

WHAT DO YOUR CUSTOMERS THINK OF YOU AND HOW DO YOU KNOW?

Most of us probably think we know our customers pretty well.

But do we?

There is a terrific television commercial currently airing for United Airlines. The setting is a company conference room. The president has called all the key managers together. He informs them that one of their oldest and best customers has recently taken their business to a competitor.

The president explains that his company's increasing reliance on faxes, E Mail and computer to computer technology to do business has contributed to the customer's perception that they are viewed as just another account. And because of that they have been persuaded to change to a competitor.

His solution is for all of the managers to get reacquainted with their customers in person (by flying) to see each one individually. He will personally be calling on the long standing customer they just lost.

The point of this vignette is that taking customers for granted is easy.

And assuming that we know their ongoing needs and satisfaction with our products and services is dangerous.

Because customer needs and satisfaction change over time.

"What made you successful in the past won't in the future."

Lewis E. Platt, CEO Hewlett Packard

What We See May Not Be!

It is getting harder and harder to believe our own eyes and ears.

In the movie Forrest Gump new cinematic technology showed the character portrayed by Tom Hanks apparently meeting Presidents Kennedy, Johnson and Nixon; scoring a touchdown for the Alabama football team; and standing near George

Wallace while observing the attempted integration of an Alabama school.

Seeing is no longer believing.

Which of these horizontal lines appears to be longer?



While the line on the left appears to be longer because of the position of the intersecting diagonal lines, both horizontal lines are exactly the same length.

The point of these examples is that it is increasingly important to go beyond the obvious, the assumed, the presumed, and the superficial to continually attempt to understand the evolving needs of customers both today and tomorrow.

Because business success is built on Customer Satisfaction.

In the last *The Stokely Letter* we discussed the importance of Core Competencies. The more closely a company's Core Competency is aligned with the Key Drivers of Customer Satisfaction for its customers, the more successful the firm will be.

Identifying and then measuring changes in these Customer Satisfaction Drivers over time can help assure that a company will not find itself road kill on the highway of competition.

How Do We Do This?

Here are three proven methods to learn who your customers are and what they think.

- ➔ ASK
- ➔ ASK OFTEN
- ➔ LISTEN INTENTLY

Many of us learned early in life that those who ask shall receive.

But sometimes we are reluctant to ask because of what we may hear. Perhaps we will hear criticisms and complaints. Maybe our questions will even be ignored.

It is not comfortable to seek out criticism or suggestions. But if we are determined to achieve outstanding Customer Satisfaction, encouraging complaints is an important early warning system to help assure we are fully meeting customer expectations.

Many leading companies today have simplified customer feedback systems through toll free numbers and retail service counters. They encourage customers to use them by incentives such as money back guarantees.

We believe such "passive" systems are significantly enhanced by proactive Asking and Listening programs to more fully understand customers and their ongoing opinions.

It has been reported that for every 1 unhappy customer who voluntarily complains there are 26 others who don't even bother. They may just go to a competitor.

So what we are hearing without a proactive Asking and Listening Program may just represent the tip of the iceberg regarding true customer feelings.

An ongoing Asking and Listening Program can uncover opportunities to correct or enhance Customer Satisfaction before significant dissatisfaction and defections begin.

It has also been reported that the average dissatisfied customer will tell 8 to 16 other people about their unpleasant experience. We call this the "Multiplier Effect". Each of us can probably recall personal situations where we "spread the word" after an unpleasant experience.

When asked, customers are surprisingly willing to recommend how to improve products and services. And why not? Who is in a better position to know? And aren't we all interested in improving the value in our lives?

Sears' current renewal is largely based on an emphasis on the customer according to CEO Arthur C. Martinez in a recent Business Week article.

"We didn't know who we wanted to serve. That was a huge hole in our strategy. It was also not clear on what basis we thought we could win against the competition.....one of the things that got the company in trouble was its lack of focus on the customer."

SUMMARY

Knowing who your customers are and what they think about your company's products and services everyday is a key to business success.

Customer needs and satisfaction change over time. A proactive and ongoing Asking and Listening Program can help assure that your business continually improves to keep your customers satisfied.

Our own perceptions may not always be a true indication of our company's customer satisfaction. Getting beneath the surface can reveal surprising and exciting opportunities.

It is important to encourage customer complaints and suggestions for improvements, since only a small percentage of unhappy customers take the time to complain. And many dissatisfied customers share their experiences with others.

In an upcoming *The Stokely Letter* we will discuss some of the methods and techniques of a proactive Asking and Listening Program.

We look forward to hearing of your experiences and comments.



"The world hates change, yet it is the only thing that has brought progress."

Charles F. Kettering

"The guy who wrote 'A job well done never needs doing again' never weeded a garden."

Anonymous

"My ancestors wandered in the wilderness for 40 years because even in biblical times, men would not stop to ask directions."

Elayne Boosler

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