problems and build valuable relationships with customers for lack of training and authority to act.

ACTION Step 4: MONITOR . . . Your Relationship Performance Constantly -- Using Customer Feedback

Regularly and frequently be sure you ask, 'How are we doing?' . . . as your Customer sees it!

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WHAT Are the Implications for ALL the Parties?

If your business satisfies your customers' business expectations AND relationship expectations, you're going to gain sales, market share and profit because of the loyalty of customers who will return to buy again, buy more and reduce your marketing costs because the Word of Mouth promotion they will do about your firm . . . 'just because' they love you!

What Relationship TRUTH is Involved Here?

There's a big difference between creating a customer who is 'satisfied' and one who is 'loyal.' Customer Satisfaction is earned by operating a business in-line with the basic expectations most customers have -- good products, fair prices, convenient location, etc. On the other hand, Customer Loyalty is earned by being prepared and empowered to do "whatever it takes" to meet the relationship expectations of your customers.

Where Does This Lesson FIT in the Customer Care Paradigm?

Significant success depends on customers who are L-O-Y-A-L to your business.

Your challenge is to manage the relationship you have with each one of your customers so they are so satisfied in their relationship with your firm that they are willing to promote you through 'word-of-mouth' promotion and

evidence their loyalty with repeat sales.

How Can You TRANSFER This Insight into Your World?

Understand that operational problems, if not addressed will lead to relationship problems.

Be sure your people have both the training and the motivation needed to satisfy the 'relationship' expectations of your customers.

Anticipate that 'problems' will happen and be prepared to address them BEFORE they occur.

Have a "Problem Recovery Plan" in place to:

manage 'moments-of-truth' successfully, resolve problems quickly and easily for all, empower your staff to act without delay and maintain the relationships that breed loyalty.