

THE SERVICE CENTER

improving the customer experience



A A signature experience.

An experience that a consumer doesn't get anywhere else.

One that is a benchmark of best practices. The one that is talked about as the gold standard of the industry.

This is the experience that everyone wants to duplicate.

B A world-class experience.

An experience that creates added value because the consumer gets something they didn't get in the other five places they shopped. And the "something different" matters.

Customers think you are great and they tell their friends.

C A good customer experience.

An experience that is average. There is nothing wrong with it—but it's just as good everywhere else. There is no competitive advantage. Consumers get what is expected, their questions are answered and nothing more.

D A basic customer experience.

An experience that is a commodity. It meets their needs and nothing more. There is absolutely no "above and beyond" in any dimension of the experience.

F A bad customer experience.

Consumers are ignored or given an experience that doesn't match what others in the industry provide.

How do you move up the grade scale? It starts with your level of responsiveness.

How responsive are you?

Let's use a simple example. If you are out to eat and a napkin slips from your lap onto the floor, what happens? Sometimes the answer is "nothing"—it sits on the floor until you leave and step on it.

Sometimes, if you ask for a new napkin, the wait staff will bring it to you. Sometimes, you will be brought a new napkin before you even notice it fell off your lap.

And every once in a while, the wait staff will surprise you and do something totally unique like bring back a napkin shaped like a swan (that happened to me on a cruise).

Hopefully, you graded the example above. If the napkin stayed on the floor, that is pretty much an F. The swan, of course, is an A or B. The other dimension worth noting is the degree or level of the wait staff's responsiveness. Chances are you have personal habits and your organization's culture has habits that put you in a predictable place on the responsiveness scale.

Let's go back to the example and identify the levels.

1 Ignored level

If the napkin stayed on the floor, the wait staff's degree of responsiveness is at the ignored level. That's where no one notices that something is wrong. If you sell things, it seems unimaginable that people would deliver this level of customer service, but it happens.

I have been in stores where people were greeted and then ignored until they left. Once, when I asked why this happened, a psychic salesperson told me he knew that customer wasn't going to buy anything anyway. Personally, I don't have this power, so I still don't understand.

That example is extreme. Here's one that might be more practical and doesn't point a

finger. I was in a store where I watched three customers try to walk out double doors where one side was locked. (Poor lefties of the world!) I asked the sales associate why she didn't unlock the door on the left side and she said because she never does. Now I admit this probably didn't keep someone from buying a bed, but I think you get what I'm driving at.

2 Respond level

If the napkin fell on the floor and the wait staff brought another upon request, this is good, but there is nothing extraordinary about the experience. In mattress retailing, customers expect you to answer questions and show them what they want to see. I think our industry does a good job with product knowledge and demonstration, but again and again,

surveys show we miss the "extra 10% factor."

I see it when we do store observation. A consumer asks a question. The retail salesperson answers it. And if you look at the customer's face, it's painfully obvious they don't understand the answer. But the sales presentation goes on anyway.

Most of the time, it is industry terminology the customer doesn't understand or doesn't understand the benefits of. I'll give you examples of the most common. Consumers don't understand tack and jump, continuous coils, foam encasement, self-tape or the difference between a box spring and a foundation.

The key to reaching the respond level is listening.

3 Proactive level

If the napkin fell on the floor and the wait staff brings you a new one before you even notice, that is proactive service. This is when a sales associate notices there is a problem before the customer notices there is a problem. The Ritz Carlton calls this "anticipating needs." This is where the true customer service professionals live.

If you play sports or games, this is just figuring out what needs to happen next. It's easy to see on the field or around a game table—and just as easy to do on the sales floor. I have a retail friend who tells me he knows when a customer is lying on a bed that is too firm because those customers will cross their feet when lying on their back on that bed. I never knew that. My friend notices that when something happens over and over again, it means something.

I know another retail sales associate who is a master at managing



Everyone gets a grade

In retailing, everyone gets a grade. That's just a fact. It is a little like high school. Even if you don't take the test, you get a grade.

When consumers leave a store, they unconsciously grade the sales associate as well as the store. For most stores, the sales associate's grade drives the overall store grade.

It is always amazing to me how much is spent on a store build-out or marketing to get a customer into a store, yet how much of the grade is totally sales associate dependent. It appears that the living, breathing sales associate is still the core part of the experience.

As we've researched shopping over the years, we've identified five grades, with descriptors that dimensionalize the customer's experience:

The elements of great customer service

If you're going to create a strategy for great customer service, there are five essential criteria you have to meet:

1 Great customer service is what people do that is above and beyond the normal operations of business. Do you always go the extra mile? Is your "normal" **above and beyond** what other companies do? Do you stretch yourself to do things that are right for customers, even if they are hard for you?

2 Great customer service is what people do that is **different and unexpected** from what your competitors do. Is your customer service strategy different from everyone else in the bedding business? Do you surprise customers with the things you do for them?



3 Great customer service treats customers with **dignity and respect**. What do you do that elevates the importance of your customers so they know they matter to you? What do you do to make sure that every customer knows she is the most important customer in the store that day? What little thing do you do that is a big thing?

4 Great customer service recognizes that **personal relationships** are primary. Do relationships come first in your business? Do you know what is going on in the lives of the people you work with? Do you get to know people before you attempt to sell them anything?

5 Great customer service is a result of **individual creativity** in every situation. Do you do something every once and awhile that surprises even you? Do you do things that make you a little uncomfortable because they are a little crazy? Live on the edge a little. Have fun! Customers love it.

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no one else in the industry is doing? Most stores pretty much all do the same stuff, they just have different levels of execution.

This is both a corporate-level issue and a personal issue. What does your store do that no one else in your market does? What do you do personally that no other retail sales associate does? If the answer is "nothing," beware—you are close to being a commodity. Value is created in *difference*, especially in customer service. The retail sales associate that does something extra gets added respect and loyalty from customers.

One of my favorite mattress stores is McRoskey Mattress in San Francisco. What an interesting experience—if you have never been, go. It will challenge everything you know about the mattress business. My customer experience there was equal to

4 Surprise level

Now for the swan level. This is where few operate—only the best.

Here is the basic question: What are you doing for your customer that

that of working with a sommelier in a really old and respected high-end wine store.

The key to reaching the surprise level is creativity. If your store doesn't have any, do some dreaming.

One of my good friends, Chic Thompson, has a model that says this: To practice our creativity, we should look at the opposite of what we are naturally inclined to do. A great exercise is to look at everything you do from a process standpoint and write that down on left side of a piece of paper. On the right side, write the exact opposite. This is an excellent way to explore—and perhaps find—something unique and differentiated that will make a big difference in your business. It's interesting to see that all of us do much of what we do because we have always done it that way and everyone else does it that way—which is exactly why we shouldn't be doing it.

DWYSYWD

Do What You Say You Will Do. This is a service minimum. I think everyone agrees with that. As we do different surveys, we find that this is truly one of those little things that make a big difference.

There is a very interesting effect worth noting: When you do what you say you will do, the consumer doesn't add lots of dollars to your "respect and loyalty account." It's simply expected. However, if you promise something and *don't* do it, there is a big fine levied against your respect and loyalty account.

That is surprising and frustrating to a lot of people, because we always want to be rewarded for doing something right, but we see this play out time and time again on surveys.

So how do you add dollars? Simple—do *above and beyond* what's expected. Here's the math:

- Do what you promised = A couple of dollars to your account
- Don't do what you promised = A big fine
- Do above what you promised = A big deposit to your account.

Let me give you an example of something that happened to me recently. I ordered an item from a catalog through an 800 number. I was told standard shipping would be five to seven days but they would try to get it to me in three to five days by prioritizing it at no additional charge. Stop right here—I was delighted already. But imagine how surprised I was when the UPS truck stopped at my house the very next day with my purchase. For all I know, they do this with every customer—but it worked. I was thrilled. Now, imagine what would have happened if my purchase had arrived in seven days after being told probably three to five.

By the way, it seems to me that

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our industry is doing much better at following through. That's really positive.

The key to DWYSYWD is organization and processes.

Keep it simple

Are you easy to do business with? If you don't know, ask your customers. Then listen.

Great customer service is directly related to the simplicity of your business model and how easy you are to do business with. This insight is one of the newer truths to be uncovered in the customer service world. It's why ATMs and pay-at-the-pump can get higher customer service scores than full service banks and gas stations. It's why drive-through accounts for more than 50% of most fast food retail businesses. It's also why wholesale clubs are one of the fastest growing channels in our business, even when customers can't test mattress comfort at retail and need rope to take the product home. The proposition is simple—name brand and low price. The younger you are, the more attractive it is. And to top that off, these stores are incredibly easy to do business with. Have you ever made a return to Costco? Doesn't get much easier.

Let's be honest. For the most part, the mattress business is complicated on purpose. So we all have a choice. We can keep the retail experience complicated and confusing or make it as easy and simple as possible.

We've talked to a great number of people over the past four years who say they bow out of mattress shopping, not because they don't



have a need but because the more they shop, the more confused they get. They simply give up. A lot of them end up in the aisles of Wal-Mart, Target and Kohl's buying toppers for their old mattresses. Did you know Kohl's has an entire aisle devoted to toppers? And I'm not talking \$50—these are \$200 to \$300 toppers.

Ask your customers

If you want to find out where you are on the customer service front, here are some questions to ask your customers:

- How easy was shopping for a mattress in our store—on a scale of 1-10?
- Was shopping for a mattress easier at our store than other stores you've shopped?
- What specifically made shopping for a mattress in our store easy?
- Was there anything we did that made shopping for a mattress difficult?
- Was there anything we did that made your decision or selection difficult?
- Was shopping for a mattress in our store simple?
- What could we have done to simplify your shopping experience?

Why would I give you a list of questions like that? Because if you