customer service improvement leads to revenue and gross margin improvement

customer service leads to customer interest which then leads to customer orders. while best business practices covers a large number of subject areas, the most important objective of any business is to stay in business. you could be the most efficient company in the world, but fail due to lack of new or sustaining business.

customer serviceif you want to pursue best business practices, part of that quest must deal with revenue improvement in general, increasing the quality of that revenue and decreasing the cost of producing your goods and services. the ultimate objective is to sell more products and services to existing customers and attract new customers who will purchase existing products and services. while the process of revenue improvement initiatives doesn’t have to be totally customer service focused, the majority of it had better be. without customers there would be no business.

this article is dedicated in part to your customers. that’s where your revenue comes from; people deciding to invest in your company and then deciding to continue that relationship. we will discuss the importance of customers, ways to delight customers and prospects so they will be more willing to buy from you, customer service and satisfaction, quality management and finally cost control.

customer service drives revenue growth

in the end there isn’t any magic formula for revenue improvement or decreasing direct costs. you can’t read this article or any other article and follow a set of guidelines that guarantees success. if you are interested the internet can prove to be quite educational as there are any number of articles (another one of which i have linked here) that might help you learn. you might also use googleblogsearch to identify articles relating to topics you define (customer service, customer service management, etc.).

there are just too many factors that contribute to the maximization or optimization of gross margin. hopefully as we proceed with our discussions, you will be able to devise a best business practices improvement program that helps you identify the precise factors that contribute to your organization’s success.

the central theme of best business practices that surrounds all of our discussions is the notion of customer service (a.k.a. customer satisfaction). if you can satisfy the needs of your prospects, they will become customers and that will lead to revenue improvement. if you satisfy the needs of your existing customers, they will continue to purchase your products and services, thus sustaining your revenues. finally, you must be able to operate efficiently so that the revenues being generated are greater than your costs of doing business.

part of operating efficiently is working together as a team, whether that’s real teams or just a sense of teamwork that encourages people to strive toward excellence. what drives this notion of teamwork? in this case the customer is the people with whom you work each day. they have needs just as do your paying customers and these needs have to be met in order for the organization to operate efficiently and effectively.

i know this whole idea sounds a little too simplistic, but that’s our objective. we want to get away from academic jargon that is difficult for most people to understand. best business practices is a complex process, but it isn’t as complex as many people make it through their writings.

in the end, business success depends entirely on customer satisfaction. i’m not just talking about customer service as it relates to a one-on-one connection with each customer or how you treat your customer on the phone, but issues such as quality, price, product availability, product offerings, shipping and anything else that directly impacts your customers. all of these factors contribute to customer satisfaction. even revenue improvement and cost reductions are related to customer satisfaction.

you can’t increase your revenue unless customers are happy with what you have to offer. you can’t reduce your operating costs unless you make sure these cost reductions don’t have a negative impact on your ability to serve your customers. everything that goes on in your company has a link to customer service and customer satisfaction, and that’s the first lesson in best business practices you have to learn. operate as if you know this and you will do well.

as we move forward let’s set the stage for our discussions regarding best business practices. your company’s success isn’t dependent on what business management system you have or whether you reorganize or not. you company’s success is dependent on your ability to

know what your customers and prospects want,

identify those people who want your products and services,

convince them that they need your products and services,

deliver your products and services to your customers at the right time, price and quality and

manage your business effectively and efficiently.

you might ask how can just five principles suffice? while there is no doubt that there are many steps you can take to follow the tenants of best business practices, these five are your prime business strategies. everything else is a tactic designed to achieve these five strategies.

reengineering for revenue improvement

historically, reengineering has been viewed as a means to make companies leaner and therefore more profitable. the only problem with this approach is that there is a finite limit to the dollars that can be squeezed out of cost reductions, and there is an infinite amount of productivity losses that can arise when employees are threatened by layoffs. this isn’t best business practices. it’s just emergency steps a firm takes to right the ship.

rather than concentrating on cost savings, companies should look on reengineering as a means to stimulate growth. the objective here from the very beginning is to enable employees to work smarter and help the company increase its competitive abilities. rather than being threatened with layoffs, employees see that their jobs will be safe and they will profit as the company continues to grow.

while the changes that will stimulate growth might take more time, the long term interests of the company and its customers will be served more effectively. that’s the most effective way to approach best business practices.

one of the problems i have with downsizing is that too many people see it as the primary means of correcting past mistakes. cost savings seem to be the first thing these companies consider when in fact there is a limited amount of additional long term profits that can be generated. by concentrating on growth, customer service and efficiency, companies can position themselves for real long term productivity and profitability.

if you concentrate only on cost savings and head count reductions, you may place yourself in a position of not being able to seize opportunities to expand your markets or product lines. i would much rather start with the assumption that i can cure my company’s ills by reorganizing for profit enhancement rather than downsizing. yes, that might mean that my labor costs may continue at uncomfortable levels, but it’s the long term view that’s important, not short term profits or my annual bonus.

best business practices are not tools to be deployed during difficult times. best business practices look into the future and proactively take steps that will eliminate the need to downsize or reorganize in the first place. if you have to take emergency steps to right the ship, then you haven’t been doing your job correctly. rather than reducing head counts, senior managers who didn’t follow best business practices (or just fell asleep at the switch) should be eliminated, not employees who are dedicated to customer service.

building a foundation for growth

revenue improvement can be a double-edged sword. simply saying “we are going to grow by 20% per year.” without preparing your organizational structure, business processes and your employees to handle this growth usually leads to increased revenue but decreased productivity simply because the business processes cannot cope with the added workload. this doesn’t mean that significant growth can’t be handled efficiently, but that it can’t be handled unless you first take the time to adopt appropriate best business practices to prepare for it.

all of this circles right back to everything we have been discussing or will discuss. since it’s unlikely your present organization is operating at peak efficiency at current volume levels, how can you expect it to cope with added volume? your first priority is the construction of an organizational structure, best business practices, business processes and employee backbone that will be able to grow as revenues grow. in short, you must invest time and dollars in the organization before you can invest in growth.

let’s segway for a moment. best business practices and process improvement or business processes are not the same thing. business processes are the technical methodologies that allow people to complete a task. best business practices are the methodologies by which you choose to run your business. best business practices are more subjective than technical. change management and leadership are two such foundations for best business practices. i prefer the term business excellence, but i hope you can see the difference.

the plan for revenue improvement is exactly like the plan for efficiency that you will construct. the only difference is answering one additional question “how does the organization need to change in order to handle efficiently the growth we are anticipating?” start with the plan to reorganize your company for success as we have or will be discussing. this includes your financial management system, customer service, business processes, change management, the organizational structure itself, management support for change and for employee development, corporate culture and finally the employees themselves. bundle all of these elements into a single best business practices foundation that gives your organization the best chance to become truly effective and efficient. once that plan has been developed and implemented, then come back and carry out the same form of analysis, but this time from the point of view of customer service and supporting growth. i’m not asking you to determine how you can grow, but how you can handle the added burden that growth will impose on you.

ask yourself questions such as those listed below. these questions should be asked for each department or work center throughout the organization. this even applies to those areas that may not be directly affected by growth such as supportive services. while the workload for these positions may not be tied directly to increased volumes, at some point there is some relationship to volume. this has to be a very methodical analysis. if a single area isn’t prepared for growth and is unable to react to an added workload, the resulting bottleneck will spread throughout the organization with a ripple-like effect.

what is the relationship between volume and workload for this department or work group?

is there a difference between volume and workload depending on the nature of the products or services being sold?

what is the relationship between volume and workload for longer term customer service and customer support?

if the volume were to increase by 10% or 20%, describe the specific additional work that would be imposed at each level in the organization?

how many additional people in which specific positions would have to be added to handle a 10% or 20% increase in volume?

at what point would these additional people have to be added so they are fully trained and productive in order to meet these predicted volume increases?

what additional structures (desks, computers, filing cabinets, etc.) would have to be added as these new employees are employed or volume increases (keeping in mind that volume and therefore paperwork would increase for a period of time without requiring the next new employee)?

what additional software, if any, would be required to support these additional people?

as volume increases, are there different work assignments that might enable people to work more efficiently and therefore require a lower rate of growth in employee acquisition?

there is any number of other questions you might ask yourself as you analyze revenue improvement opportunities. the key factor that underlies all of these questions is a thorough understanding of the relationship between volume and workload in each functional area of the organization, including support positions. all of this is a bit like trying to build a flood control system. if you don’t understand what might happen at various flood levels, you might end up building a system that cannot handle the volume of water, and you certainly should not try to build levees in the middle of a flood.

sales and growth strategies

if your organization is prepared for growth, that doesn’t mean growth will be achieved automatically. certainly producing quality products and services, and providing superior customer service before and after the sale will go a long way toward making it easier for prospects to invest in your organization, but the growth that occurs as a result of your reputation alone will be modest at best. if you want to grow, you have to go out there and seize the opportunities for growth or create them yourself.

there isn’t any magic formula for creating revenue improvement. it’s a combination of identifying prospects for existing products and services, selling more of your existing products and services to existing customers, and moving into entirely new markets. the common thread that runs through any of these strategies is knowing what people want, when they want it and offering it to them at a price that is acceptable to both of you.

the driving force here is the thought process that is applied in order to create these opportunities. you can’t sell to people effectively unless you take the time to know what it is they want to buy and why. this thinking process is an integral part of best business practices and business intelligence. rather than reacting to negative conditions (including revenue growth that is creating efficiency strains) people should spend time each day thinking about what might happen and what they can do to prevent/avoid these adverse issues.

one of the amazing things about selling is the notion that companies need to be moving into new markets with new products constantly. while that’s true in many instances, i would say that if you conducted an in-depth study of sales effectiveness and market penetration, 100% of the companies studied would be leaving a significant chunk of revenue on the table simply because they haven’t exploited all of the revenue improvement opportunities for existing products, existing markets or even existing customers. it’s just too easy to say “well, we have pretty well saturated this market, so let’s design some new products to sell to new markets.”

if this is true, and i believe it is, the easiest way to grow is to do a better job of selling your existing products and services to your existing customers. i know sales professionals don’t like to hear this, but an article in a sales publication reported that 72% of the purchasers responding to a survey felt that the sales reps calling on them had an average or worse knowledge of the purchaser’s company and industry. 72%!!

that’s truly frightening! there were other indicators that were almost as disturbing, and the conclusion is quite simple. if you are going to embark on a plan for growth, start by making your sales processes and sales representatives more effective. i would be willing to bet you could increase your sales by 30% or more just by doing a better job selling to existing customers and prospects. maybe some of the following suggestions might help.

if you want to grow, don’t be afraid. set bold targets.

growth isn’t possible unless your organization and your people are ready to grow.

maximum profitability is possible only by combining a dedication to growth, superior customer service, efficiency and effectiveness. grow as fast as you want to, but only to the degree you can handle that growth internally.

eliminate any bureaucratic impediments that might hinder your ability to move quickly and seize opportunities for revenue improvement.

help your employees dedicate themselves to growth by sharing the profits that arise as a result of that growth and their efforts.

never sell physical products. sell the benefits that those products will bring to your prospects and customers.

even though your physical products are similar to those of your competition, create a real difference in the eyes of your customers by listening to what they really need other than just the physical product, and then meet that need.

look for opportunities to move into developing or niche markets where there is little current competition. charge full value for your products and services until competition begins to move into the market. then move on to newer markets.

ask your customers what new products they believe they might need in the future.

the customer

my definition of a sale is quite simple. it’s one person in one company deciding to form a relationship or partnership with another person in another company. even mass merchandise companies must follow this same path. while products might be sold through a mass merchandiser, the purchaser is an individual who decides to buy something from another individual (or the collection of individuals at the store).

price, quality, customer service before and after a sale and advertising certainly play a part in this transaction, but it’s still a one-on-one relationship at that critical point in the sales process. think about it for a moment. why do you shop at stores where the prices are higher? could it be that the shopping experience is the motivating factor rather than price?

having said all of this, let’s start with the customer (and the customer service you provide). if you and your employees don’t understand anything other than this one point, remember this. your customers hold the keys to your success. if you don’t show them individually that you know they are important, you will never achieve excellence.

now, let’s list some phrases that might form a sort of theme song for your customer service best business practices project.

without customers, there would be no business. customers are the lifeblood by which companies grow and prosper. you are totally dependent on your customers and you should act accordingly.

customers are the only entity that has any significant effect on the financial success of any business enterprise. they have the power to give you business and they have the power to give that same business to your competition.

when customers contact you (in person, via your web site or any other sales communications channel) they must know immediately that they are the most important person in the world.

customers are the only entity that has any significant effect on the reputation of a business enterprise. they have the power to make you prosperous and they have the power to destroy you. if your customers are not treated fairly, or believe they were not treated fairly, or believe they did not receive value for the money they have invested in your products and services, repeat and referral business will be very difficult to achieve. customer service is the most important profit driver!

customers are more than just a source of revenue. they are full business partners and should be treated with the same respect and dignity you treat any other person in your firm.

you must give your customers something other than the physical product or service, and it’s your responsibility to determine precisely what this added value is. it cannot be something that is created and provided to all customers, but rather personalized to meet the needs of each individual customer. it isn’t even something that is sold as an add-on, but given free-of-charge or obligation.

every person in any business enterprise has customers. some may be paying customers while many others are people with whom you work every day, even if you are a janitor or typist. your customers are the people you work for. ultimately, every person in an enterprise works for those people who purchase your products and services. your employer isn’t the person who signs your paycheck. it’s the person who pays your company for your goods and services. treat this ultimate employer with the respect they are due.

as oriental cultures practice it, remember that your customers are always honored guests in your house.

what is customer service?

while you can set the stage by defining what a customer is to you, customer service delivers the message. it is only through customer service that you actually show your customers how important they are. glossy brochures, expensive advertising and slick sales pitches can be used to tell your customers anything you want, but it is only through actual experience that your customers come to know what you really deliver.

while most of us think of customer service in terms that associate it with new business, the ultimate objective of customer service should be focused on repeat business. that’s where real long term profits will be generated. it takes a significant investment to land a new customer. in most instances i would suspect that new customers actually lose money if you add in the cost of direct and indirect sales and marketing expenses.

it’s only after the customer begins to call back for repeat business that true profits can be generated, because at that point the direct sales and marketing expenses begin to shrink dramatically. if you follow this analogy, the objective of the whole exercise is not to land customers, but to retain them. in fact, it’s not just more profitable to sell to an existing customer it’s far easier as well. people know you and your products and services, so why should they shop elsewhere? best business practices isn’t about selling to people you do not know, but selling to people who value their relationship with you.

i would suspect that your customer service policy might differ depending on whether this is a new customer or an existing one. while i can appreciate that you might want to bend over backwards when servicing a new account, why should there be any real difference between the services you give any customer?

yes, some customers may require that you react quicker than you might for other customers because that’s what was negotiated, but why should that mean customers receive less than your best after they have decided to invest in your firm. so, let’s spend a few minutes identifying some attributes that show customers how much they really mean to you.

customer service begins with a commitment to each customer as an individual entity. your objective is to serve that single person at that moment in time to the best of your ability.

customer service isn’t about meeting basic or minimal levels of customer expectations or about satisfying all of your customer’s needs. customer service is all about delighting your customers by giving them something that wasn’t expected or required.

customer service excellence isn’t possible unless senior management in actively involved in its design, promotion and execution. customer service excellence is a key component of best business practices.

successful companies live and breathe customer service, but it’s not something they publicize, nor do they try to define it in training manuals, nor is it a program. effective customer service just “is” and your customers will know it the first time they experience it.

successful companies realize that a sale is nothing more than the first step in a continuing process of serving their customers.

successful customer service begins with people seeking first to understand what their individual customer really wants and then delivering it.

the key to customer satisfaction is letting your customers know you care about them by your deeds, not your words. words mean nothing until you do what you said you were going to do, or what the customer asked you to do to improve your services or products.

sales people aren’t the only ones who should be meeting with customers face-to-face. it might be appropriate for order entry people to meet those people they talk to each day. production, shipping, design and even accounting personnel or managers might be able to better serve their customers if they had an opportunity to meet them in person.

excellence in customer service isn’t possible if reducing the cost of serving customers is viewed as a means to increased profitability.

employees and customer service

although advertising slogans try to add value to products, the truth is that most products tend to be somewhat similar. yes, there are differences, sometimes even significant differences, but in the end the basic functional differences between products is rarely sufficient to induce a prospect to purchase. however, there is one crucial difference that can distinguish one product from another, and that’s the person to whom the prospect or customer is talking. it really is as simple as that.

i have seen many examples where the personality of the sales receptionist (not the sales person, but the sales receptionist!) is so infectiously friendly that customers like talking to this person. in fact, they would prefer to give their orders to this person rather than a salesperson, and absolutely refuse to talk to anyone else if there’s a problem.

this person hasn’t taken a single sales course, and doesn’t earn a cent in commissions, but they know instinctively that becoming a friend is the key to successful customer service. the tragedy is that rather than learning from this person, many sales reps resent the relationship their supposed customers have formed with this individual. there is nothing magic about customer service and customer relations. it’s all about one friend helping another friend.

nothing works better than a friendly, helpful voice on the other end of the phone. superior selling can be nothing more than a matter of attitude. do you see your customer as an intrusion or as an opportunity? on the flip side, there is nothing worse than calling up a company and talking to someone who is having a bad day, particularly if that person is the first one you talk to.

i don’t care if your dog just died, the customer must be treated with the utmost courtesy possible! tom peters in one of his books said that “a customer is not an interruption of our work…he is the purpose of it. we are not doing a favor by serving him…he is doing us a favor by giving us the opportunity to do so.” i’m not sure if people understand how destructive a less than courteous attitude can have on a prospect’s or customer’s opinion of your company.

having made my point with as much force as i can muster, what can you do to make sure your customers are treated as if they really matter by each person in your organization? certainly salespeople know how to treat their customers (actually that not be true in many cases.). that’s what they get paid to do, but what many people forget is that the minute anyone talks to a customer or prospect for whatever reason, they become a salesperson as well.

the most important step you can take is to make sure each of your employees understands this single point. they are a salesperson and are expected to act accordingly. people must live by this motto and be judged by this motto. i know this sounds harsh, but it’s just that important. revenue improvement is not possible if prospects and customers are not treated with the utmost respect.

certainly the adoption of this policy should be your number one priority as you develop your customer service program and integrate it into best business practices. saying this is important, but you have to give people the opportunity to learn how to be polite as well. maybe a little sales training or sensitivity training might be appropriate. the most important step you can take though has little to do with sales training, but everything to do with sales effectiveness.

people who feel valued themselves will be far more willing to add value to everything they do, whether it’s at home or on the job. if you want your employees to treat customers as if they are important, then treat your employees as if they are important as well. i don’t believe it’s possible to have one without the other.

internal customers

we have or will touch on this subject several times. most people in an organization don’t have an opportunity to meet with or talk to external paying customers, but that doesn’t mean that there is no customer to be served. actually there are two customers. the external customer should be on the mind of each person in the organization, no matter whether there is a direct link or not.

second, every person serves an internal customer. in this case the customer is someone within the organization. in fact, most people have multiple internal customers. they might be your peers in your workgroup, managers or supervisors, people to whom you send reports or anyone with whom you have some form of business connection. every one of these people is a customer and should be served as effectively and with the same level of respect as any outside paying customer.

if people don’t realize that serving each other is as important as serving paying customers (and most don’t), how does that affect customer service and customer satisfaction? put very briefly, if people aren’t willing to serve each other, it won’t be possible to serve outside customers as effectively as you would wish. again all of this is just a matter of attitude. it starts at the top and permeates the whole organization. maybe your mission statement should be changed to “we are dedicated to serving each other so we can better serve our customers.” or something like that. that’s a key element of best business practices. maybe some of the following should be used as your guidelines.

our future and our prosperity rest within the hands of those with whom we work.

my pleasure is helping my peers achieve excellence.

how can i help you today?

we will improve as an organization only if we improve ourselves each day.

problems aren’t distractions, but opportunities for improvement.

i can improve only if i am willing to ask people how i can serve them more effectively.

customer service impediments

while our discussions will focus on developing an excellent customer service program, we cannot ignore the fact that there is any number of factors that will inhibit your ability to change as rapidly as you might wish. as discussed in another article concerning change, one of your most difficult tasks may be getting your organization to move away from its present practices and attitudes.

the most critical factor is management focus. if senior management doesn’t seem to place a high priority on customer service, that attitude will infect every other person in the organization. customer service starts at the top just as does business excellence.

the organizational structure itself may get in the way. a prime example is credit policies. if it takes three people to approve the credit of a new customer or allow an existing customer to exceed their credit limit temporarily, how do you think the customer or prospect will feel? bureaucracies are inherently counter-productive when it comes to customer service.

the other major impediment to customer service and best business practices has to do with people and their perceptions about their roles. too many people may feel as though they are “staff”, meaning they have no connection with customers. if a customer calls them, even if it’s in error, and hear “well, that’s not my job.” what do you think the customer will feel? a similar situation arises when the same staff person doesn’t see that the people they work with or serve are just as much a customer as one who purchases products or services.

every person in every organization has a customer, and every person in every organization ultimately serves those customers who purchase products or services. support staff may not normally deal with paying customers, but their efforts in support of those who do serve the public are just as vital to your success as any other person. if you are going to practice excellent customer service, everyone must recognize that they ultimately serve your paying customers.

quality and customer service

i know all people preach quality, but i don’t think many people really understand the nature of quality or its relationship to customer service. if you start with the premise that customer service is critically important to retaining business once you have convinced someone to purchase from your organization, then quality becomes part of your customer service program. it isn’t something that is managed separately. it’s integral to your success. poor quality cannot be overcome by superior customer service. your customers need the best products and services possible. if they don’t receive this level of what i call basic service, most will eventually take their business elsewhere.

the question now boils down to one of balancing the cost of producing higher quality products versus repair costs and the cost of loosing present customers as well as future customers. actually you might look on quality not as a cost (inspections, etc.) but as a revenue opportunity.

improved quality leads to decreased assembly costs, fewer production delays, better utilization of labor and machinery, less rework, and improved customer demand for your quality products. all of this leads to lower total per unit costs and greater flexibility in pricing, and that leads to greater competitiveness, superior customer service and therefore revenue improvement and increased profitability.

keep in mind the fact that people talk to each other and will spread the word about poor quality. if they don’t, you competition surely will. one of the problems is that there is no definition of quality in real life. quality is a subjective judgment made by each customer at the time they receive your products and services. they know what it is when they see it, but that definition may vary from customer to customer. since we could publish an entire book on quality, let’s list some of the main points.

quality is the union of dedicated people and superior technology. people provide the knowledge, skill and attitude. technology provides the design, manufacturing processes, systems and equipment.

if the entire organization isn’t committed to producing the best products possible, true quality will never be achieved.

quality begins with a commitment to quality work, no matter whether that work is production related or not. everyone should want to do the best job they can do.

there is no such thing as a flawless product.

true quality is never achieved by inspecting more. it’s achieved through quality raw materials, quality design, quality production techniques and quality production employees.

production employees produce quality products because they take pride in doing so, not because quality is mandated or even because they are paid a bonus for quality.

the quality cycle begins by taking steps to prevent less than satisfactory results or products. if a problem is detected, the prime objective is to determine the cause of that problem and prevent it from happening again.

quality begins with your suppliers and their quality enhancement programs.

quality begins with each person understanding what quality is and how they can contribute to it.

while the commitment to quality should be an inwardly generated driving force, quality enhancement programs should contain elements that encourage suggestions for improvement and incentives for the adoption of these improvements.

technology and customer service

while customer service is all about one individual working with another individual, technology can be utilized to improve the speed, versatility and effectiveness of this communica­tions link. while automating certain functions will assist you give your customers the service they deserve, it won’t fix bad practices or improve quality. that’s an entirely different subject.

rather than spending a great deal of time discussing these items in long form, let’s list some of the possibilities starting with basic communications and moving through a sales cycle in rough chronological order.

communications

there is any number of methods by which you and your customers can communicate with each other. with the increasing power of technology, these options have grown significantly. the question you must ask yourself though is quite simple “how would my customers prefer to communicate with me?” in addition, there is a parallel question that must be asked as well. “what is the return i might receive from investing in a particular communications option?” fax services used to be an accepted norm, but what about e-mail or the internet? what about edi or cell phone apps? i can’t answer these questions for you, but your customers can. do you really need a particular option?

one option everyone seems to have forgotten is the telephone. talking to a real person is a communications options. while the world seems to be racing toward faceless communications through voice mail, e-mail, fax, and the internet, people forget that talking to a real person may still be considered to be important to some of your customers.

if you don’t give them this option, how has that put you closer to your customer? i would much rather talk to someone in person or on the telephone rather than trading e-mail or text messages. telephone and face-to-face communications are the only two means of communications where tonal inflections can be used to assist you deliver your message or to understand your customer’s feelings. nothing will ever replace the power of a voice when it comes to selling and so many people seem to have forgotten this point.

i think i would like to make one final point before proceeding. i don’t care how you try to justify it otherwise, voice mail and automated telephone systems are a significant deterrent to the sales and customer service process. it’s not best business practices.

i have heard all of the arguments in support of automated telephone systems. i know it costs much less to run a piece of hardware and software than it is to pay several switchboard attendants, but i don’t believe anyone has ever included the cost of lost sales in this analysis, and i’m sure some customers get so frustrated with automated telephone systems that they would prefer to not do business with you. have you ever thought about this cost element and how it negatively affects best business practices?

look at it from the point of view of a prospect. they hear about your company and call to get additional information. the first thing they hear is a recording asking them to select from several options. if they are lucky enough to select the correct option, say sales, the system switches them to a sales attendant. however, all they get is another recording asking them to wait or worse still asking them to leave a message. i’ve had this happen to me many times. what’s most frustrating of all is that i didn’t receive a return call for several days!

now let’s compare that with a second system. the call is answered by a real person with an infectiously friendly voice. if the prospect isn’t really sure who they need to talk to, the operator helps them determine which department is most appropriate. let’s say all of the sales lines are busy. the operator asks if the person wants to wait or would prefer to have someone call them back. if they decide to wait, and the phones continue to be tied up, the operator checks back on a regular basis, apologizing for the delay.

if the caller decides they don’t have time to wait, the operator not only takes their name and number, but a brief description of their needs as well as their company name and address. maybe the operator even asks sufficient questions to be able to send some basic information. before the conversation ends the operator thanks the caller for their interest, apologizes for their inability to get through, and promises that someone will call within 30 minutes. and believe it or not, someone actually calls back in less than 30 minutes, apologizes for the delay, and asks “how may i help you today?”

which company would you prefer to do business with? yes, the cost of the operators is more than an automated telephone system, but the investment pays for itself by providing prospects a level of customer service they cannot find elsewhere. you might say that it’s not possible to find such receptionists. of course it is! you’re just not looking in the right place!

this isn’t a telephone switchboard operator who pushes buttons. this is an assistant sales representative. yes, you might have to pay this person a little more, but they are in sales, not administration. i don’t care what you call them, telephone operators are sales people. their responsibility is to present a friendly voice to prospects and customers alike, collect basic information that allows the formal sales representatives to do their jobs more effectively, and help people get to the right people at the right time.

i realize that we are living in a 24/7 connected world. people do business over the internet, e-mail or apps on their smart phone. i am concerned that this faceless relationship will eliminate customer service as a purchase decision factor. if that’s the case then price becomes a significant purchase decision factor. is this what we really want?

let’s close this section with two final points. if you are going to practice best business practices and superior customer service, every person who calls must be treated as if they were the most important person in the world. after all, how do you know this person isn’t going to offer you a multi-million dollar deal? even if you know this person’s company is small and offers only modest revenue potential, how do you know this company won’t grow to be larger than your own?

the final point is similar. i don’t care who calls. return their calls the same day or nominate someone to call them, if only to say that you are tied up and won’t be able to call them until the next day or the next week. your customers and prospects are your company’s lifeblood, and you had better treat them with the highest level of respect possible.

contact management

it doesn’t matter whether you employ a professional sales force or not. all companies must “sell” to prospects and existing customers. an integral part of developing an effective sales program is the frequency with which you contact each prospect or customer and the effectiveness of the follow up after each contact. crm (customer relationship management) and contact management software have been proven to be one of the most effective means of organizing this whole cycle of contact and follow up. crm software helps you keep track of each contact, the nature of each conversation, a description of the contact’s needs, ranking the contact according to likelihood of purchase or relative importance, and a whole host of additional information including the scheduling of future contacts. crm software will help you manage the sales cycle, but only if you make sure you manage yourself and the people involved in this process.

sales force management

sales force management software is just an extension of crm. rather than tracking the calls of one person, sales force management ties all sales people together into one management system. in most instances, sales force management software tends to be most effective for larger organizations with sales people spread over a large geographical area. i don’t think it would be particularly effective for smaller companies where management is a personal exercise.

the internet

the internet can play an important role in developing a total customer service package, but it isn’t the only element. unfortunately, many people seem to have been convinced that the internet is the only way commerce will be conducted in the future. this just isn’t true and you shouldn’t be stampeded into developing an internet presence until the investment has been justified. yes, some people do like to surf the web looking for products and services, and your presence on the web might allow such people to find you.

the rational to this statement is based on the fact that many companies cannot afford expensive advertising to place their names before millions of potential buyers. in this example an internet presence can be viewed as a form of advertising, but you should never look on it as cheap. developing and maintaining a high quality e-commerce web site can become a costly undertaking. if your products or services can be used by people across the country or around the world, then you might want to investigate this option.

the logical extension of advertising is commerce. many companies believe that customers want to do business on the internet. while it’s true that some people find it far more convenient to place their orders on the web, i think this option is limited to mail order type scenarios in most instances. if your product doesn’t lend itself to an impulse type of purchase, i think the development of an order taking routine on your web site will not prove to be an economical investment.

having said this, there is always another option. many companies seem to be moving toward using the internet as an alternative to edi where purchase orders are sent electronically from the purchaser to the buyer. it’s even possible to create an entire catalog and post it on your web site. all of these things are possible, but only if you are willing to spend a significant amount of money and only if you are willing to update these programs continuously as new products are introduced.

as i mentioned above, the internet can be viewed as a form of advertising. however as is the case with all advertising, the cost can be substantial. you could have a superior web site that lists all of your products and services, makes a strong value proposition and makes it very easy for people to place orders. you could have all of this and yet attract very few prospects. why?

internet advertising is all about position. unless you are at or very near the top of any search result, your attractive web site will be virtually invisible to prospects (defined as those firms or people who do not yet know anything about you). while seo (search engine optimization) will assist you rank fairly high, most people only look at the web sites that are at the very top of any search results. these top positions are no more than paid advertising whereby you pay each time a prospect clicks on your link and that cpc (cost per click) can be quite expensive.

when you come right down to it though, i believe the real problem with the internet is that it’s faceless communications. i know this is an editorial-like response, so you don’t have to agree with me. customer service is all about one person working with another person. the internet breaks this personal bond that should develop between buyer and seller. if there is no personal bond, it’s very likely that the bond of loyalty will be broken as well. yes, some people prefer electronic commerce because it makes the order placement process more efficient, and you should evaluate whether some of your customers would prefer this means of communications. remember though that in order to sell yourself and your products or services, nothing will ever replace one person forming a business partnership with another person.

customer service and order entry

having disposed of electronic commerce, let’s return to the real world. a prospect or customer calls you to inquire about product availability. how can technology help you help your customer? how can you follow the precepts of best business practices and make them work for you and your customers? now we are talking about any number of options, all depending on how much money you are willing to spend on software and the time required setting up order entry correctly. again rather than going into great detail, let’s just list some of these possibilities.

the telephone system recognizes the caller’s telephone number and displays the customer’s record on-screen automatically.

the customer’s complete purchasing history is available at the touch of a single key.

past orders can be duplicated automatically.

even though the customer might not call today, the system tracks their purchasing history and anticipates when certain items might be reordered. suggested orders are routed to sales representatives who call the customer without the customer having to do anything.

the customer’s credit history is tracked automatically so that order clerks know if the customer’s current status is acceptable or not.

if the customer’s account is past due, all outstanding transactions can be displayed on-screen automatically so that the sales clerk or sales person and the customer can review it immediately. maybe a payment has been made, but not recorded? maybe an invoice is in dispute or a return not yet recorded? rather than having to put the customer’s account on hold while it is being researched or passed on to the collections department, the sales clerk has the ability to make decisions on the spot. the customer is served rather than the order being lost to your competition, and possibly the account being lost as well.

if the customer requires any special handling of merchandise, these instructions are displayed automatically and forwarded to the shipping department automatically.

the system looks at quantity price break tables, and displays the best combination for the customer.

the system displays quantities on-hand, warns the user if an insufficient quantity is available in the current warehouse, tells the order clerk if merchandise is available in other warehouses, and creates shipping instructions for these other warehouses.

if the customer doesn’t allow partial orders to be shipped, the system remembers that and holds merchandise until the entire order is assembled.

customer service and shipping and order tracking

once an order has been received, it needs to be prepared for shipment, shipped and delivered. while the responsibility has now passed out of the sales department, the sales process hasn’t stopped. you have to get the merchandise to the customer at the right time and in the right quantity. if you can’t deliver as you have promised, then you haven’t served your customer adequately. if you want to adopt superior customer service shipping and order tracking software can play a vital role. preparing the order is relatively straight forward, but what happens if the merchandise is shipped too soon or too late? what happens if some items are found to be damaged and there are no replacements? what happens if you turn the shipment over to a delivery company and they drop the ball? all of these things can and will happen. that’s the nature of business, and will be understood by your customers….as long as you tell them!

that’s where these software applications come in. you need to know if an order can’t be filled because certain items are unavailable even if the system said they were. the shipping department needs to know when the order must be shipped in order to reach the customer at the right time. someone needs to be able to track particularly sensitive orders once they leave; not all orders certainly, but at least the ones that really are important to your customers. that’s step one. step two is the crucial one. you need to let your customer know if there is a problem and how you intend to remedy the situation. that’s what customer service is all about.

customer service and ar collections management

i think ar collections management is a legitimate part of customer service, particularly if you view it from this perspective. a sale is not complete until the invoice has been paid. although we are discussing customer service, keep in mind the fact that cash flow can be negatively impacted if an invoice is not paid on time. as an example the daily cash flow for a $10 million company is $27,000 (based on a 365 day year). if you can work with your customers to reduce their payment cycle by a very reasonable 3 days, that represents a cash flow of $82,000!

if a customer’s outstanding balance begins to exceed their credit limit, they should be notified; not just in writing or only when their credit limit has been exceeded, but in advance so the situation can be rectified before it becomes a problem. cutting a client off because they haven’t paid their bill may sound like good credit management, but its lousy customer service particularly if the customer has just forgotten to pay, or perhaps because a credit hasn’t been issued.

ar collections management software will allow you to track delinquent accounts, apply more consistent rules for collecting money to your entire customer base, and most important of all, allow you to work with customers personally to correct small problems in the payment cycle. this could be done manually, but specific software solutions for ar collections management will pay for themselves faster than any other software investment. by adopting a person-to-person ar collections management program augmented by collections management software, you will have done yourself a huge favor.

developing superior customer service programs

the only way you are going to be able to really know what your customers want is to sit down with them face-to-face. ask them what works and what doesn’t work. ask them what they see in the marketplace. ask them what your competition is offering that’s good and not good. satisfied customers tend not to be the best sources of information. ask customers who are not that satisfied or ones you have lost. this doesn’t just apply to your sales department. this should apply to everyone from order takers to shipping, manufacturing and even your president and controller. revenue improvement cannot be achieved if you don’t know what your customers are thinking.

since customer service is a continuous quest just as is best business practices or business excellence, you have to start somewhere. that somewhere is your customers, so ask them to help you. the reasons are quite simple. first, customer participation is the cornerstone of customer service. second, your customers know more about the service you are giving them than you do. third, they are far more likely to paint a truthful picture than someone within your company who might perceive this process as a form of criticism of their past performance. finally, involving customers in this process shows them by your actions that they are a valuable member of your organization.

although we haven’t yet named this process, most people refer to this as customer satisfaction surveys. however, most satisfaction surveys are no more than questionnaires. i’m suggesting that you go at least one step beyond this. surveys do help you keep up with your customers’ opinions, and possibly identify problems specific to individual customers (and you had better correct these problems if you expect the customer to believe the surveys mean anything), but they lack that final personal touch. involving customers in formal customer satisfaction groups shows them customer service and customer satisfaction really means something. that’s the ultimate compliment. you care enough to include them as a full business partner and include them in your best business practices initiatives.

you could work with customers individually or form customer group meetings. while this group meeting may seem to be somewhat different, the objective here is to bring your customer into your company to become an integral part or extension of your company. while their participation remains advisory at best, think about the impact of such programs from their point of view. that’s the point of view you have to adopt in all customer service or satisfaction initiatives.

now let’s get to the point of these meetings or surveys. what do you really want to know? i guess that depends on whether the objective is specific to the customer or to draw a picture of your customer service program in general. you could even do this for specific products and services.

before we actually begin to list some of the questions you might want to ask, let’s keep in mind one point. the way you collect this information isn’t as important as the fact that you care enough to ask. you could do this one-on-one through your sales reps, conduct telephone interviews, convene customer group meetings, use a formal survey or a combination of methods. whether you do this formally or informally, the point of all of this is that you should go through this process on a regular basis, no matter how small you might be.

now let’s get to some questions you might ask. don’t just accept the questions at face value. create one that seems to work for you. maybe you could ask some of the following questions of yourself or of your customers.

customer: how do you use our products and services?

yourself: do you try to expand your contact within the customer’s organization to talk to people who will be or are using your product or services?

yourself: do you try to understand the customer’s industry and changes that might represent opportunities or dangers for you?

customer: in what way do our products or services help you?

customer: how could we change our products or services to help you more?

customer: why do you purchase products/services from us?

customer: what do you like most about the product/service?

customer: what do you like the least?

customer: what would you like to change, if you could?

customer: what’s the most important feature – convenience, price, service, etc.?

customer: do our marketing brochures or web site help you make a purchase decision? if not, how can their impact be improved?

customer: what is your reaction when our sales representative calls? do they call too often or not enough?

customer: are there other complementary products or services that you might be willing to purchase if we were to offer them?

customer: is there a specific way you would like to communicate with us?

customer: when you call our internal sales people, is there a specific way you would like the conversation to proceed?

customer: how does our customer service compare against that ideal, and what specific improvements could we make?

yourself: if demand increased by 10%, how much time would it take for you to react?

yourself: how do you coordinate communication between production, shipping, order entry and sales?

yourself: do you follow up with customers to make sure they received their orders?

customer: how would you rate the quality of our products? what can we do to increase this quality?

customer: was the invoice you received formatted so that everything made sense?

customer: was all of the information you required to process this invoice included?

customer: are there specific ways we could improve the format of our invoices or anything else connected to the invoicing function?

there are two forms of surveys or questions you could ask customers. one requires numerical or yes/no responses, and obviously lends itself to statistical analysis. the only problem with this is that the definition of a “6” may mean different things to different customers. the other form of questionnaire asks for text based answers and examples. this could be a questionnaire, a personal interview with a single customer, or in a group setting where the customer is meeting with people in your organization.

although this form of questionnaire is considerably more time consuming to process, it may give you specific action oriented suggestions from the very people who have the power to make you prosperous. even though 43% of your customers indicate they aren’t happy with the way customer service people respond to their needs, there is no information that says why, and people may have different reasons for the same response. text oriented questions give customers the right as well as the ability to say how they would like to be treated in very specific terms.

i’m not an expert in the field of designing customer satisfaction questionnaires, but there are several points i have heard other people make that might assist you get the right information from your customers.

if you are going to ask questions, ask them of the people who have the buying power or responsibility (the decision makers).

questions should deal with customer service/satisfaction, not customer retention. if a customer already has a low opinion of your service, you may score well, but that’s only because they don’t expect a great deal in the first place.

if you ask customers to identify problems, you had better be ready to come back fairly quickly and tell them how you are going to address their specific needs.

customers will be more willing to tell you the truth if they believe that the process will help them directly.

i know all of this sounds really time consuming, and in many instances it is. i guess it all comes down to determining the value of knowing in very precise terms what you need to do well to attract new customers, retain existing customers or sell more to your existing customers. the latter two objectives are the most important for they help you maximize your return from the investment you have already made in your existing customers as well as learn a great deal about why they decided to purchase from you in the first place. revenue improvement can only be achieved if you “know” what your customers want.

certainly you don’t have to get this involved. it’s the objective that is important no matter how large or small your company might be or how many customers you might have. if you want to attract new customers and hold your present ones, you had better know why they buy from you and what you can do to make sure they stay with you. this could be surveys, meetings or just plain old face-to-face conversations with your customers. the point to all of this is that they need to know you care, and the best way you can do this is to ask them how you can serve them better.

a comprehensive approach to revenue improvement

although we will utilize a similar strategy when discussing business process improvement in later articles, i though we might take a few minutes to discuss one approach you might want to consider when talking about improving customer service. as you will remember from an earlier discussion, customer service isn’t just about how you treat a customer when you are talking to them on the phone or in person.

quality, price, product availability, product offerings, shipping and anything else that directly impacts your customer contribute to customer satisfaction. since the most effective means of improving customer service starts with asking the customer what you do well and what you need to do better, you can’t limit the customer’s responses to a single or limited number of subjects. that’s because the factors that contribute to one customer’s satisfaction may not be the same as those for other customers. if you ask the question, you must let the customer give an answer that suits their definition of customer service and satisfaction.

one of the most difficult aspects of achieving best business practices or business excellence is the potential complexity of the entire process. if you have ever tried to read any of the books concerning business process reengineering or total quality management or any of the other subjects relating to improvement, you will remember how complex some of the forms were. i guess the real problem starts to develop when you try to figure out whether the analysis is all about quality, customer service, business processes, production control processes, etc.

you could slice your organization into any number of discrete parts, but the toughest problem is trying to put all of the pieces back together. if you try to analyze just quality, customer service issues keep on popping up. is it a quality issue or a customer service issue? many people try to lump everything into one gigantic analysis that becomes so confusing that nothing gets accomplished.

best business practices can become quite complex, particularly when you are trying to take a business apart and then put it back together so that it operates more effectively. the process we will discuss in the following section can be made as detailed as you want it to become. i prefer to look at one aspect at a time, knowing full well that there will be some crossover issues.

maybe you should start with customer service in the classic sense. answer the question “how do we serve our customers now and how can we serve them better in the future?” then move on to quality or cost management. i would hold the analysis of detailed business processes until the very end just as we have done on this series of articles. you might want to use the following guidelines, but remember that they are only a guideline. if you want to analyze customer service, construct your own forms; ones that make sense to you.

list customers: if you are going to analyze what it is your customers require of you, the first step is identifying the customers. it’s not going to be possible to create a single analysis list of all customers. that’s just too cumbersome. the analysis should be broken down by either customer size if your have relatively few sales reps or by sales rep. this makes the analysis a little easier. after the analysis has been completed, you can compare notes between the various lists to see if other people’s improvements might be incorporated into yours. this same approach can be utilized when you are carrying out an analysis of the relationships between people within your organization (the internal customers).

list vendors: your vendors play an important role in your success. you are their customers. maybe you should sit down with them and carry out a similar analysis?

define products and services: list every product or service you sell. if you are analyzing internal customers, you would list each thing you do for other people or send to other people.

assign products and services to customers: since no customer is likely to purchase all of your offerings, list those items each individual customer does purchase.

define customer product requirements: this is the first part of a three part question. this question asks that you identify the specific types of products your customer requires. size, color, length, and other physical attributes of the product should be listed.

define customer service requirements: the second questions deals with factors such as delivery, packaging, order cycles, production times and any other attribute that describes the relationship between you and the customer.

define customer quality requirements: this question deals with tolerances, color matching, inspection procedures and anything else that has an impact on the quality of the product or service sold to your customer.

critique products and services: hopefully at this point you will have described not only what you sell to your customer, but also the relationship between you and the customer. now sit down and critique yourself. how well are you serving your customer in terms of price, availability, delivery, special handling, quality and even the way the customer is treated when they place an order or have a problem with an order? ask yourself the question “do we meet our customer’s basic requirements, most of their requirements, or do we exceed their requirements?”

let customer critique products and services: having carried out a critique of the products and the service you provide your customers, sit down with them and ask that they critique the exact same set of factors. if you want to do this effectively, this step will require face-to-face meetings, although you could send out questionnaires to smaller customers or possibly ask some customers to participate in group meetings.

create team/group/department mission statements: i know this seems to be out of place, but at some point in time you should get people to define exactly what they believe their purpose is in very specific terms. this helps people focus on the same success factors and therefore the work produced tends to be more uniform in terms of meeting the same objectives. i inserted the team mission statements here, for it is at this point that people in a department will have already accomplished the previously mentioned steps and therefore will have developed a better sense of what they should be doing in order to serve their customers more effectively. the mission statement should be customer focused (internal or external) and describe in very precise terms exactly what the team or department needs to do very well in order to meet the needs of their customers.

identify strengths and weaknesses: now we have two separate critique documents; one from the team or group and one from your customers. take the information from both lists and identify exactly what the group does very well and what it doesn’t do quite as well.

prioritize strengths and weaknesses: take the list of strengths and weaknesses and list each item in ascending order with the weakest items first and the strongest items last. even though the emphasis is on improvement, people need to know that they do some things very well. in addition, they need to keep doing these things very well.

identify source/cause of weaknesses: identifying a weakness accomplishes nothing. it’s the cause of the weakness that is important. it’s just like a doctor. you don’t treat the symptom. you treat the disease.

plan improvements: now we get to the point where we can actually decide exactly what has to be done to turn your weaknesses into strengths. just saying you need to improve delivery times isn’t sufficient. you have to say what you will do precisely in terms of actions that will improve delivery times.

schedule and implement improvements: identifying weaknesses and their causes is the primary step. identifying the causes of these weaknesses is step two. deciding what to do is step three. now you have to take the most important step. make the improvement. don’t just say you will do it. schedule it! make it happen!

measure and review performance: ok, now you have implemented specific improvement initiatives. that doesn’t mean what you did will have any affect. maybe the cause of a problem or weakness wasn’t what you thought it was. maybe the plan for implementing the improvement wasn’t effective. maybe people ignored what you said they should change. you have to make sure that the planned results have been achieved. in most cases you should have identified some means by which the weakness can be measured. if it takes you 8 days to ship an order, you had better be measuring the time it takes to ship the order after the changes have been made.

modify improvement plan: all plans for improvement will not turn out as you had first thought. once you implement the plan and have determined what’s working and what’s not working, you have to take those items that didn’t turn out as you had planned and return to the step where you analyze the problem and identify the cause for the problem.

repeat cycle continuously: the process of improving customer service or business processes isn’t something you launch, complete and then forget. business excellence is a continuous cycle of analysis, improvement, measurement and adjustment. it never ends for there is no such thing as perfection.

the virtual corporation

everyone talks as if this is a new concept. it isn’t. think about it for a moment. a virtual enterprise is multiple organizations acting as a single entity. i think that’s a pretty good definition of excellent customer service and best business practices as well. if you are going to serve your customers effectively, all participants (customers, employees and your suppliers) must work together with a single purpose.

i don’t think the ground rules have changed that much over time. people still need to communicate and that’s the key element. groups still need to determine if they can operate together. certainly the communications aspects are easier on the one hand, and more rigorous in terms of management and data protection. this is true for multiple companies working together or a single company with multiple divisions or employees spread out over the globe collaborating on various projects.

the key element in a virtual corporation is the notion of projects. the right people are assigned to a project, but where those people are or who they work for is less important. the skill and the knowledge are used, and then the person does something else. in fact, a person could be a member of several organizations simultaneously. rather than having functional departments, people see themselves as members of a project.

cost management

the final element in our revenue improvement and gross margin improvement program is cost control. revenue improvement, quality and customer service are all critical elements that contribute to the bottom line, but it is cost management that acts as the control system for everything.

everything you do each day costs money. since the objective is to optimize profitability, the only way you are going to do that is to keep your costs below your revenue. i know this sounds really trite, but true cost management is a real juggling act. costs are a direct result of an activity. your objective isn’t to minimize these activity costs, but to maximize the effectiveness of the activity for every dollar spent.

as an example, you know you need to invest in customer service. rather than saying to people “we need to reduce our spending by $50,000”, your approach would be to minimize the costs of achieving whatever objectives have been set for the customer service program. if you approach cost management from the point of view of pure dollars, you run a grave risk of eliminating something that is crucial to achieving the objectives of the activity being managed.

the failure to achieve the objectives of a single activity may have a significant impact on other areas of the company, leading to extremely negative consequences for the bottom line. in the end you might save $50,000 in one area, but lose another $300,000 in profits. the objective shouldn’t be dollar management, but effectiveness management. that what best business practices is all about. maybe some of the following points or questions might help.

do managers and supervisors understand their objectives and how each cost element contributes to the achievement of those objectives?

do individual people understand that significant savings can be achieved by their concentrating on working efficiently and asking themselves if certain activities are really necessary?

can you isolate spending at the department level?

can you isolate spending at the workgroup level?

do you reward people for cost effectiveness suggestions?

how quickly can you implement cost effectiveness suggestions?

do you give group leaders or supervisors the right to implement cost effectiveness suggestions rather than going through a committee first?

do you use budgeting as a means of improving cost management?

do you establish budgets based on last year’s results or the objectives for the coming year?

do you utilize variable budgeting where certain cost elements are associated with activities rather than all costs being fixed?

can you modify your budgets for labor and materials depending on the specific products produced during any one accounting period?

how quickly can you report costs for the past accounting period?

summary

revenue improvement and gross margins is all about synergy. i know that’s a $50 word, but i think it applies here. you can’t just go in and change a little bit of this and a little bit of that. each aspect we have been discussing is related to others such that it’s almost impossible to separate one from the other. yes, you can improve quality, but quality is really part of customer service, just as everything else is connected.

all of this follows the same underlying principles of best business practices or business excellence. it isn’t a single activity taken in isolation. it’s a complete program that starts with the customer and eventually includes employees, quality, revenue, cost effectiveness, vendors, internal customers, management and anything else you want to add to the list. the bits and pieces of the program aren’t nearly as effective individually as the whole program acting as a single entity.

customer service is all about friends helping each other.

the objective of any customer service initiative is to keep customers for life by treating them as if that’s your intention.

if you want to deliver superior service, place yourself in your customers’ shoes and ask “if i were the customer, how would i like to be treated, and what level of service would i want?”

the key to customer service is letting your customers know you care about them by your deeds, not your words. there is no more powerful sales tool than a friendly voice on the other end of the phone.

employees will be willing to add more value to your customers if they feel valued themselves.

the key to customer service is serving people exactly in the same manner as if you would like to be served regardless of whether the person being served is internal or external.

practice superior customer service by asking your customers what they want.

little touches are more important than you might realize. things like saying thank you, or even writing people thank you notes.

communicate with your prospects and customers via a means that is preferred by them, not by you.

ask yourself each day “how can i serve my customers better today?”