
Beyond Satisfaction

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Although marketers wouldn't dispute that satisfying customers is always important, one of the common misconceptions among them is that satisfied customers become loyal ones.

The fact is customer satisfaction is merely a requirement, much like offering quality goods and services. Customers expect it, and any firm that can't deliver likely will be out of business before long.

The key to building long-term relationships with customers lies in exceeding their expectations, not simply meeting them. But that isn't easy. It demands a shift from a focus on company and product to one centered on customers. Here are actual examples of customer-centric practices that enabled organizations to drive toward loyalty.

Acceptance and Commitment

Every interaction with a customer is an opportunity to strengthen the relationship. Recognizing and acting upon these opportunities requires acceptance and commitment across the organization.

Several months ago, my friend Jim was hurriedly packing for a business trip. During the first leg of his flight he realized that he had neglected to pack a pair of dress pants for his early meeting the following day. Worse still was that he would not arrive at his final destination until shortly before most retailers close for the day — making it more difficult to buy a new pair.

During a layover, Jim looked up a retailer known for its exceptional customer service. He phoned this retailer's store near the airport of his destination city and explained the situation to a salesperson. The employee told him that he would wait at the store until he arrived — even if it was after hours. Jim arrived right at closing time and found that not only had the employee waited for him, a tailor had waited as well. Because of this, he was able to purchase a new pair of pants and have them altered after most employees had left for the day.

This salesperson did not have to stay late to accommodate this customer. In fact, he really had nothing personally to gain beyond the initial transaction. Jim lives in another state so there would be little, if any, opportunity for him to buy from this salesperson again. But he clearly had accepted his company's commitment to customer service. Before this event, Jim did not have this retailer's credit card. He was not even a regular shopper. But he is now. Because of this employee's customer-centric attitude, this retailer has not only become his first choice for clothing purchases, but he recommends it to friends and colleagues as well.

Make Contact. Build Relationships. Generate Revenue. Leverage Results.

Bend the Rules — Sometimes

Regardless of the industry, structured policies and guidelines are important to maintaining consistent operation: hours of business, return policies, transaction procedures and the like. However, it's occasionally necessary to work outside the established rules and go above and beyond customer expectations.

On my way to the airport recently, I stopped at an ATM to retrieve cash for a business trip. Unfortunately, the machine wasn't working properly and my card was destroyed during the transaction. I phoned my bank relationship manager from the car to order a new ATM card. I expected that she would order a replacement card for me while I was out of town. But she exceeded my expectations by asking if I needed money for the trip and offering to process a withdrawal and have someone meet me at the airport with the cash.

The type of transaction that my banker suggested was highly unusual and very likely fell outside the bank's established operating procedure. But she had the autonomy to do what was necessary to solve my problem.

It's noteworthy that while I didn't need my banker's offer, it made an indelible impression and demonstrated a level of commitment that is truly rare in any industry. As a result of this and other similar events, I am genuinely loyal to my bank and would never consider taking my business elsewhere.

Long-term Focus

When interacting with customers, particularly when trying to solve a problem, it's easy to get caught up in the moment and lose sight of the bigger picture. The ability to see beyond the current situation — whatever the level of customer value at that particular moment or the severity of the customer's issue — is an important factor in building a long-term relationship and increasing lifetime value.

A few years ago, a client was faced with a situation that resulted in a large product recall. Rather than churning through the process as quickly as possible and conceding the potential loss of customers, this client went out of its way to turn a negative situation into a positive experience for its customers. The field staff ensured that all special requests and customer schedules were accommodated during the product-replacement time frame and was careful to follow up with each customer in a timely manner.

This type of issue had the potential to decimate this company's business for many years. However, keeping the longer-term relationship in mind and carefully managing the customer experience resulted in stronger relationships with more customers than ever before. The company received many letters and e-mails from people who described their positive experience and indicated their intent to continue their patronage. The firm continues to thrive today.

Satisfying customers always will be a fundamental part of any business. But fostering a customer-centric environment and consistently exceeding expectations are indispensable components that help a company stand out from the competition — and, most importantly, build long-term customer loyalty.

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Executive Champion Required

The evolutionary process that will move a company to a customer focus must be championed at the executive level. If the leadership team doesn't emphasize the importance of building lasting customer relationships, the rest of the organization won't recognize it either.

There are many tactics that may be employed to develop this paradigm shift:

- Recruitment practices typically seek new hires with industry-specific experience. Banks look for banking experience; retailers look for retail experience, etc. However, candidates with the right type of personality and a predisposition toward service are likely to possess a customer-centric attitude from the start. Specific business practices can easily be taught; a customer-focused personality cannot.
- Field training should be done regularly to ensure that front-line employees understand the customers' importance and how they should be treated.
- Internal incentive programs can be established that recognize and reinforce customer-focused attitudes and behavior.
- Corporate education sessions may be conducted across the organization to communicate how developing a loyal customer base affects the success of each individual department as well as the company as a whole.
- Regularly scheduled briefings can help executives focus on quantifying the impact loyal customer segments have on profitability, business growth and overall shareholder value.

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