



Criteria for Performance Excellence

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Customer Focus

So what's the big deal about customer service?

- Have you gone through a fast food drive-through, received your order, and driven off only to find the wrong order?
- Do you enjoy being waited on by someone who hates their job and shows it?
- Have you ever ordered a product, only to have it show up late?

As annoying as all these things are, it's not fair to place blame solely on individuals. Many of these situations are designed into the customer service process because organizations don't recognize or even understand the concept of customer focus.

From a broader perspective, customer-focused organizations excel in three general areas:

- They know who their customers are and what they want.
- They build relationships with their customers.
- They measure customer satisfaction and make necessary adjustments.

It sounds simple because it is simple. It's just very hard to execute. So how do some organizations get it right (Southwest Airlines, Nordstrom's, Ritz-Carlton, Wal-Mart) while others never do? Read the November 2004 and January 2005 *MP* articles on Leadership and Strategic Planning to get a clue.

Are your customers satisfied? How do you know? When was the last time you asked? Do you know who they are? Do you know what they want? What have you done to improve their satisfaction? If you can't answer these questions, you may have a problem.

Customer service and customer loyalty are not accidents. They are the outcomes of designed processes that don't just happen. There are a number of things customers want—price, convenience, image, quality, service, and innovation, to name a few. Although a customer probably wants all these things, they are usually only willing to pay for two or three. The trick is to find out which are most important for each of your customers or customer groups.

You can't be all things to all customers. Southwest Airlines gets it right because they have identified their target customer and know low prices and on-time service are critical. Southwest realizes there are other customers who want full services, but they are willing

to let those customers go elsewhere. Their organization and processes are designed for low prices and on-time service. Traditional airline companies that try to provide it all end up satisfying few.

Wal-Mart succeeds by offering low prices but not a wide variety of brand choices. Nordstrom's succeeds by providing great customer service, not low prices. The Ritz-Carlton Hotel chain succeeds by developing customer intimacy, creating an extremely loyal customer base. Again, none of these things just happened. They are planned, designed, and executed.

During the startup of our business, the survival instinct was to sell anything to anybody anywhere at any price. That philosophy will not result in an ongoing successful business. Fortunately, we learned that lesson early enough to change. Now we focus an extraordinary amount of resources on trying to learn more about our customers to provide them what they want.

So, here are my 10 steps toward customer loyalty:

- Identify your customers.
- Find out what they want.
- Determine if you can provide what they want.
- Develop the capability to provide this or find another customer.
- Develop an environment in which employees want to provide great service.
- Give them what they want.
- WOW them with your service.
- Make sure they are satisfied.
- Fix it if they are not.
- Repeat the process repeatedly.

Southwest Airlines President Colleen Barrett says, "We are not an airline with great customer service, we are a great customer service organization that happens to be in the airline business."

Is your organization customer-focused?

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