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Delivering great Customer Service

(This is the second part of the two-part article on the subject. The first part appeared in the April 2012 issue of Catalyst.)

In the first part of this article, the importance and the role of the CEO and the company's employees in determining and managing customer experience were highlighted. In this concluding section the focus will be on three other crucial aspects, viz., Measurement, Process/Quality and Granularity/Scorecarding.

Measurement

Every organization needs a system to capture feedback on its products and service. In certain organizations this can be managed through direct contact on an ongoing basis - either by virtue of size (the neighborhood grocery store, the small and specialized bookshop, the up-market and premium tailor) or because the number of customers being serviced is small (a specialty chemicals manufacturer, a professional firm of limited size - auditor, architect, consulting, or a manufacturer of select industrial products). We've all heard of the department store owner who was able to recognize his customers and address them by name; and there are plenty of companies which cater to the original equipment sector where the number of customers is limited to a handful. In such situations, the top management (the owner in most cases) has a direct line to the customer and is picking up a continuous stream of direct feedback which can be used to modify the service delivery process. Whenever the need arises, the owner can ask follow-up questions and obtain more detailed responses to understand the customer's perspective better.

In the context of larger, multi-location, decentralized operations, this simple method of feedback breaks down because the interest of senior personnel in such activity can vary and there is no way of systematically putting the feedback together and processing it to meaningful results and conclusions. It is here that the need for a program of systematic measurement becomes inevitable.

Conceptually, the objective of measurement is simple:

- Is an adequately large enough proportion of customers delighted, or at least, satisfied with the brand experience?
- Which are the dimensions of this experience which are working well?



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- Which are the dimensions where improvements appear to be needed?

Armed with the answers to these questions, management can set a goal for improving the base of delighted customers and can make sure this is delivered by protecting and strengthening dimensions which are working well; and by amending/modifying those which are lagging behind. Subsequent measurement can quantify the extent to which the original goal is delivered and come up with corrective measures to be taken.

The design and implementation of such a program of measurement requires answers to a number of important questions, some of which are described below:

- What proportion of customers? All, most, or a few?

In general, the smaller the customer base, the better it is to obtain feedback from all, or from as many as is possible within a defined period of time. If there are ten customers, it makes sense to seek feedback from all of them. In case there are 500 customers, it may be desirable to seek feedback from all - but it may be practically possible to do so only from a hundred. In case the number of customers runs into thousand, lakhs or millions, it is practically possible to seek feedback only from a sample numbering anywhere between a few hundred to a few thousand. Statistics can help in fixing this number once the level of detail at which the information is sought is known.

- How often should such feedback be obtained and actioned?

There is no hard and fast answer to this question. Some organizations collect data on a daily basis and study

monthly numbers as well as three-month moving averages. There are companies which collect information in a burst, once a year, and use this to set plans and interventions for the coming year. There are others who pay lip service to the idea and do this only when there is a growing problem. Bear in mind that a lot of service experience feedback tends to move in a narrow bandwidth (once dimensions are reasonably well managed) and that it is the exceptional shift which requires close scrutiny. Also bear in mind the lead time required to study and assimilate findings, to convert them into a plan of action and to then allow the customer to register the changes thereof. As an analogy, think of a visit to the doctor for some medical problem - most likely, a course will be prescribed and the patient will be advised to come back a few days later after the medication has had a chance to deliver. It is only in rare circumstances that the patient is watched continuously or is asked to come back to the doctor on a daily basis.

There are other questions which need to be raised and answered to ensure the soundness and success of a measurement program. As is the case with long-term initiatives, it is a good idea to allow for time at the beginning for such introspection so that the foundation can be laid properly. And, of course, it usually makes sense to seek help from the right professional to do this - this is an area where the need to re-discover the wheel is rare.

Process/Quality

In a number of organizations, quality is an important function and it is not unusual to find the quality department playing a big role in managing customer service and satisfaction. There is nothing wrong with this - if quality is important, customer service will also be given importance. The quality department is usually very good at identifying the parameters of organizational processes - how many times can the phone be allowed to ring before a customer's call is answered? How should queries be recorded? When should each query be answered? And so on.

Such processes form the backbone of quality and are extremely important in bringing order into the whole area of service delivery. However, process design needs to go hand in hand with empowerment and sensitivity to the customer's needs. To illustrate, customers like to deal with one individual, or a maximum of two, while buying a product, making a complaint or seeking assistance. If they are passed on to various individuals, then clearly there is a problem with the setup and this is something even the dumbest of customers is quick to perceive.

In a similar vein, customers like to be addressed by name because this shows that they are held in some importance as individuals by the person serving them. However, if this name is used too often or worse, if the company rep forgets the name and goes through the process of calling it up from the records (and making this clear to the customer in the bargain!) the entire gains possible can be wiped out.

The process design should be simple; the people handling customers need to be trained to listen, to understand and to provide quick remedies or diagnoses. This has to be done in a manner which makes the customer feel important. If the quality department can factor this into process design it will be that much simpler to deliver the right experience to each customer.

Granularity/Scorecarding

At what level should customer feedback be looked at? This is a critical question. Feedback at an overall organizational level tends to mask highs and lows and can result in a big loss in insights. In general, the more local (and yet actionable) the level, the better it is for decision making. To illustrate, in the context of a retail operation, service experience feedback at an individual outlet level helps in identifying those outlets which are delivering super service in comparison with those which are turning off customers. This is actionable information because it can be used to identify best practices and disseminate them. Compare this with having the same information solely at the overall brand level - good to know but not really actionable.

For a multi-division, multi-location company, customer feedback should be available, at least, at the individual division-location level. But it would be much better to make this even more local, to say, the division-location-service outlet level. Likewise, for a bank, info at the bank level is 'nice to know'; actionability improves as info becomes available at:

- the zonal level;
- the customer segment at the zonal level (retail customers in the North zone);
- the individual branch level

In the context of channels of interaction, actionability becomes possible if feedback is available on ATM experience, on phone banking experience, on web banking experience - within customer categories. Not only does such granularity of information help in identifying pockets of excellence versus those which require improvement, but it also helps in goal setting, in recognition and in fair recording of incentives.

Note that the examples above suggest that customer feedback could/should be looked at for work groups, at the level of the person responsible for the workgroup - the manager.

It is widely accepted that a manager's scorecard should include (among other dimensions) customer satisfaction/experience ratings. In many cases, organizations have found it beneficial to include employee feedback as another key element in the scorecard. A properly designed measurement system should cater to such requirements and enable hassle-free collation of the underlying data. As can be immediately appreciated, this also works towards enhancing service consciousness in the rank and file of the organization!

In closing...

This article has covered five dimensions which the author considers critical to the success of customer experience management. Like many other missions, the goal of delivering great customer experience is worth working towards but it is difficult to touch, and extremely difficult, if not impossible - to hold on to. Competition knows this and is constantly working to enhance its own customers' experience (and indirectly to dilute that of yours) - thus, making it imperative that service consciousness becomes a key element in the life-blood of an organization. As business moves into higher competition intensity, the extent to which customers are delighted will become critical to the long-term future of any brand.

- C.K. Sharma

Training on “Service Excellence - the Competitive Edge: Hi-Tech or Hi-Touch”

Customer Service Excellence Foundation organised a one-day training program titled “Service Excellence the Competitive Edge: Hi-Tech or Hi-Touch” on 20th April 2012 at the Taj Coromandel Hotel, Chennai. The program was conducted by Prof. Ramesh Venkateswaran, Chairman of Customer Service Excellence Foundation and a visiting faculty at IIM, Bangalore. He was the former director at the SDM Institute for Management Development, Mysore. Ramesh has over 17 years of experience in the corporate sector and 20 years as a management consultant and trainer.

Forty-five participants from companies like Toyota Kirloskar Motor, Royal Enfield, TVS Logistics, Murugappa Group, Titan, Servion Global and Fenner attended the program.

The program covered the different topics like customer's buying behavior, importance of intangibles during customer interaction, need for empowering customer facing staff, customer rage, complaint management and customer delight.

There was a high level of participation as well as sharing of service experiences by the participants. The program was received well by the participants, with most rating it 'Excellent' or 'Very Good'.



Prof. Ramesh Venkateswaran conducting the program



A view of the Participants

NOVEMBER 27, 2006

INSIDE INNOVATION - IN SIGHT

by JeneanneRae

(Rae is the co-founder of Peer Insight, a consulting firm specializing in service innovation and consumer experience.)

BusinessWeek

The Importance of Great Customer Experiences...

...and the best ways to deliver them

Customer experience is one of the great frontiers for innovation. Although the concept was first invented by Joe Pine and Jim Gilmore in their 1998 *Harvard Business Review* article, most companies have been slow to grasp it. Yet I predict that customer experience will decide the winners and losers in the years ahead. Here's why:

RAVING FANS

Excellent customer experiences are still so novel that, when we have one, we talk about it. Ask anyone who has bought a Mini Cooper. This kind of viral phenomenon creates buzz in the marketplace and generates more revenue than traditional marketing.

LOYALTY

A stable base of existing customers makes it easier to boost

both top and bottom line growth. Some 80% of Starbucks' revenues come from customers who visit their stores an average of 18 times a month.

PREMIUM PRICING

Customers will gladly pay more for an experience that is not only functionally but emotionally rewarding. Companies skilled at unlocking emotional issues and building products and services around them can widen their profit margins.

DIFFERENTIATION

The degree of choice in goods and services is bewildering. A history of sustained positive customer experiences increases the chance that a new product gets chosen over its competitors.....

For the full article visit: http://www.businessweek.com/print/magazine/content/06_48/b4011429.htm?chan=gl

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Klüber Lubrication India Private Limited is equally committed to bringing these leading-edge technological innovations to its Indian customers with a host of products and services specially focused on the needs of the Indian market serving customer needs across a wide range of industries. Klüber India has 154 employees and a turnover of INR 120 crores.

Headquartered in Bangalore, Klüber has its state-of-the-art manufacturing facility at Mysore. Klüber India also manufactures and sells the OKS range of specialty lubricants and maintenance products. At Klüber, lubrication engineers go through rigorous training sessions before they can become tribologists. These include internal training, tribological education in Europe, on-the-job training and periodical vocational lessons. Periodic visits of specialists from Klüber's European headquarters ensure that they are up-to-date with the latest technology.

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Klüber Lubrication offers a comprehensive range of specialty lubricants, comprising high-performance oils and heavy-duty greases as well as special pastes, waxes, bonded coatings, release agents, corrosion

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- Steel
- Textile
- Corrugated cardboard production
- Wind power plants
- Cement

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