



The Raphel Report

**Observations on marketing,
advertising, sales and
promotions
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Out of Service

“There's been very little change in the attitude of room clerks in the 2,000 years since Joseph arrived in Bethlehem and was told they'd lost his reservation.”

– James Levenson, former president of New York's Plaza Hotel

Feargal Quinn, the founder of Ireland's leading supermarket chain, was asked how he managed to have such superior staff working with him in all his stores.

He answered, “When I interview potential employees, I count the number of times they smile. If they smile enough, they're hired.”

Feargal Quinn realized that his business would only succeed if customers returned. And customers would only return if they were treated by smiling employees who provided excellent customer service.

Next time you are in a social gathering and the conversation comes to a halt and no one seems to know what to talk about, simply ask, “What's the worst example of service that ever happened to you?”

Sit back and relax as every one in the room fights to gain the floor with an opening sentence that is a slight variation of, “You think that's bad? Wait 'til you hear this story.”

Leon Gorman, grandson of L.L.Bean, the successful mail order pioneer, said it well: “Service is a day-in, day-out, never-ending, unremitting, persevering, compassionate type of activity.”

FACT: Nine out of ten customers say how they are treated by a business is the major factor in determining where they will buy.

Listen to customers who shop any business. At first you might think they are describing a person. “Kind. Nice. Eager to help.” Or, “Miserable. Nasty. Simply don't care.”

How can your business establish a first-rate customer service reputation?

One way: make the customer understand you care, really care, about any problem they have with what they buy from you.

A nationwide telephone study from Novations Group said only 28 percent of consumers believe retailers are committed to provide a high level of service. Brian Metcalf, vice president of Novations, said, “US retailers may talk about delivering great service but often it is more wishful thinking than reality.”

Historically, the word “service” often had a negative meaning. The root is the Latin “servus,” meaning “a slave.” In Victorian England if you were “in service” you were lower class, a “servant.”

In his book, “Valuing Your Customers,” Angus Jenkinson said the word originally was meant as a “gift to the gods or tribes.” He says the Sanskrit word “seva” – meaning service – is to “cherish, honor and worship.”

OK – let’s make that OUR definition of service.

Here are five examples of customer service that works. Can you use any of these ideas in your business?

1. Empower your employees to handle problems.

Three examples from hotel chains:

The Ritz-Carlton hotel chain is chosen annually as one of the best hotels for service. Their basic brochure, “20 Rules of Service,” must be memorized by all their employees. Rule Number 8: “Any employee who receives a customer complaint ‘owns’ the complaint.”

A similar attitude for good service is Bangkok’s Oriental Hotel, voted “best hotel in the world” for ten consecutive years. The staff is not allowed to say “no” to a guest’s request unless they receive permission from management.

Hampton Inns and Suites empowers all its employees to offer a guest any necessary accommodation, up to and including a free night’s room, if the guest is dissatisfied in any way with hotel service. According to Jim Hartigan, Senior Vice President of Guest Services, the Hampton Inns guarantee makes going to the hotel a risk-free purchase. The guarantee is friendly service, clean rooms, and comfortable surroundings every visit.

2. Make employees feel like owners

In the early 1900s, the wife of an employee introduced her 6-year-old daughter to Marshall Field, founder of the famous Chicago department store. Field asked the young girl, “And what does your father do?” “Oh,” she replied, “This is my daddy’s store.”

The mother, embarrassed, started to apologize, but Field interrupted her, saying, “No, don’t apologize. I only wish everyone working here had that attitude and we would have the finest store in the world.”

Listen to your personnel. Do they use the words “us” and “we” or “them?” If their conversation is sprinkled with the first two pronouns this means they feel part of the company. If they use the word “them,” it’s a sign they feel separate and apart and will act accordingly.

3. Show the customer you care

Think of Joyce Marchand in Wilmot, Ohio. She ate breakfast and dinner at the

Amish Door Restaurant every day. If she didn't show up at the usual time, a restaurant employee called her home to check on her. When illness kept her from coming to the restaurant, an employee delivered the meal to her home.

When she died of lung disease at the age of 73, she left her house to a friend, some cash to local churches and everything else to the waiters and waitresses who worked at the restaurant.

Because they cared about her.

4. Thank your customers

Stanley Marcus, the guiding force behind the success of the Neiman-Marcus specialty store chain wrote, "A 'thank you' may not be remembered. But a failure to say 'thanks' can be stored in a memory for a decade." Make a purchase from Neiman-Marcus and the salesperson who took care of you writes a note thanking you for what you bought and asking you to call if you have any problems.

Our staff wrote four thank-you notes every day to people who bought from us. One customer who owned a restaurant placed the note from us on the front of her cash register for her customers to see. She wanted to show that someone cared when she spent money with us. We were able to track new customers who came to our store because they saw the note and wanted to shop with a retailer who appreciated their business.

5. Try this slogan for 2006

We walked into a supermarket in North Dakota a few years ago and saw a huge sign hanging from the ceiling, extending wall to wall across the entrance. Here's what it said: "2004 – The Year of the Customer."

We asked for the owner and asked him what it meant.

"Well," he said, "There's the Year of the Woman and the Year of the Child and the Chinese have different animals to symbolize each year. So I figured to remember the importance of customer service I should have a sign saying, 'The Year of the Customer.' Because without my customers, I don't have a business."

Then he paused and added, "And if you come back next year, you'll see my new sign in its place. It will say, '2005 – The Year of the Customer.'"

We have a feeling if we stopped in this year, the sign would read: "2006 – The Year of the Customer."