

The Pot of Gold at the end of the Business Rainbow

There are many people who would not mind spending 45 minutes browsing through the aisles looking for different products. But the same people would be really displeased to spend more than five minutes at the cashier. Also most people look very relaxed when they spend hours trying out different clothes (even if they don't buy them) but they look very annoyed and distressed when the person at the checkout counter take too long to clear them out. As a result of this, we see a lot of customers walking out of stores unhappy.

If you talk to the managers of these companies you would realize that the staff has gone through numerous customer service training programs. The staff looks technically well qualified. They have enough experience but still the companies keep losing it's client base. So **where is the leak?**

Most of the businesses expend enough and more effort on generating and bringing new customers in. They would spend millions of rupees to attract new customers through advertising, promotions, exhibitions, sponsorships etc. But the new business era we are in require not only the generation of customers but equally importantly retaining the existing customers. We are gradually but steadily moving from **Attraction Marketing** towards **Retention Marketing**.

A research conducted by US News and World Report reveal that, the average American business loses 15% of its customer base each year. The key reasons for this:

1% of the customers die.

5% go elsewhere based on a recommendation

9% leave because of the superior products and lower costs

14% leave due to unsatisfactorily resolved disputes or complaints

68% switch service providers due to poor or indifferent service

The conclusion is that **82%** (14% + 68%) of customers leave due to **Customer Service Issues**. The same research further reveals that just a **5%** increase in Customer Retention will increase the company profit by **25%- 95%**.

Although this research talks about the customer in USA, the scenarios they present and the outcomes predicted are very much applicable to the business context in Sri Lanka as well. Very few industries have a monopoly in Sri Lankan markets and in most contexts customers have multiple service and product options to choose from - making them very demanding and powerful. Most of the customers are very much updated with new technology and information. Also, they have been exposed to international standards and consequently expect superior customer service locally as well.

“Superior Customer Service”

Meeting customer expectations and delivering the service you promised is customer service. In the highly competitive and demand-based market place, this has become just the lowest rung of the customer service ladder. A business that consistently retains and



multiplies Its customer base requires to deliver a “superior customer service” that goes beyond the mere delivery of your service promise. *Superior Customer Service is “meeting expressed and unexpressed needs of your customers”.*

Many of us (especially in Sri Lanka) do not express our emotions through words. How many of us have been in frustrating situations but didn’t take the next step to complain? But we might have taken the decision not to come back to do

business with that dissatisfactory company/shop/bank ever again.

Customers express less and expect more

So, if the customers express less and expect more, and has the potential to make or break your business, how would you prepare your staff to understand and meet the unexpressed expectations of these customers?

There are few crucial questions you should ask yourself, in gearing up to supporting your customer service teams to successfully meet the customer expectations:

1. How emotionally connected are your staff with their job?
2. How have they positioned themselves in the company/business?
3. Do they see themselves as powerful or powerless when it comes to taking simple customer service related decisions? (You don’t have to be the supervisor or the manger to take the responsibility of offering a Superior Customer Service)
4. How emotionally equipped are they to handle pressure, demands and stress?

Now the time has come for Human resource and Training departments to look for different training methods and techniques to address these crucial questions.

Emotional Intelligence for Superior Customer Service

Emotions are at the forefront of any human interaction – whether you are giving a compliment or a entering in to a heated argument.

Learning how to identify, understand and appropriately react to emotional changes of people around you (including customers) is a vital and essential skill in the modern

business world. Adjusting yourself to different situations and people, requires more disciplined habits.

Four areas discussed in emotional Intelligence are Self- Awareness, Self Management, Social Awareness and Relationship Management. If we look for the brief meanings of these areas, they are as follows.

Self-Awareness is all about accurately identifying your own emotions and tendencies as they happen. **Self-Management** talks about managing your own emotions and behavior to a positive outcome. **Social Awareness** is accurately identifying the emotions and tendencies of the person who you are interacting with and **Relationship Management** talks about managing the interactions you have with others constructively and to a positive outcome.

More loyal customers a business has, more profitable it becomes in the long run. You would not have loyal customers just because you have very attractive TV commercials. Customers will not choose you over other equal and superior competitors based on the interior design of your business premises or base on your share value. How long the customers will stay with you depends on the **strength of their relationship** with your business. To build an everlasting profitable relationship with your customers, your staff needs to identify and respond to your customers' emotional changes more accurately. If your staff cannot identify and manage their own emotional changes professionally, it is impossible for them to be proactively support the person who just walked in through the door.



Therefore, you need to intelligently approach your customers in order to reach for the “**Pot of Gold**” (customer retention) at the end of the “**Business Rainbow**”.

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