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# Update

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## **The Art of Delivering Great Customer Service**

by David Stauffer

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# The Art of Delivering Great Customer Service

*“If you sincerely believe that ‘the customer is king,’ the second most important person in this kingdom must be the one who has a direct interaction on a daily basis with the king.”*

—MICHEL BON, CEO, FRANCE TÉLÉCOM, QUOTED IN STRATEGY AND BUSINESS

**G**REAT CUSTOMER service continues to elude even well-known companies. Think of your last not-too-satisfactory interaction with an airline, a restaurant—or with one of your own company’s suppliers. Maybe the person you spoke with was surly or inept. More likely, he or she was personable, but what you wanted just couldn’t be done. *Sorry, it’s against company policy. No, that problem isn’t covered by the warranty. Gee, I’m afraid we don’t have the part you want in stock, and I don’t know when it will be coming in.* It’s enough to make a grown customer cry—or take the business elsewhere.

So what’s the level of customer service in your own shop? And do you know how to improve it?

Great service is hardly an unknown art. The leading practitioners—Nordstrom, Disney, L.L. Bean, a handful of others—understand what it involves. So do plenty of authors and consultants. Study up and you find that one part of good service is simply good management: making sure that front-line employees have the information and authority they need to solve customers’ problems. A second part is creating an environment in which people are motivated to want to provide stellar service (*see box*).

But there’s a third part as well: helping front-line employees learn *how* to deliver great service. They must become adept at handling all kinds of customers. They must learn to solve all sorts of problems. This is no easy task,

because people’s initial responses usually lead them in the opposite direction. Most of us, confronted with an obstreperous hotel guest or an invoice we can’t figure out, would just as soon duck, or argue back. Great customer-service people must learn to overcome these natural human reactions and respond in a way that makes the customer happy.

How to help them learn these skills? Well, there’s no substitute for extensive training. But if you boiled all the train-

ing aids down to their essentials, what you’d get is something like the 12 steps on the next two pages. So here’s a suggestion: cut them out. Post them on the refrigerator in the break room. Use them as reminders not just for your customer-service reps but for everyone in your company who talks to customers. If you can create an organization in which these 12 precepts are second nature, you’ll make the people who buy from you very, very happy—because at most companies they’re anything but. ❖

## If you want to learn more...

*At Your Service: Calamities, Catastrophes, and Other Curiosities of Customer Service* by Hal Becker (1998, John Wiley & Sons, 258 pp., \$17.95, Tel. 800-225-5945)

*Best Practices in Customer Service* edited by Ron Zemke and John A. Woods (1999, Amacom, 414 pp., \$39.95, Tel. 800-262-9699)

*Discovering the Soul of Service: The Nine Drivers of Sustainable Business Success* by Leonard L. Berry (1999, Free Press, 268 pp., \$26.00, Tel. 800-223-2336)

### Sterling Service: Creating the Context

USAA—a mutual insurance and financial-services company based in San Antonio, Tex.—has a sterling reputation and performance record. The company’s secret? “Consistently superior customer service,” says Leonard L. Berry, who “put on the headset” and listened in as call-center employees dealt with customers. Behind the service is a way of doing business built on three foundations:

- **Generosity.** USAA practices “strategic generosity,” argues Berry, services marketing professor at Texas A&M University (College Station, Tex.). Visit its facilities and you’ll “see the indoor gymnasium and outdoor playing fields, the cafeterias that serve breakfast, lunch, and take-home dinners, the convenience stores that fill prescriptions and provide drop-off and pick-up dry-cleaning service.” USAA also shells out more

than \$2.5 million annually in education assistance, including full college or graduate-school tuition for every employee with a year’s seniority.

- **Hiring for values.** Forget appearance, demographics, education, or experience, advises Berry—hire people who believe in the work-related principles you support. “Perpetuating and extending a strong set of values from the CEO to the call-center floor is perhaps the most important way to sustain excellent service.”

- **A culture of trust.** “The foundation of our culture is the strong trust-based relationship we have with our members,” says Kent H. Williams, USAA’s senior VP for property and casualty operations. “All of our people know that and appreciate what that involves. Their top objective when talking with a customer is not to make the sale but to care for the relationship.”

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## Talking to a Customer? Twelve Keys to a Great Interaction

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**1 Ground zero: the company is you.** Your company has dozens of locations and thousands of employees? Forget about them: in the eyes of your customers, you're it. They should see your company "as an indivisible whole focused on meeting their needs," says University of Maryland professor Benjamin Schneider, "not as competing departments preoccupied with their own internal concerns." Implication A: you can't assign blame to another department or employee—it's *we* who screwed up, not *they*. Implication B: when the customer does have to talk with someone else in the company, make the handoff only after personally contacting the right individual and then walking or transferring the customer over. The best last words to the customer: "If you don't get what you need, call me back."

**2 Remember your own experiences.** Think about what you want when you're a customer. How do you want to be treated? The last time you had a problem, what outcome made (or would have made) you happy? There's no better way to come up with ideas for dealing with your own customers.

**3 Use the "Home on the Range" motto: no discouraging words.** Instead of *I can't*, use a positive but truthful alternative such as *I'll try*, *That's a tough one*, or even *I'll ask my supervisor*. Replace *That's a problem*—too negative—with *That's a challenge*. Say *Here's how you can...* instead of *You'll have to...* And what do you do when a customer asks for something that's flat-out against company policy? Simple: put yourself on his or her side. A good phrase: "That would run us head-on into corporate policy, so let's try to come up with an alternative."

**4 Let 'em think you have all the time in the world.** You've got your

hands full. The boss is preaching about productivity. Never mind: a relaxed tone of voice and patient approach with customers go miles toward keeping customers completely satisfied—even if they don't get what they want. Jane Hiller Farran, senior director at the Wharton School's executive education program, remembers to this day a General Electric employee who tried hard—and failed—to find information she'd been looking for. "The person who took my call scanned computer directories and called associates who might be able to help, to no avail. The effort, though, made me feel very good about GE, because that employee clearly went to some lengths to try to get me an answer."

**5 Give them a chance to change their minds.** Customers probably change their minds more often than their addresses. Good salespeople always ask about preferences, options, styles, and other choices, knowing that a regular order for a case may metamorphose into an order for two cases of something different. Good service reps know that the customer with a problem may turn into a customer with an order after five minutes of conversation.

**6 Cherish the customer who complains!** The first words out of anyone's mouth to a complaining customer should always be the same: "Thank you for telling me about this." The reason? Studies show that only about 10% of dissatisfied customers who *don't* complain will ever again buy from your company. The repeat-buy percentage is still only 20% for customers who complain but aren't satisfied with the outcome. But if customers' complaints are resolved satisfactorily, as many as 90% will purchase again. "No other moment in a company-customer relationship is more important than when the customer is dissatisfied," says George R. Walther, a principal with Speaking

From Experience in Newcastle, Wash. "The company's response will determine whether the customer becomes more loyal or begins looking for another provider."

**7 Take first-person responsibility.** What people want most when they describe a problem is a human, person-to-person reaction. The best thing you can do up front—right after "thanks for telling me"—is to express your personal concern. "Sincerity is conveyed only when you apologize in the first-person singular," says Ron Zemke, a principal of Minneapolis-based Performance Research Associates. "Say 'I'm sorry,' not 'We are sorry.'" The next step? "Address the psychological problem, the customer's feelings, with empathy: 'I understand.' Then move on to the product or service problem."

**8 Don't rely on the old standby, "I've never heard of that."** It's not just that those words stick in a customer's craw; they're also untrue. You *have* heard of the problem, right now, and the customer really doesn't care whether you've heard of it before. Stay with words showing personal concern and upbeat prospects. This guideline has a flip side too: don't minimize a customer's problem by telling him that somebody else had a worse one. It isn't helpful. It makes your company look bad. Besides, every customer wants to think that he's your whole universe, that all of your training and experience is directed at making things right in this specific case.

**9 Find out how you're doing—ask!** Former New York City mayor (and current TV personality) Ed Koch was noted for cheerily asking "How'm I doin'?" in his encounters with voters. (He even seemed to listen to what they said.) You can get instant feedback from customers almost anytime in the same way. Examples: "Am I on the

## Customer Service...

right track here?” “Is what I’m telling you useful?” “Is this what you had in mind?” And, of course, “What else can I do for you?”

**10 Make sure happy endings really happen.** If you aren’t sure whether a customer handoff was concluded satisfactorily, remove all doubt with a follow-up call—and not to an internal associate but to the customer herself. Only she can speak to her state of mind. Ask if she got what she was looking for, and if there’s anything else you can do. If there is, see that it gets done.

**11 Laurels are for yesterday, not today.** You’ve seen it happen: sports superstars or top-rated TV hits suddenly go flat, the victims of complacency. You may be a great representative of your company, but today’s customer doesn’t know (or much care) that your performance is rated superior 99% of the time. Especially if he’s in that remaining 1%.

**12 End every interaction with a thank you.** You can’t say “thanks” too often. Unfortunately, as the syndicated columnist Bob Greene recently noted, *thank you* and *you’re welcome* and

*please* crop up less frequently today than they used to. Buck that trend: make “thank you” your broken-record phrase. And mean it, because customers are the only reason that you or I or anyone else has a job.

Thank you for reading these guidelines! ♦

—DAVID STAUFFER