

# SERVICE YOUR CUSTOMER

Everyone is familiar with the old clichés that have become associated with customer service: “the customer is always right” and “service after the sale”. And, we’ve all been frustrated to no end by the computerized, so-called ‘customer service departments’ of major corporations and government agencies. But, there is more to customer service than catchy phrases, buzz words and bureaucratic confusion.

Customer service defined:

**“customer service is the ability of a company (or organization) to consistently exceed the expectations of each customer”**

True customer service requires ‘customer focus’; it begins and ends with the customer. A ‘customer focus’ provides the organization with a competitive advantage, regardless of the type of business. Every business understands that they exist because they provide something, a product or service, for which someone else is willing to pay. However, only organizations with true ‘customer focus’ recognize that every aspect of the business has an impact on customer service. They understand that customer service is more than just those activities that involve face-to-face customer contact.

A key phrase in the above definition is ‘**expectations of each customer**’. If the customer does not perceive you as offering good customer service, then you are not. The customer is the judge here and his is the only voice worth listening to. So in order to deliver effective customer service, you must become customer-focused.

## **Focusing on the Customer is ...**

*Profitable...* According to a recent business survey, it costs five times more to gain a new customer than to maintain an existing customer. The same survey also shows that with just a 5% increase in customer retention, a firm can raise its profitability by 25% and in some cases as much as 85%. Similar studies also show the longer a company keeps a customer, the more money it will make.

*Efficient...* When you focus your efforts on the areas that directly affect customer satisfaction, you can utilize your resources more efficiently. An effective customer service program provides a plan for working on those areas most important to your customers and reduces the deviation which may distract you and your organization from focusing on these areas.

*Stress Relieving...* If you are dealing with customers directly, especially unhappy ones, there will be a certain amount of stress with each episode. You can greatly reduce this stress if you have a systematic way for dealing with customer issues.

*Survival...* effective customer service becomes the basis of your staying in business. With growing competition, there are plenty of suppliers eager for business and the opportunity to satisfy customers. If you are not one of them, you may not stay in business for long – regardless of the quality of your product.

## **Becoming Customer-Focused ...**

Becoming customer-focused involves learning what the customers’ needs and wants are and developing action plans to ensure that those needs and wants are consistently exceeded.

First we must have a clear understanding of who the customer is. For the seedstock beef cattle business, customer identification can be a little confusing. The small commercial producer who sells his calves at the local auction market, the large commercial producer who retains ownership on his calves to the rail and raises his own replacement females, and the purebred breeder raising show heifers may all be candidate customers because they use the same breed of bull in their business, but the expectations that they place on their seedstock supplier will vary considerably. It is possible for a single seedstock supplier to satisfy each of these customers, but only after recognizing that they are individual customers with individual wants and needs. The product-focused seedstock producer would attempt to fit each of these customers with the same ‘best’ bull. A customer-focused seedstock producer would likely identify a different ‘best’ bull for each customer, as well as, a specific set of customer services tailored to each customer.

The reason for this difference is that a customer-focused organization is not in business simply to deliver a product or service, but instead, is there to enable the customer to enjoy the benefits of its product or service. Customers don’t buy products or services (including seedstock genetics) for what they are, but, instead, they buy for the benefits that the products or services offer. The customer-focused organization understands how its product or service satisfies a need, solves a problem, or provides extra value for the customer, and that these issues can be different for every customer.

## **The Goal is to Retain More Customers**

It goes without saying that every business requires customers. Adopting and following through on a few simple rules of customer service can make a tremendous difference in the number of customers you retain and on your

bottom line.

*Be Honest ...* The first step in retaining customers is to be completely honest and upfront with them about everything. Clever marketing can sell anything, but if a product does not live up to customer expectations, the customer will not be back. Even worse, he *WILL* tell his friends about his negative experience. So an overly hyped bull or cow that fails to perform can actually lose you future customers rather than retaining the one you initially caught.

Of course, you don't need to tell every detail and company secret, but extraordinary claims about the benefits of using your genetics will likely be met with serious skepticism and virtually no repeat business. If your customer even suspects that you are trying to pull something over on him, you can kiss that customer goodbye - permanently! It is far better to make a big deal out of what you know your genetics can actually do than to suggest some benefit that may or may not be realized. A realistic, well-worded, claim is easier for customers to believe and easier for you to deliver on.

*Be Available...* Almost as important as honesty is availability. Nobody wants to purchase a product or service from someone that is hard to reach. In the seedstock business you have a physical location that should be kept presentable for customers to visit. You must reduce initial skepticism by being as available as possible. Customers don't trust people they can't reach whenever they want. Contact information should be prominently displayed on every page of a website. A second phone line and/or a cell phone can improve your availability and help keep business contact separate from home contact.

Obviously, contact is critical when making the initial sale, but maintaining contact after the sale is crucial to ensure the customer is fully satisfied. Calling to check on the customer is just good business and can catch potential problems before they damage customer satisfaction. Returning calls and emails promptly is an absolute must, both before and after a sale.

*Provide True Customer Service ...* One bull does not fit every production scenario. Nor is one type of customer service suitable for all your customers. A customer service policy that has been adopted by many seedstock producers is providing free or discounted delivery of bulls. This is a very worthwhile service, but what about the guy who shows up with his trailer to haul his own bulls? Delivery is not a customer service for him – it has no value. We have to find a different way to show this customer the same kind of appreciation as those who value the delivery option. Be creative. Get to personally know your customers and recognize their individual needs. Above all, make certain that you are offering real value to each customer.

*Deliver On Promises ...* Failing to deliver on promises is the number one way to run off customers. Any promise or guarantee must be backed up with performance, whether it is your performance or that of your genetics. Making excuses may save you a few bucks on one deal, but it will almost always cost you the future business of that customer.

*Exceed Expectations ...* Finally, exceeding the customer's expectations brings them back. There are many places to buy seedstock cattle like yours, but you can still set your ranch apart from the rest. And, it doesn't necessarily require complicated or expensive customer services – sometimes the most effective programs are the simplest. Transfer the registrations of your animals as regular part of every transaction. Offer every buyer a cap, coffee mug or other useful item and try to make the item better, or at least different, every year – something that they will appreciate and use. Make calls to past clients to offer a special discount as thanks for their business. Think about ways that a former seedstock supplier has let you down, and take steps to ensure that it never happens to a single one of your customers. Impress a customer, and he will be back. He might even bring a few friends with him.

*"The Customer Is always Right" ...* When you learn of a customer complaint, handle it quickly and seriously. Is the customer upset and angry? First, calm him with words and, more importantly, actions that show that you are serious about doing something to correct the problem. Even if it is obvious that the customer is wrong, sometimes it's better for repeat business to take the loss and compensate the customer.

Then, be sure to thank your customer for bringing the problem to your attention. That's right, thank him. If you don't know about the problem, you have no opportunity to resolve the problem. Beware of the "silent complainer" who simply quits coming back without saying a word. These silent complainers are not silent with their friends. And their friends have friends. Remember, no amount of advertising can repair the damage done by failing to properly address a customer's concern.

*Seek the Customer's Input ...* 'exceeding the expectations of each customer' requires that you know what is important to each customer. The only way to know what your customer expects is to ask him. At the Beef Improvement Federation meetings this summer a real-time, participant feedback system was included. When seedstock producers were asked about actively seeking input from their commercial customers, 70% of respondents felt they did a good job. When commercial producers were asked whether they were satisfied that their seedstock producer was actively seeking their input, only 30% responded favorably. Don't take anything for granted.

More is not necessarily better when it comes to gathering input from customers, but getting the right kind of input is critical. Following are the key characteristics of good customer data:

*Ongoing* – One thing is certain, change is going to happen. Your customers may change; their needs may change; your business environment may change (e.g., the competition gets tougher, regulations change); and most certainly you will change. As your customer service skills and programs improve, your customers expectations will likely rise, too. To respond to these changing needs, you'll need to constantly assess your customers.

*Specific* – In order to make the kind of improvements your customer will appreciate, you'll need to have specific feedback. While general inputs may give you an overall tone of the customer, you can only respond to specific feedback. For instance, rather than asking if the amount of performance information provided in your catalog is satisfactory, try instead "What additional performance measures would help in your decision making process?"

*Timely* – Don't rely on old information. This is the information age, after all.

*Focused* – You have limited resources. You can realistically work on just a few problems at one time. If you try to do too much, you might not do anything well.

*Weighted Importance* – Listen to your customer to determine the relative importance of the issues. This will help to narrow down the list of opportunities to just the few on which you should concentrate.

*Competitive Comparison* – When you ask your customer to rate your performance, ask them to rate your competition as well. You should always know where you stand in comparison to your competition. If your customers are willing to provide you with feedback on your competition, take it.

If you don't remember anything else about customer service, remember this:

***"If you aren't taking care of your customers, your competition will."***