Seven Keys to Building Customer Loyalty--
and Company Profits

Seven tips on how to completely transform your company's customer service

Fast Company | www.fastcompany.com

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A personal bond with customers lets your company escape the commodity pricing wars and provides you with a powerful new marketing arm: loyal customers who will promote and defend your company online and off--for free. Here are seven tips for getting the process started of building customer loyalty in a big way.

1. Are your doorknobs sparkling brightly? Research proves that customers remember the first and last moments of a service encounter much more vividly--and for longer--than the rest of it. Make sure that the first and final elements of your customer interactions are particularly well engineered, because they are going to stick in the customer's memory.

Example: Chris Cambridge's gift shop in the tourist town of Bar Harbor, Maine puts customers on a good footing immediately with a cheery sign: "YES: Your Ice Cream Cones Are Welcome (just be careful of the drips) ... And We Love Your Dogs, Too!" What a sharp contrast this offers to the buzzkill from "no food-no drink-no soliciting-no shoes-no shirts-no pets!" signs found everywhere else in town. Weary tourists who've been feeling scolded by all of those "no way!" signs are going to be uniquely disposed to whatever Chris is selling--from the moment they cross his threshold.

2. Set your clocks forward. Modern customers expect speedier service than did any generation before them. In this age of Blackberrys and iPhones, Twitter and Zappos, you might as well not be there if you're going to be late.

UPS Delivery Example: Think your latest Amazon.com order was handled at Amazon HQ by Mr. Bezos' hand-picked crew? Maybe not! Amazon.com has partnered so closely with UPS that your order may have been transmitted instantly to Lexington, Kentucky, where UPS had the object of your desire already warehoused and ready to ship. This makes it possible for you to place your order well into the evening and--in a pinch--receive that item early the next morning with nearly 100% accuracy, a result that has amplified expectations of what "timeliness" means for customers nationwide.
3. **Allow your customers to connect with a real person—online or off.** Online customers are literally invisible to you (and you to them), so it's easy to shortchange them emotionally. But this lack of visual and tactile presence makes it even more crucial to create a sense of personal, human-to-human connection in the online arena.

**Example 1:** Instead of a Web-based chat window that blandly announces "You are now chatting with Jane," try "You are now chatting with Jane Yang-Katzenberg." The customers will treat your "Jane" better, they'll take her advice more seriously--and they'll be more likely to want a committed customer relationship with her company.

**Example 2:** Netflix has long had a superbly functioning Web site, and adequate self-help-style online support. So there's probably no reason you truly need to talk with a real human being about your Netflix account. But that hasn't stopped Netflix from trying to pull you into a phone conversation if you encounter even the briefest rough going online! Recently, Netflix has begun plastering their toll-free number all over their Web site and has even staffed an expensive new call center--in Portland, Oregon, not overseas--to handle the increased calls. Why go to these expensive lengths, for customers who hardly need any technical support in the first place? Simple. As competition for online video customers began tightening recently, Netflix realized that to maintain competitive advantage they needed to bind themselves to their customers. So they're creating the warm, personal, human connections that produce customer loyalty. That's bound to be money well spent.

4. **Remember each customer's roles, goals, and preferences.** No matter how large your company is--or is hoping to be--strive companywide for the emotional impact of the beloved neighborhood bartender, doorman, or hairstylist--the kind of person who would remember Bob's special preferences, his schedule, the quirks of his lifestyle. For all sizes and types of companies, a superb client tracking system can provide this information instantly--so that you can create for returning customers the crucial feeling of being noticed and remembered.

**Example:** My own company, Oasis Disc Manufacturing, serves independent musicians and filmmakers. We rely on customized software to help us capture customer information in specific categories, such as which genre of music and instrument a customer plays, as well as any number of unique details related to the customer's interests or sources of pride (which, ultimately of course, are sources of pride for us as well, as our success rests on the success of our clients). For example, we might jot down (electronically) a note about a big movie the client has worked on, a treasured industry award she has received, and so on. Or, we might note that a client's wife is ill and that the client hates being called on the phone in the morning. These data allow Oasis to still offer the feeling of close connection with customers that it had when my Oasis "empire" consisted entirely of just me taking phone orders and processing them myself.
5. Anticipate a customer's wishes. When a customer's wish is met before the wish has been expressed, it conveys the message that you are paying attention; that you care about the customer as an individual. That cared-for feeling is where you generate the fiercest loyalty.

Example: At the Inn at Little Washington, a stunning restaurant in the countryside village of Washington, Virginia (population 183), the staff discreetly tries to detect and record the emotional state of each person in a dinner party on a scale of 1 to 10. Their goal is to get you up to at least a "9" before the long drive home. This simple rating system allows the staff at The Inn to make very subtle adjustments to service throughout the night--so that even someone who arrives for dinner in a serious funk will likely wind up walking on country air before the night is through. (Importantly, the system is used with extreme discretion--so discreetly that my business collaborator Leonardo Inghilleri and I never caught the Inn rating us during any of the delicious "customer service systems research" we did there!)

6. Don't leave the language your team uses up to chance. Develop and rehearse a list of vocabulary words and expressions that fit your business brand perfectly--and ban, companywide, the ones that don't. Equally important, search out and destroy any vocabulary phrases that could hurt customer feelings.

Example 1: The expression "no worries!" sounds fine coming from a clerk at an audio or appliance store, but would sound seriously "off" coming from the concierge at a five star hotel (or an oncology assistant at Johns Hopkins).

Example 2: There is no organization in which a billing department should tell a customer, "You owe us." (Try instead: "Our records seem to show a balance ... ")

7. Be patient when filling positions. Finding and keeping suitable employees for all customer-facing positions is a key to customer excellence. And, in most great organizations, all jobs are, from time to time, customer-facing. The secrets to achieving this include hiring for innate traits (which tend to be immutable) rather than for specific skills (which are by-and-large teachable); finding meaningful ways to reinforce your staff (because customer service is a uniquely draining job); designing employment in a way that allows employees to provide input and experience personal growth; and protecting your superb staff once assembled.

Example: In a superb service organization, a single disagreeable or unresponsive team member can erode customer loyalty and team morale. That is why it can be better to leave a position unfilled rather than to rush to hire someone who is not fully suitable. (It's a heck of a drag--I know!--to hear that phone ringing a sixth time while an unfilled position awaits the right applicant, but it's infinitely better than having it answered on the second ring by a congenital grouch.)
Exceptional Service, Exceptional Profit. Micah Solomon is the co-author of Exceptional Service, Exceptional Profit: The Secrets of Building a Five-Star Customer Service Organization (AMACOM Books) and President of Oasis Disc Manufacturing. His free online resource site for customer service advice is CollegeOfTheCustomer.com.