

Excerpt from chapter 4 of *E-Business Success: Using Technology to Take Your Business to the Next Level* (by: K. L. Graham)

Effective Customer Service

One of the most important business activities next to providing products and/or services is customer service. When your marketing efforts result in new customers, it is your job to retain them and get them to refer others to your business. It is a known fact that it is much easier to retain existing customers than it is to attract new customers. Additionally, existing customers are more likely to refer others to your business before they recommend another business that provides the same products and/or services. So it is essential that you put various customer service strategies in place and that they are followed by everyone on your staff/team.

There are certain skills and talents needed in order to provide good customer service, and one important talent is to be a “people person”. Determine which team member has the natural ability to connect with customers. This person can serve as the lead contact for customer service tasks (i.e. product/service demonstrations, handling returns or refunds, sales calls, responding to e-mail inquiries, answering the phones, etc.). If you have to hire or train someone, there are certain characteristics they should have naturally or skills they can develop when working directly with clients. Here are some helpful tips that can assist your customer service staff/team in effectively performing their duties:

- Always have a smile on your face either in person or on the phone (believe it or not, people can tell if you’re smiling on the phone). A smile is a great way to say welcome, thank you for supporting our business, or can diffuse a potentially tense situation.
- Begin your conversation with a greeting (i.e. good morning, good afternoon, hello, greetings, etc.) and ask for their name so you can refer to them by their name, if you don’t already know it. Referring to a customer by their name gives your interaction a more personal touch.
- Talk in a pleasant and non-threatening voice, even if the customer is upset. There are times when a firm and direct approach is necessary, but you can disagree without being disrespectful. How you handle customer conflicts will determine whether you will retain or lose their business.
- If corresponding by e-mail, try to pull quotes from the customer’s original e-mail or rephrase what they wrote to show that you understand their inquiry/comment. If you are not the owner or main decision maker in your business and/or department, always copy your superior in the e-mail and save a copy for your records. If you are not sure how to respond, always refer the customer to someone who can help them or give them the appropriate information they need.

For those with few resources to train someone for customer service tasks, training can be provided through reading materials, webinars, workshops (provided by business development centers, chambers of commerce, community colleges, human resource/business consultants, etc.), or ask for assistance from another business that has an effective customer service director/manager. Before you give someone the responsibility of providing customer service, test them by providing

various scenarios to see how they would handle each situation. This can be done through role play or a written or computer test. (You can also include role plays in the interview process on the front end to better ensure that the team members have the customer service skill set needed to be successful in this role.) If they participated in a training course, they would have most likely taken a test to complete the course. Even after you provide training, it is recommended that you try to be present to observe how they interact with customers or follow up with the customers to get their opinion on their experience with your customer service representative. It is not uncommon to send a survey to get a more detailed response that can be generated in a report and used in employee or company evaluations. Some Customer Relationship Management (CRM) or e-marketing tools include a survey or evaluation component. You can also utilize the services of a 3rd party company to manage this task for your business.

Customer Relationship Management

Utilizing Customer Relationship Management (CRM) software is becoming a more popular way to support customer service, retention and sales efforts. CRM software contains various modules and features that manages contact information, tracks follow ups on customer calls (i.e. follow up dates, follow up times, representative making contact, action taken, result of follow up, etc.), manages marketing strategies and corresponding results, and much more. Do your research to see which software will best fit the needs of your business and can be effectively maintained by you, a member of your staff/team, or customer service department.

In addition to utilizing CRM software, traditional methods of customer service are still relevant. Because a business cannot survive without customers, putting effective strategies in place will ensure a strong customer base and high customer retention rates. Listed below are some of the traditional methods that can be incorporated in your customer service strategy:

- Ask all existing and new clients if they would like to be added to your mailing list in order to stay in touch with them on a regular basis. This information will be valuable in future customer retention and marketing efforts.
- Establish a customer loyalty program. This can be done by sending them a special coupon or promotion for their birthday, sending cards (print or electronic) on holidays or other special occasions, hosting customer appreciation events, segment existing clients in a separate database to offer special discounts or added services, etc. Be creative and think of how you would like for your patronage to be recognized as a customer. Regularly let all of your customers know that you value their support of your business. Remember that no business, no matter how wonderful the product or service is, can exist without customers.
- Periodically ask for feedback, testimonials, and suggestions via a print or online survey, e-mail, in person, or through a social networking tool. This helps keep customers involved and feel they are a part of the success, future innovations, and evolution of your business.
- If a customer has a complaint or dispute, try to resolve it in a way that will solve the problem, not cost you a great expense, and keep them as a customer. Arguing never helps as it may cause you to lose a customer and any other potential customers that person could

have referred to you. Bad news about a business travels twice as fast as good news about a business, so patience and a cool head is essential. More than one-quarter of US consumers (26%) say they are more likely to tell family, friends, and coworkers about a bad experience with a product or service than a good one, according to Loyalty One's COLLOQUY report¹

¹ Findings are from a survey of 3,295 US consumers nationwide, conducted by COLLOQUY in December 2010 and published in the whitepaper titled Urban Legends: Word-of-Mouth Myths, Madvocates and Champions, issued in March 2011. Read full article at:
www.marketingprofs.com/charts/2011/4669/bad-news-about-brands-travels-fast