



How to Make Your Customers Into Raving Fans

Podcast 33 - Phyllis Mikolaitis & John Switzer

Hi, It's Phyllis Mikolaitis with information and insights today on how you can make your customers into raving fans. Companies strive to gain a competitive advantage with new technology and marketing deals. But that type of advantage isn't sustainable. Technology is continuously evolving, and someone is always jumping ahead of you. However, you can attain the greatest sustainable competitive advantage with the combination of engaged employees and a strong customer relationship strategy. What makes this strategy so powerful? Well, your competitors can't replicate the experience you provide because your company and your employees are unique.

Differentiation in today's world

In today's age of social media, it's word-of-mouth that promotes and differentiates companies that provide exceptional customer experiences. Customers want a positive end-to-end experience. So, as Bob Chapman relates in his book, *Everybody Matters*, People Centered Leadership creates off the charts morale, creativity, and business performance. That means every employee counts from the janitor to the CEO. Just like at Disney where everyone is a cast member because they are in the entertainment industry, every one of your employees is an ambassador for your business.

Developing Engaged Employees

Developing engaged employees that are aligned with your company goals inspires them to contribute to creating exceptional experiences and to look for new and creative ways to serve your customer.

It's critical to your success to recognize and reward the connection between engaged employees and your relationship with your customers. Therefore, it is important for you to create a culture that recruits, develops, and retains engaged employees.

The result will be sustainable success and customers who become raving fans that promote your business.

Did you know that a recent Gallup Poll found that 50% of the population is not engaged and 20% is actively disengaged? That means only 30% are actively engaged at work. If you follow the links from providing a service to growth and profitability, you can see the link between employee engagement and satisfaction and customer loyalty. For example, it's customer loyalty with repeat purchases and word-of-mouth promotion that drives growth and profitability. Satisfied customers are loyal customers that sing your praises. At the root of everything are satisfied and engaged employees. They drive everything else.



Where does it start?

So where does it start? We must raise the number of people engaged and develop their skills and mindset to delight customers. It starts with hiring the right people and it includes assessing your current staff. If the staff needs training, help them get it. If they are engaged and delighting your customers, reward them. If they are actively disengaged, graciously help them to realize that they should seek a fit for their skills elsewhere.

You want to inspire your people. As the certified experience economy expert, Diane Hopkins says about hiring the right people, “Are you able to see and feel a spark in their eyes or an engaged heart”? If they shine with you, it will predict how they shine with your customers.

Creating a Culture of Engaged Employees

How do you begin creating a culture of engaged employees? When you provide a safe environment for your employees, it contributes to a positive caring culture that promotes loyalty. Providing safety in both the physical environment and in Internet transactions also communicates that you care about your customers and it develops a trusting relationship with customers that creates loyal fans.

I’ve worked with the Association for Manufacturing Excellence. They have two pillars in their vision statement that I want to share with you. The first is to create an environment where people discover, develop, and share their talents and feel a sense of fulfillment for their contributions in pursuit of a common purpose. The second pillar is to strive to develop excellence in people, process, and products through the extended value stream, in pursuit of eliminating business waste and creating value for customers.

The organization found that many organizations spend time on lean tools and processes to improve their products and systems. However, most organizations don’t spend time developing their people and embracing their ideas and talents. It’s a given that customers expect a quality product. But, they are no longer interested in just the lowest price. They now expect a fair price and the perceived value that it is worthy of including a positive end-to-end experience.

Every Step and Every Employee Counts

Every employee and every step in the process has an impact on your customer’s experience. Many business teams members do not understand the company vision and how their job contributes to it and the customer experience. I chuckled to myself as I read the book *Smart Tribes* by Christine Cumaford. In it, she references a South Park



episode called "Gnomes". I've watched the episode and laughed again as it's true of many organizations.

The gist of the story is the underpants of a character named Tweeks are being stolen and he wants to catch the thief. He and his friends have a sleepover and catch the gnomes that are stealing his underpants. Tweeks and his friends follow the gnomes to their headquarters. When they arrive, they see piles of underpants. When they asked the gnomes what they were doing, they said they were completing phase 1. When asked about phase 2 the CEO proudly shows a PowerPoint presentation with a three-step plan: phase 1 steal underpants, phase 2 has a big question mark on the slide. Then the gnomes cheer as the CEO reads phase 3 Profit!!! But, the gnomes will never reach phase 3 without a strategy in phase 2 and unless the gnomes understand how their work and all the phases fit into the strategy to drive the profit.

Your organization can't be like the gnomes without employee engagement and understanding of how they fit into the big picture of customer delight and company growth. They need to clearly understand where the company is now, where it wants to go, and how you're going to get there together.

Baxter Manufacturing is a provider of commercial ovens and other bakery items. Baxter created a great strategy including their mission, vision, and values. I like how they expressed their values to their employees and customers. They used the word aspire as an acronym and here are the values they assigned to each letter: Accountable for our actions, service to our customers, pride in our work, innovative in our design, respect toward each other, and ethical in our behavior.

Systems and Process Must Fit the Needs

Now that you know you have to be more like Baxter having a strategy for customer delight and not like the gnomes with a question mark, what is your next step? Your employees can't be engaged and create exceptional experiences, if your processes and systems don't fit the customer needs. Are your hours of operation in line with customer needs? For example, I live in a resort area where there are many restaurants, entertainment and retail shops that are open every day including the weekend and they have longer hours especially in the summer vacation season. There is a major bank in the area that doesn't have hours to meet with a banker or teller after the normal 9-5 Monday to Friday work day. Although many transactions today are done online or at the ATM, there are times when a customer needs to be face-to-face with a bank employee. This bank is not meeting the needs of the customers in the area. So, it is not growing new customers and I see competitive banks popping up nearby.



Do you support your employees when they do an end around the system to meet a customer need? Are they aware of how far they can stretch the processes? You have to strive to delight your customers, but employee actions shouldn't disrupt smooth operations. Their actions have to be practical and function within the rules and regulations. But, if the rules need to be changed, there needs to be a quick but proper process in place that communicates the justification and the benefits of the change.

Being available and meeting needs doesn't include hovering over customers. I walked out of a store that had employees following customers around the store constantly offering products and assistance. Neither can you make your customer's experience difficult or uncomfortable because you want to deter that 1% of customers that is untrustworthy. Both of those behaviors can destroy a customer relationship.

Appreciate Feedback

Appreciate feedback from your customers and that includes when it is negative. Be grateful the customer took the time to point out where you fell short of meeting her needs. Keep a record of both the positive and negative comments. Share the comments with your staff. Congratulate them on the positive comments and ask them to help you dig deeper into the negative comments. Look for ways you can change the product, process or service to meet the customer need. Based on customer feedback, my friend Elizabeth changed a household upkeep product she sells to meet a customer need and found it actually lowered her production cost. It was a win-win situation. Don't forget to thank the customer and let her know you appreciate her taking time to communicate with you. If the feedback was negative, tell her what you are doing to resolve the issue.

Responsibility and Leadership

I want to take a moment here to recommend some books for you to read and provide some tips to help you get started growing that group of raving fans. I like *Unleashing Chief Moment Officers* by Diane Serbin Hopkins. It is an easy read and she provides clear easy examples of providing memorable moments for customers. The next book I love is *It's Your Ship* by Captain D. Michael Abrashoff. I love it partly because I come from a Navy family and I can relate to the stories he tells as I was used to my dad telling Navy stories with sound effects at every Sunday dinner. But the other reason is Captain Abrashoff provides very clear examples of how to put employees in the right job and to engage them, so they exceed expectations. I can relate also because I had an employee who underperformed because she was in the wrong job. When I became her manager, I moved her to a different responsibility more suited to her skills and personality. She transformed into an exceptional employee who always exceeds customer expectations.



And finally, I want to recommend *Everybody Matters* by Bob Chapman and Raj Sisodia. I came upon this book while working with Ken Coppens of the Barry Wehmiller Group. Ken shared how employee recognition and celebration is one of the leadership fundamentals at the company. Applying the principles in the book will transform your workplace.

Now to the tips,

Our company tag line says, connect the dots. As I mentioned previously, the employees must understand the WHY behind what you do for customers as well as the WHAT and HOW. Explaining the reasons and making the connections, helps the staff understand their role and their connection to your company strategy.

Just as it is important to post A3 reports for continuous improvement, it is also important to post recognition of exceptional customer experiences. Making them visual and placing them in conspicuous places, provides a constant reminder that delivering exceptional experiences should be a consistent way of relating to your customers

I mentioned A3 reports. They are one of the tools in the Toyota method of continuous improvement. Just as the method strives to make business processes simpler developing exceptional people has been part of what made Toyota successful. It can make you successful too.

If you read the recommended books and implement the suggestions in the books and this podcast, the result will be sustainable success and customers who become raving fans that promote your business.

Well, that wraps up our podcast for today. Look for our blog posts and podcasts as well as our upcoming course on Presentation Skills and Storytelling for Business.

Thanks to my business partner, producer, and audio engineer John Switzer, for his excellent work with me on today's podcast. Join us next time when I'll share more hints and tips. I appreciate your feedback so please send your questions, comments or topic suggestions to me at Phyllis@salestrainingolutions.com.

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Thanks for listening!