

Are Cracks In Your Service Going Undetected?

Some tips for spotting and solving problems

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More and more retailers realize they must build customer loyalty from 'cradle to grave'. Every customer counts. Yet some overlook servicing cracks in their structure. If these weaknesses remain undetected, dissatisfied customers will leave and not return. It's as simple as that. No matter how many dollars are spent on store merchandising, a dissatisfied customer will think twice before returning. No matter how effective advertising is in building awareness, a dissatisfied customer will dissuade others from visiting your store. Posters in banks exclaim appreciation. Computer ads encourage viewers to call a hot line. Drug stores emphasize extra friendliness. Car dealers enhance warranty packages. Helpful? Or would deeper examination in the retail structure reveal something insidious which can cause business to sour?

How Would Your Company Rate?

What customers are doing these days is to mentally grade a prospective seller before buying, at sale and after sale. Their evaluations include:

Pre Sale

Signage Attracted Your Attention?

Sign outside store	yes	no
Posters on windows	yes	no
Literature visible	yes	no

Rep Sensitive to Your Needs?

Asked what your needs are	yes	no
Asked you have used product	yes	no

Provided Explanations?

Explained features	yes	no
Explained warranty	yes	no
Cited product benefits	yes	no

At Sale

Explained payment options	yes	no
Cited service phone # to call	yes	no

Post Sale

Called to follow up	yes	no
Resolved an inaccurate billing	yes	no

Sources of Service Problems

- Oligopolistic Market** – These industries are dominated by four or five key players. Consumer demand is highly affected by a concentrated group of companies.
- Bureaucratic** – Industries overburdened with staff, are faced with lags between head office announcing a new customer service and field staff implementing at store level.
- Turnover** – Service is hampered when new staff enters and old staff leaves. The customer service mission statement is not always passed on successfully. It's like playing 'telephone tag'. Each time a person passes the message to another, the message loses meaning.
- Large Customer Base** – With so many customers coming and going, some reps do not care about losing one or two. And a large customer base also means a greater likelihood that customer dissatisfaction is being masked.

Warning Signs

Here are some telltale signs that service cracks are being overlooked:

- Buying less;
- Switching to competitors (Consumption has not decreased. Loyalty has.);
- Customer activity decreases after a few months;
- Your advertising no longer is bringing customers in.

Remedies

If you suspect poor servicing is eroding sales, read the following suggestions on strengthening customer servicing.

It's good insurance to:

1. Call customers who complained about servicing. Willing sources prove very insightful.
2. Visit some of your stores, unannounced, to see how a customer is really treated.
3. Call your own customer service department to see how customers are treated.
4. Call your own stores for directions. See how polite reps really are.
5. Get some of your more successful reps to train new reps. It makes sense to start off right.
6. Monitor sales rep and distributor requests for more leave behind material. Chances are those failing to call in for refills are not giving literature and guidelines to prospective clients.
7. Scan a sample of contracts to see where reps are incorrectly filling details.

8. Poll customers exiting your outlets to see how they feel about the service.
9. Make sure you are aware of all likely areas where poor customer service will occur.
10. Encourage sales and customer service personnel to work together. Make it a team effort.

Some Final Comments

- ❑ Customer service is valuable for maintaining long term relationships. Genuinely helpful service stimulates repeat purchase.
- ❑ Sales and service go hand in hand. Customers will be turned-off being put on hold, being sold on extras they really do not need, being incorrectly billed, etc.
- ❑ A wise company knows the symptoms of poor customer servicing, recognizes them and acts