

ANNUAL CUSTOMER SATISFACTION & LOYALTY CONFERENCE

2006





UK CUSTOMER SATISFACTION & LOYALTY

The Leadership Factor's seventh annual conference on 'customer satisfaction and loyalty' took place on 2nd February. This year, like the most fickle of football fans, we abandoned Man Utd. (location for last year's conference) and took up with Chelsea.



**Robert Crawford - Left
Institute of Customer Service**

**Nigel Hill - Right
The Leadership Factor**

- Reputation
- Performance
- Growth
- Profitability
- Trust

Robert kicked off (sorry!) the day by introducing the ICS and its work, covering the ICS model for world class customer service and its benefits in terms of

Robert discussed some of the tools organisations can use to achieve world class customer service within three broad



categories - People, Processes and the organisation's Strategy and Culture. Finally he discussed the problem of assessing how good service is. He introduced the ICS's SERVCHECK tool for internal assessment, but the key question is what do customers think about your service, which can only be measured by a robust survey of customer attitudes.

Each organisation should do a survey like this of its own, after having determined through exploratory research what the requirements of its customers are. But something that has been lacking is robust comparative data about what the requirements of customers are in different sectors and regions of the UK. The Leadership Factor has just finished a study, conducted on behalf of the ICS, into the things that customers most value in their suppliers, and Nigel took over to present the findings.

The most surprising conclusion was that, in terms of average satisfaction, the best performing sector was not retail, leisure or financial services (though these all performed relatively well), but smaller scale personal services which are necessarily fragmented. Hairdressers, plumbers and other personal services typify this sector, and their need to create good experiences with and for their customers shines through in high satisfaction.

Nigel's conclusion was that, as we move into an era in which all businesses are service businesses, we need to learn lessons from the delivery of personal services. Rather than trying to cut costs and apply manufacturing principles of efficiency and mass-production to service delivery we need to personalise and enable staff to deliver a tailored experience to meet each customer's needs.

Peter Kenyon - Chelsea FC

For many people, the most anticipated speaker was the local boy, Peter Kenyon. Peter Kenyon spoke about his experiences with fan satisfaction



measurement at both Chelsea and Manchester United - so far as we know the only clubs that undertake formal measurement of the way their fans see the match day experience.

Peter sees fan satisfaction as a key part of being a top club and also a viable business. He is adamant that it is by thinking of fans as customers that Chelsea will be able to win the Premiership at the same time as being run as a profitable business.

Graham Parker-Gore - VISA Europe



Graham spoke with great passion about the way his customer service department went about achieving probably the greatest single year improvement in

customer satisfaction that we've ever seen.

Graham spoke about the journey his team went through in terms of six stages:

Igniting change

Driving forward with customer satisfaction as the key measure of success.

Listening

Having no preconceptions, using independent measurement of customer opinions and listening to the comments as well as the score.

Making change happen

Picking a few Priorities for Improvement, then splitting the team into three groups each focussed on one of the PFIs. Do **something** quickly is the most important thing.

Maintaining focus - gaining accountability

Customer satisfaction as a key part of bonus calculations. Communication and focus from tracking customer satisfaction measurement.

Uniting the strategy

Delivering training where needed, making realistic Service Level Agreements and amending processes where required.

People

Recruit for attitude, train for skills. Identify knowledge gaps and train where necessary.

Graham finished by outlining the way he sees service - and it's all about trust. Customers trust the front line staff they come in contact with more than CEOs and managers, so the adage that "first to know is best to deal with" is definitely true. For that to happen we have to empower and trust our front line staff. Look out for a detailed interview with Graham about their journey in the next issue of stakeholder Satisfaction.

BJ Cunningham

It would be fair to say that BJ has had a colourful life. He introduces himself as an entrepreneur, which means he's "never



had a proper job”, and has started a number of innovative, off-the-wall and successful businesses. BJ started off by describing how he set up a classic car import business in his early 20s. He bought a car in the US, brought it back to the UK and the customs guy offered him twice the amount he’d paid for it. BJ agreed, went back to the states and bought 2 cars...and before he knew it he had a business. He admits that he was fantastically naive: running the business from his personal bank account, and assuming that business was easy - you just keep doubling your money! At the time he thought he had it all figured out, and was doing very well - nice house, nice car, nice girlfriend...and a dog.

Sadly the government had other ideas, and changed the tax laws for collectible cars just as a shipment got stuck in the Panama canal. Suddenly BJ found himself without house, car or girlfriend, and with a £876,000 personal overdraft. He still had the dog though. Where other people might have given up, BJ’s response was to borrow £250,000 from the bank and set up a cigarette brand. But how to differentiate in such a saturated market? BJ’s maxim is:

“
**WHEREVER THERE IS A HIDDEN
 AGENDA OR AN OUTRIGHT LIE THERE IS
 THE POTENTIAL FOR PROFIT**
 ”



The big unspoken truth in cigarettes? They kill you. BJ’s answer? DEATH cigarettes - the honest smoke, utterly open about the health dangers. As one of their billboards said “13.5 million smokers will admit it’s bad for them. Only one tobacco company will”. There’s differentiation - truth in branding.

“
Be who you really are
 ”

The DEATH story is too complicated, and involves too many court cases, to get into in detail here but it’s fascinating and it’s a great test-case for BJ’s brand strategy. He boils it down to deciding what your defining thought is, communicating it honestly and clearly and then doing what you said you were going to do. In summary

Be who you really are

Guy Browning

Finally Guy Browning gave us a wryly humorous take on business practice.

Many delegates already knew Guy from his columns in the Guardian and the Daily Telegraph and books such as the classic “Never hit a jellyfish with a spade”. This presentation was an opportunity to peek inside the (fictionalised, I hope) workings of his creative agency “Smokehouse”.



Finally, however, he left us with a serious message that linked back to Graham’s presentation. Great customer service comes from individuals who are empowered and creative, not top-level platitudes about “delighting the customer”.