



# Simply satisfying your customers prevents your business from reaching its full potential...

What do you believe is the purpose of your business?

Professor Theodore Levitt from Harvard Business School suggests that:

*"The purpose of every business and organisation is to get and keep customers."*

And clearly, if your business is to succeed in any meaningful way, you must get and keep customers.

However, if your strategy to get and keep customers is built on simply 'satisfying' customers you're setting your business up for an almighty fall.

Research by the global consulting firm Bain & Co suggests that between 60% and 80% of customers who describe themselves as satisfied, fail to do more business with the company they're satisfied with!

## In a nutshell

Instead of aiming for 'satisfied customers', aim to create 'loyal customers' who buy from you repeatedly and actively promote your business to others too.

I know this is stating the blatantly obvious but Apple, Virgin Airways, Starbucks and every successful small business too



secures consistent success when they generate the holy grail of all businesses – hordes of 'raving fans'.

The definition of a raving fan? A customer who buys again and again and also avidly recommends your business and your products to others.

## Release your customer loyalty shackles...

Established businesses are often locked into just getting the job done (whatever the job is – serving food in a bar, delivering

packages, fixing PC helpdesk issues). This focus on operational jobs handcuffs the business to lower performance levels.

For example, accountants obsess about getting the accounts done, instead of focusing on their customer's experience of those accounts. A builder obsesses about getting the extension built, instead of focusing on his customer's experience of the building process.

Yes, the job has to get done (whatever the job is) but get it done with a customer experience obsession and your business breaks free, thanks to a growing band of loyal customers.

## Ready to grow £2million into £70million?

What would you do? Sales of your aerospace components business have fallen from £4m to £2.4m and a deep recession plus rampart international competition continues to threaten your industry...

## Here's a proven solution for you...

Start by treating your people like VIPs and they will treat your customers like VIPs too. The way you treat your people reflects the way your people treat your customers.

Do you focus on costs, on the customer, on design excellence, on quality, on marketing and selling?

Don Wainwright (CEO and Chairman of Wainwright Industries, major manufacturer in the aerospace industry) obsessed about creating a positive and enriching experience for his people because he knew his people would then brilliantly look after his customers. He then grew Wainwright Industries to sales of more than £70m.

Another question – what would you do if, as a manager at Ritz-Carlton hotels, you were asked to manage the take-over of an existing hotel in Shanghai – given that it’s in need of major renovation work – where would you start?

The first phase of renovations chosen by Ritz-Carlton in Shanghai was – the employee entrance!

Like Don Wainwright, by treating their employees like VIPs, Ritz-Carlton sent a clear message that they expect customers to be treated like VIPs too.

### Ladies and gentlemen...

The Ritz-Carlton hotels are recognised worldwide as a successful beacon of customer care partly because **they treat their employees as internal customers.**

The Ritz-Carlton models behaviour towards employees (internal customers) on the way they want their external customers to be treated.

This internal customer obsession is perfectly reflected by the Ritz-Carlton internal mantra:

***“Ladies and gentlemen serving ladies and gentlemen”***

Internal customers then go on to serve their external customers in similar ways to the way they are treated, like VIPs, like ladies and gentlemen.

### What’s your company’s internal mantra?

To help you, please check out the downloadable tools for this edition of Business Bitesize for more examples of internal mantras.

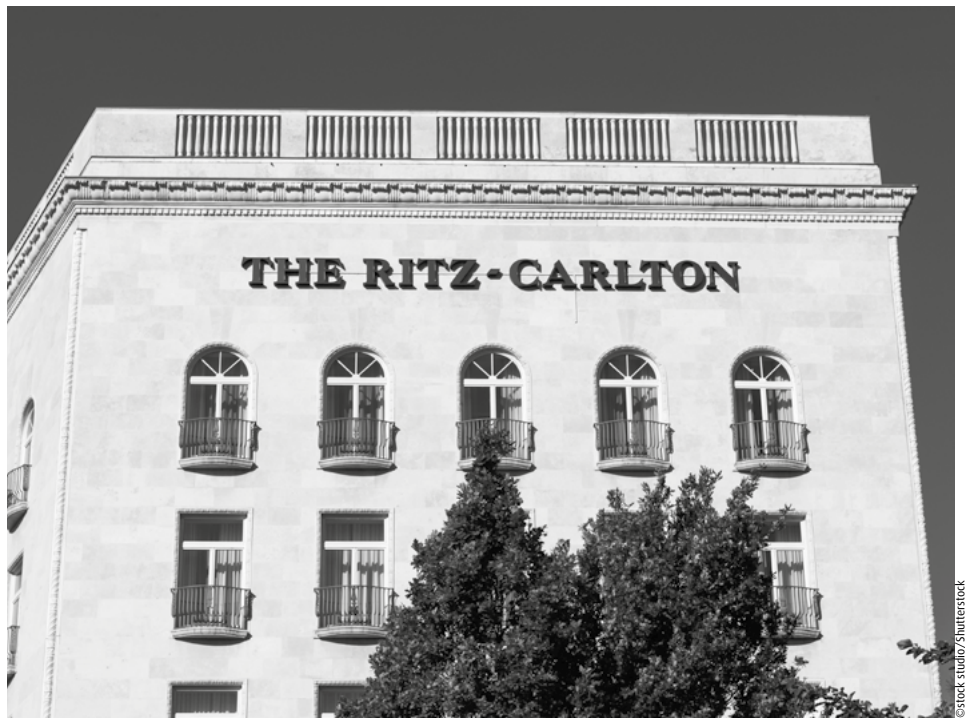
### A culture of modest amazement?!

As author Shep Hyken points out clearly in his book:

***“There is no (customer) loyalty without confidence, and there is no confidence without consistency.”***

And Hyken goes on to show, through the Ritz-Carlton and Don Wainwright stories and others, how you’ve no hope of consistency, confidence or loyalty unless **all your people** are onboard with your customer experience obsession.

To get all your people involved, Hyken’s experience of working with companies like American Express, Caterpillar, Avis and many more suggests you aim for a modest goal. Hyken’s rather modest goal is...



***“...creating customer confidence and extraordinary loyalty by creating a consistently above-average customer experience.”***

...he calls this **the culture of customer amazement.** Amazement because most businesses fail to deliver a consistently above-average customer experience. Most businesses mostly get side-tracked by doing the work, doing jobs, doing the operational necessities without an obsession on the customer experience.

So how can you create this obsession of the customer experience within your business?

Don Wainwright’s and Ritz-Carlton’s model suggests that you adopt a VIP treatment of your employees (your internal customers). Your employees then experience a consistently above-average experience so that they then follow your lead and treat your customers like VIPs too. And, as a result, they’ll help you build an army of loyal customers, and achieve great results.

### Just like Zappos nail it...

Zappos.com started selling shoes online in 1999 – not an easy task! In 2000 they sold \$1.6m worth of shoes. In 2006 \$597m.

According to Zappos founder and chairman Nick Swinmum, getting all your people involved is crucial:

***“You need as many eyes, ears and hands working toward the same goal for themselves, not for someone else.”***

All your eyes, ears and hands delivering an above-average customer experience **because they want to, not because they have to.**

So how do you move your business towards a culture of consistent, better-than average customer experience?

### From customer uncertainty to customer amazement...

***“Uncertainty is inconsistency”***

Removing uncertainty from your customers’ experience is Hyken’s biggest focus. Download the tools accompanying this report and you’ll find a survey you can use to assess your current levels of customer uncertainty.

Once you know how inconsistent you are you can start reducing uncertainty and build a culture of customer amazement.

Hyken suggests you have to take your business up the ladder of customer care so that customers eventually say:



**TIME TO DISAGREE:**

**“My people are paid to do a job so they should do it, shouldn't they, including looking after our customers?”**

Most people in most businesses are paid to do a job too. But most businesses fail to deliver a consistent, above-average customer experience.

To achieve amazing results like those of Don Wainwright, Ritz-Carlton and Zappos just paying people to do a job isn't enough. These businesses moved beyond 'just doing the job' (an operational focus) to a consistent 'customer experience focus' by treating their employees like VIPs.

**“A lot of my people aren't customer facing so how is this relevant to them?”**

If you focus entirely on the moments of customer contact you'll never achieve your full business potential. Your customer experience is more than just customer service, here's Hyken:

*“It is the combination of frontline touch points and behind-the-scenes impact points that creates the service experience.”*

For example, if your luggage goes missing on a transatlantic flight, this has a major impact on your trip. Yes there will be the customer touch-points involving the baggage from customer service staff, but the baggage-handling people behind the scenes have a big impact too.

Every person in your business is connected either directly or indirectly to your customers'

experience. Your job is to help them better see their own connection to customer touch points and/or customer impact points.

They'll then understand better how they can look after your customers' best interests, whether they are customer facing or behind the scenes.

**“I'm the only person in my business who's obsessed enough with our customer experience!”**

Hyken suggests there are three forces at play in making your customers' experience both consistent and above average:

1. *“A force of one”* – you and you alone apply the principles here
2. *“A force within”* – you set a 'customer experience' example within your team or your company
3. *“A force of many”* – you're not alone, or maybe you have all your people engaged, and so staying ahead and staying consistent is your priority

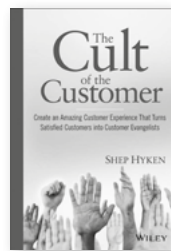
Hyken's vast experience suggests any individual, group or company can move customer experience from 'uncertainty' to 'amazement'.

Are you ready to take your 'culture of amazement' next steps?

**“Please tell me more”**

The stories, examples and practical suggestions crammed into Shep Hyken's book 'The Cult Of The Customer' can inspire you further.

You'll also find more insights, exercises and resources by checking out the downloadable tools that come with this edition of Business Bitesize.



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to help you make the most of this edition of Business Bitesize – go here: [www.businessbitesize.com/sherwoods](http://www.businessbitesize.com/sherwoods) to download these

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## 4 helping hands for you...

Looking after your 'Customer Experience' often gets lost in the day-to-day doing of the work you and your people do.

However, your 'Customer Experience' must be keenly seen to be front-and-central by all your people.

1. **Begin by assessing your business's level of customer uncertainty or amazement**
2. **Have 'Customer Experience' improvements as an agenda item in every team and operational meeting**
3. **Work out with your people the key customer touch points and the key customer impact points**
4. **Work out an internal 'Customer Experience' mantra for your business**

**ULTIMATE ARGUMENT:**  
**“How do I know a consistently above-average customer experience will result in raving fans?”**

The Bain & Co evidence suggests that customer satisfaction is not enough and that customer loyalty must be your goal. Your business cannot lose if your customers' experience is predictably better-than-average. And if you can make both your customer touch points and customer impact points consistently better than your competition you'll win big time. So why not test the suggestions you find here?

**STOP:** thinking that satisfying your customers is enough

**START:** treating your people in the way you want your people to treat your customers





## Your next steps:

To build an army of raving fans customer satisfaction is not enough. You have to aim for customer loyalty.

Customer loyalty requires you and your people to deliver a consistent customer experience. An experience that is also better than average in your sector.

## Start by treating your employees (your internal customers) like VIPs.

They'll then follow your lead and (over time) treat your customers like VIPs too.

Help them see how they can improve customer touch points and customer impact points by making 'Customer Experience' a daily or weekly discussion in your business.

## More tools and information for you:

To download more insights and supporting resources use the URL link in the box below.

# Never let your 'Customer Experience' get lost in the day-to-day focus of getting the work done...

Shep Hyken's experiences of working with many world-renowned businesses, on reducing customer uncertainty and building customer amazement, make his suggestions worthy of notice.

### 1. Begin by assessing your business's level of customer uncertainty (or amazement)

Use the survey in the download tools to signpost your 'Customer Experience' strengths and weaknesses and next steps

### 2. Have 'Customer Experience' improvements show up as an agenda item every week for everyone in your business

You habitually show your commitment to reducing customer uncertainty and improving 'Customer Experience' when customer touch points and customer impact points are discussed in every team and operational meeting and everyone's appraisal meetings too

### 3. Work out with your people the key customer touch points and the key customer impact points

Help everyone in your business (over time) clearly see how they are connected (either directly or indirectly) with your customer touch points (customer facing) and impact (behind the scenes) points. And seek your people's suggestions on how these can be improved

### 4. Work out an internal 'Customer Experience' mantra for your business

Ritz-Carlton's 'ladies and gentlemen serving ladies and gentlemen' perfectly suits their hospitality world. Use the support tools to help you and your people work out your internal 'Customer Experience' mantra.

Check out the downloadable tools and resources for more help and insights to help you do whatever it takes to deliver a consistent and above-average customer experience. You'll then be on the road to an army of raving fans and all the growth and profit improvements you seek. At the very least you'll protect your business, creating certainty about your business's future.

**YOUR SUPPORT TOOLS ARE HERE: Go to the link below and you'll find a selection of practical support tools to help you get a deeper understanding and develop greater skills and habitual behaviours for building a culture of customer amazement in your business.**

**Find the support tools to help you here - [www.businessbitesize.com/sherwoods](http://www.businessbitesize.com/sherwoods)**



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in minutes

