

customer service

self help module

10



Industry &
Investment

3	part 1 - Introduction
	What is customer service?
4	part 2 - Customer Service Campaigns for towns and regions
5	Conducting market research and surveys
5	Case study: Lismore Customer Focus Groups
6	Case study: Tourism Victoria Tourism Audits
7	Planning and implementing a customer service campaign
8	Case study: Benalla's Top Ten Book
9	Planning & implementation
10	Case study: Port Macquarie Hastings Customer Care Program
11	Evaluating the results of your customer service campaign
12	part 3 - Customer Service for Businesses
12	Understanding customer needs and expectations
13	Customer service 'moments of truth'
13	The customer service mix
14	Case study: Clarence River Tourism
17	Case study: Bells Milk Bar & Museum, Broken Hill
19	Invest in training
19	Communication skills
20	Body language
20	Telephone skills
21	Email skills
22	Website skills
22	Case study: Strawberry net
23	Time management skills
24	Dealing with difficult customers
25	Reward and recognition
25	Case study: Colleen Reilly Optometrist, Mullumbimby
26	part 4 - Summary of customer service points
27	Resources
33	Contacts

Notes: Quotes throughout this training module are from retailers, trainers and motivational speakers.

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part 1 introduction

“If you make a sale, you can make a living. If you make an investment of time and good service in a customer, you can make a fortune.”

Jim Rohn, American entrepreneur, motivational speaker and author

What is customer service?

Customer service means providing a quality service that meets or exceeds expectations. It is about ensuring that a customer's needs are met by providing them with assistance, dealing with their enquiries and finding the right solutions to any problems. It includes giving customers a good experience and developing a relationship with them so they feel good about their decision to do business with you.

Service is an intangible quality that customers assess for themselves, so customer service is about perceptions.

“If the shopper feels like it was poor service, then it was poor service. We are in the customer perception business.”

Mark Perrault, Rally Stores USA

People with effective customer service skills tend to have good communication skills - they focus on the customer's needs and have a positive attitude and good product knowledge. They understand that service adds value to the business and that there is a link between customer service and profitability.

They realise that an unhappy customer will generate negative perceptions of the business by telling others and a satisfied customer will generate free, positive 'word of mouth' advertising. Consider the following statistics taken from the NSW TAFE training module 'Customers and Colleagues':

- When consumers receive good service they tell ten people about it. When they receive poor service they tell 20 people about it;
- Even when a customer has a complaint, if the business handles it promptly and efficiently, 80 per cent of customers will continue to deal with that company;

- When service is poor, 90 per cent will shop elsewhere;
- Products can fail, but if there is a strong bond between the customer and the business, most problems can be overcome;
- If the service is better, customers are prepared to spend more for the same product or service.

“If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.”

Jeff Bezos, founder, president, chief executive officer & chairman of the board of Amazon.com

Your external customers are the people you deal with who buy your products or services. Your internal customers are your staff, co-workers or management. They rely on you for services, products or information and need to be treated with the same courtesy, care and respect as your external customers. If you don't have a respectful or pleasant atmosphere for staff, it can impact on your customers. For example, if a chef shouts at waiters in the kitchen, it can create an unhappy workplace. It impacts on the waiters' attitude and enthusiasm and can indirectly affect the customers' dining experience. Customer service is the responsibility of all employees and employers for internal and external customers.

tip

• It costs five times more to attract a new customer than it does to keep the one you already have, so ensure your current customers are happy with your service.

• Some people are so unhappy with the service they receive from businesses they look for alternatives - around twenty five in one hundred customers will look elsewhere. Only one of those customers will tell the business that they are dissatisfied - so don't be defensive, be appreciative and treat their feedback as a gift. If their complaints are handled quickly and pleasantly, 80 per cent will re-purchase, so it is an opportunity to turn the situation around and make them loyal customers.

part 2

customer service for towns and regions

learning outcomes

In the first section of this module you will learn:

- What customer service is and how it relates to community economic development;
- How to develop a customer service campaign in your town or region, including getting started, conducting market research, planning and implementing the campaign, and evaluating the results.

Customer service and community economic development

As consumers become more sophisticated through access to travel, new technologies and on-line services, standards of customer service are getting higher. This makes it a key issue for communities to retain local customers and attract visitors and tourists.

Good customer service is an absolute requirement for tourism, so every business and person is an ambassador for the area. One unfriendly encounter may be enough to persuade a visitor to move on to the next town. If their encounter is warm and friendly, that person may stay the night, make return visits and persuade others to travel to your area. Hospitality is everyone's responsibility as people like to visit a friendly town.

Customer service doesn't just apply to retail or tourism and hospitality. Businesses need to retain local residents as their customers, as well as other local businesses that use their goods and services. Otherwise, they may look elsewhere for a plumber, accountant or television repairer and spend their money outside the community.

Community economic development means making sure that money coming into the community is retained as long as possible before it leaks out. Imagine the local economy as a bucket with money pouring into it from tourism, shopping, welfare payments, local manufacturing etc. The money swirls around the bucket and leaks out when it is spent outside the community, such as paying bills, taxation, profits to external owners, using out-of-town businesses, shopping in other centres etc.

You can't stop the money leaking out, but the aim is to encourage it to circulate through the local business community as many times as possible. Assisting the establishment and growth of local businesses and tourism can be achieved by educating the community on the benefits of shopping locally. For example, the community can buy food at the local farmers market, eat at a locally-owned restaurant; or businesses can purchase goods and services from other local businesses. Giving good customer service to the community will ensure their 'shop local' loyalty.

Communities need to develop strategies to plug as many leaks as possible, such as educating local businesses in customer service skills and how that relates to developing a good reputation and profitability. Communities can also develop shop local campaigns to ensure local loyalty and attract visitor spending. For further information on shop local campaigns, refer to the Cooperative Marketing module in this series.

In a globalised world, keeping local economies vibrant requires opportunism and resourcefulness. Improving customer service is a practical initiative to retain and grow existing businesses. It is an easier initiative than attracting new businesses, although if your town gains a reputation for good customer service, it will assist your business attraction strategies.

Starting a customer service campaign

If you want to improve business in your town and develop a customer service campaign, a good place to start is to assemble a core group of motivated people to champion the change. This group will need to discuss the current customer service climate and identify the benefits to be gained by improving it.

The core group is likely to be composed of half a dozen local business people. Put your time and effort into enlisting people who are most likely to get to work immediately. In some areas, it may be a good idea to establish both a business sector group and a tourism sector group. Whether you establish one or two groups, the individuals selected should have influence with other businesses in the area.

The role of the core group is to act as a guiding coalition, creating and communicating a vision and developing strategies to achieve it. The group should generate a sense of urgency and lead by example.

Conducting market research and surveys

“Everyone is in the business of customer satisfaction. Who are your customers and how are you doing?”

Brian Tracy, American self-help author and speaker on leadership, sales, managerial effectiveness and business strategy

Market research is the process of collecting and analysing information about the people who purchase and use the products or services of your local businesses, or those who don't use them but might in the future. The information is necessary to understand who your clients are, what they need and what motivates them to purchase goods and services in your town. With this knowledge, you can tailor a customer service campaign to ensure it meets your customers' needs and expectations.

Businesses and communities often make assumptions about their customer service based on a lack of complaints. As so few people complain, this is an unreliable indicator of the standard of customer service.

Research methods will vary, depending on the objectives of the research. For example, research could be developed for an individual business trying to improve their customer service, or for retail or tourism sectors establishing customer service standards or developing customer service campaigns.

The following are examples of methods used in customer service research by towns or individual businesses:

- Point of sale survey
- Retail customer survey
- Visitor survey
- First impressions survey
- Mystery shopper
- Telephone surveys
- Mail out, on-line or email surveys
- Customer focus groups
- Unstructured interviews
- Business gap analysis and assessing the business mix
- Benchmarking against competitors and best practice organisations (to set standards of excellence)
- Businesses testing their products to provide feedback on quality and variation.

case study - lismore customer focus groups

Lismore is a regional centre in the Northern Rivers of NSW situated in the hinterland west of Byron Bay with a shire population of 44,600. The Lismore City Wide program conducted a series of customer focus groups to identify shopping issues in the CBD with target groups, such as:

- Youth (16-24 year olds)
- Unemployed
- Parents from local schools
- Partners of professionals
- Mobile retirees.

Eight people were invited in each group for a 1½ hour morning or afternoon tea session and participants were asked to chat freely about shopping in Lismore. A microphone recorded all the conversations. Facilitators identified the issues that were discussed and noted the order that they emerged in each of the sessions. This helped to identify the importance of specific issues. For example, retailers felt that safety in the CBD was a big issue, but the mobile retirees didn't mention safety until the end of their discussion and other groups didn't mention it at all.

The session tapes were transcribed and analysed with the issues highlighted and compiled under major headings. The two major issues consistently identified by all six groups were 'lack of customer service' and 'poor window and merchandise displays'. Training was provided on these topics with immediate results for some participating retailers and long term affects in later years. For example, Peppertree Kitchen re-designed their whole shop layout and defined their customer service standards. The kitchenware business grew to incorporate a full training kitchen upstairs with regular cooking classes and a professional reputation.

case study - customer care tourism audits (mystery shopper survey)

Tourism Victoria is encouraging its regions to improve customer service standards by conducting a customer care tourism audit.

Under this program, incognito 'tourism auditors' visit each region and measure performance and service delivery using a method similar to the mystery shopper survey. The audits are funded by the Victorian Government. A full-year program for a destination includes 60 completed audits, consisting of five audits per month of five different products within a region - for example, a tourism attraction, accommodation provider, retailer, restaurant, tour operator or whatever category the destination nominates.

- Customer care audits cover every aspect of a customer's visit to a region or tourism business including:
- Planning and initial contact
- First impressions on arrival
- Presentation of the tourism operation
- Quality of the overall experience
- Quality of key facilities and services, such as food and beverage, retail, entertainment, and accommodation
- Quality of general amenities
- Final impressions and encouragement to return
- Whether the operator would be recommended to others

The auditor visits the premises and fills out questions in a survey that focus on procedures and systems, such as cleanliness of the venue, signage, greeting on arrival, food and beverage, regional knowledge etc. They gather objective information and facts, not personal opinions. The audit does not address the financial side of business, as it is purely structured around service delivery. Analysis of the mystery shopper visits identifies gaps that exist in product or service delivery and highlights areas where tourism operators need to make improvements to meet customer expectations. The individual operators are provided with a report on their business. The regional tourism manager is provided with a general averaging report that can be circulated to all business operators as the business identity information is removed. This report can be used to identify strengths or issues such as the type of training that is required in the region.

If funding is not available for this audit, it may be possible to adapt these ideas to suit your own circumstances. Find a similar town and swap teams to audit each other's tourism stakeholders. Refer to the First Impressions Survey technique in the Resources section of this module for more information.

Surveys are a useful and relatively inexpensive information gathering tool. Many businesses use surveys to find out whether they are meeting customers' expectations. An example of a point of sale survey could be a motel leaving a questionnaire in the room for their guests.

Many towns use surveys to understand issues from different perspectives, such as the shopping habits of residents or where their visitors come from. These surveys can include customer service questions to understand the perception of local customer service standards.

If you decide to write your own survey, think about the information you want to get and how you will use it.

Surveys should be short and simple and you will need to do a test run. If your questions are unclear or ambiguous this will emerge from the test survey. A good strategic approach may be to use more than one type of survey. However, the information gained should be mixed with doses of commonsense and experience to provide an insightful interpretation of the data.

For further information on each of the survey methods listed above, please refer to the Resources section of this module.

Planning and implementing a customer service campaign

Improving customer service in your town or local government area will require leadership from your core group, good planning and plenty of sustained energy. The changes will not happen overnight and there may well be setbacks. However, the hard work will pay off in customer loyalty and improved business performance.

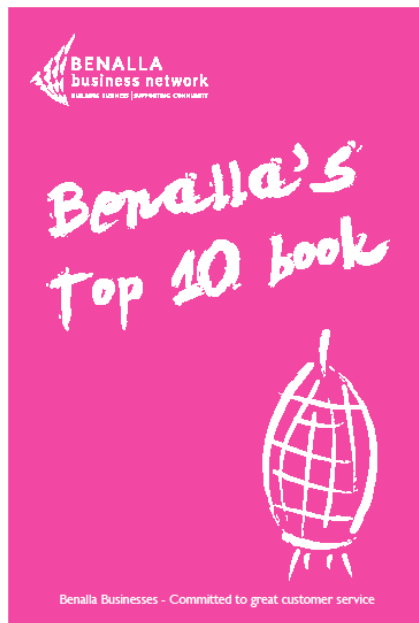
A difficult, yet key task is to persuade businesses that change in the local customer service culture is necessary to alter perceptions of the town or area in order to improve business. Use every vehicle possible to communicate your vision and strategy for change. You need to get as many people as possible involved and enthused. Here are some of the ways in which you and your core group could get your message across:

- Write a newsletter targeting business and property owners;
- Visit businesses (walkabouts) to talk about your survey results;
- Set up a feedback session to alert businesses to the findings of any surveys you have conducted
- Write articles and letters for the local newspaper.

Funding for customer service campaigns may be available through Industry & Investment NSW's (I&I NSW) regional assistance programs. Customer service campaigns may include:

- Training workshops by a customer service specialist for business owners and staff, for example workshops in customer service skills, the overall customer experience, marketing or window and merchandise displays;
- A marketing campaign or a promotion with prizes, such as a 'shop local campaign' for businesses that have participated in the customer service training;
- Consultancies by a customer service specialist for a number of individual businesses to assess their overall customer experience and suggest improvements;
- Networking opportunities between businesses, such as galleries and wineries that are willing to promote each other or similar businesses (known as on-selling), sharing customers to ensure their needs are met. For example a customer asked Peppertree Kitchen in Lismore for a set of splades, but they were not stocked by the kitchenware shop. The customer was referred to the Lismore Jewell Centre, with a quick telephone check to ensure the items were in stock....the customer was impressed with both businesses;
- An annual customer service awards night for local businesses with winners promoted in the local media;
- A customer care training and accreditation program for the town or local government area with marketing that encourages people to shop when they see the accreditation sign;
- Development of appropriate support materials with distribution to all businesses to enhance their knowledge and ability to provide local information and good customer service. For example, a business and community directory with information for locals, new residents and visitors, or a brochure or pamphlet listing local information.

case study - benalla's top ten book



Benalla in Victoria is situated 115km south west of Albury on the main route to Melbourne, with a town population of 9,200 and 15,000 in the shire. The Benalla Business Network developed Benalla's Top Ten Book specifically aimed at training and improving local customer service. The booklet was distributed to all businesses in the town and contains all the local information a front line service operator would need to know to answer most questions about Benalla. The following instructions are taken from the Top Ten Book.

"This booklet is designed to be a simple and useful tool to help you know Benalla and all it offers. Each page is filled with information about Benalla - things you may not know, things you probably do. Feel free to add more items to the page - it is your book to enable you to offer even better customer service. Make sure you and your colleagues take some time to identify the top ten products and services your business offers."

The last comment refers to the page headed 'Your top ten products and services'. It was left blank to encourage staff to work together to identify the core aspects of their business and develop product knowledge by collectively compiling a list of the top ten products or services of the business.

The book can be viewed on www.benallaonline.com.au with simple information provided under the following headings:

- 10 great customer service tips
- 10 things to do in Benalla
- 10 places you can eat
- 10 famous sons and daughters of Benalla
- 10 day trips from Benalla
- 10 things that you should know about Benalla
- 10 easy access services
- 10 your top products and services
- 10 phone numbers you should know
- 10 places to park and a map of Benalla

Planning and Implementation

To plan and implement a customer service campaign, conduct your research and ascertain who your customers are, how they think and what they want. Develop a customer service campaign for your town or local government area using the following steps as a guide:

- Conceive what type of campaign you will conduct;
- Develop a campaign plan – start by identifying the why (campaign objectives), who (target markets), what (break the type of campaign into the major elements required), where and when;
- Under the major elements required (what), list tasks to be completed to implement the campaign and possible costs;
- Establish a preliminary budget and determine how you will raise the funds to meet the costs – this will help you to identify if the campaign is viable;
- If appropriate to the type of campaign you are conducting, establish an organisational structure to assist with the development of the campaign and delegate tasks (e.g. marketing to one person, fundraising to another etc);
- If required, establish sponsorship for the campaign, starting with media sponsorship;
- Establish strategies for financial management and risk management;
- Identify any legal requirements of the campaign;
- Establish an evaluation strategy to monitor progress throughout the development of the campaign and methods to evaluate its success that are measured against your original objectives;
- Inform stakeholders of the campaign, such as the businesses in your town or region and gain support and participation from them;
- At the end of the campaign, thank participants and sponsors, and conduct your evaluation and any necessary shutdown and acquittal procedures.

Please refer to other modules in this series for further information on planning and evaluating projects and events, including the Event Management module, Monitoring and Evaluation module, Marketing and Promotion module and Cooperative Marketing module.

The Port Macquarie Hastings Council established a Customer Care Program in 2006. They believe that good customer service is a foundation stone of business development and is a fast, cost-effective way to support local businesses and create long term jobs.

A business survey was conducted with 160 businesses and the data collected helped to develop the customer care program. A Customer Care Taskforce was established. Its aim was to enhance perceptions of the Port Macquarie Hastings area by elevating local service standards and making it a 'sought after' destination, synonymous with customer service excellence.

The certified customer care program places a strong emphasis on training and networking. Businesses that meet the standards of accreditation are authorised to display the program's decal sticker and other promotional material.

Some businesses already qualify for the program as they have established quality standards with their own documented policies, procedures and benchmarks. If required, specific training can be developed using their own standards and policies, meeting the business's individual staff training needs.

Initially, an 'introduction to customer service' course was delivered and was so well received that businesses asked for further training. Courses were developed for managing customer service staff, motivating staff, sales techniques, handling customer complaints and telephone techniques.

The program consists of a range of training programs for staff and management, each one used as a stepping stone to attain better customer care skills. Some businesses put their staff through all the training courses and others choose specific topics. They are presented for a nominal charge in a three hour workshop or in some cases for a full day. Courses are presented in batches three times a year or developed for individual businesses throughout the year, on request. A key to the success of the training program is the professionalism of the teacher who presents the courses and makes the training sessions interesting.

To maintain the momentum and integrity of the program, regular Mix 'n Mingle 'after hours' networking meetings are held four times a year, with a small fee to attendees. They include drinks and nibbles, an external guest speaker and local program participants who speak briefly on customer care issues they've overcome or experiences that other businesses can learn from.

Once a year they hold Customer Care Service Excellence Awards with prizes in eight categories. Only businesses who participate in the program can enter the awards. A monthly e-newsletter is distributed with local news and links to the program's website and other reading materials on customer care.

There is also a re-accreditation audit process that is conducted annually. By mid 2009 there were 290 businesses in the program, including retail, restaurants, tourism, suppliers, trade and service businesses. Approximately ten per cent of businesses are randomly assessed each year through an exercise that is similar to a 'mystery shopper' audit, to ensure customer service standards are maintained. Feedback forms and surveys are also used to evaluate the effectiveness of the training and events.

The program has an on-going marketing campaign that is supported by the local media. The marketing is aimed at visitors and local residents to use businesses where they see the Customer Care sign. It also encourages other local businesses to participate in the program to attract customer loyalty, repeat visitation and positive staff morale.

In 2007 the program received an award from the NSW Customer Service Institute of Australia (CSIA) as winner of the Local Government section in their annual state awards. The CEO of CSIA was so impressed with the program he took on the role of MC at the 2009 Port Macquarie Hastings Customer Care Excellence Awards.

Evaluating the results of your customer service campaign

Develop a simple evaluation strategy at the start of the campaign. It helps to set clear objectives; that is, why you are doing the campaign and what you expect to achieve as a result. Try to develop SMART objectives (specific, measurable, achievable, realistic and timebound). Evaluation of your objectives will assess whether you have achieved what you wanted to at the start of the project.

The following is a simple example of an evaluation strategy, measured against two campaign objectives:

Objectives	Methods	Evaluation Outcomes
To establish the first customer service training program by October 2009 with a minimum of ten businesses participating.	<ul style="list-style-type: none"> Count and observation Survey participants at initial session to determine satisfaction with training and further needs 	<ul style="list-style-type: none"> Initial training session established Date of training session Number of businesses represented in first session Number of participants in first session and satisfaction levels
To develop three relevant customer service training programs by October 2010.	<ul style="list-style-type: none"> Count and two surveys Survey businesses prior to training sessions to identify training needs Survey participants after each training session to determine satisfaction with training 	<ul style="list-style-type: none"> Three training programs identified Number of training programs developed Dates of training programs Number of businesses represented in all sessions Number of participants in all sessions

In your evaluation strategy you can also establish some milestones to keep the project on track and monitor its progress throughout the development and implementation of the campaign.

It is surprising how many schemes are superficially evaluated or not evaluated at all, yet this is a very important part of the project. It will help you to improve the campaign during its implementation or if you repeat it in the future. Evaluation will also provide you with useful data, for instance to encourage more businesses to participate or for future funding applications.

As part of your evaluation strategy, you can ask these questions at the end of the campaign:

- Did the campaign achieve its original objectives?
- What original objectives were not achieved and why?
- Specifically, what were the benefits for the area?
- Were there unexpected results, either positive or negative?
- What can be done to address the problems?
- What can be done to promote the positives?

Refer to the Self Help Module 5 – Monitoring and Evaluation for more comprehensive information on evaluation.

part 3

customer service for businesses

learning outcomes

In the second section of this module you will learn:

- Elements that make up the customer service mix
- Tips and techniques for businesses to improve their customer service
- Skills required for good customer service including communication, body language, phone etiquette, on-line and email, time management and the ability to deal with difficult customers
- Ideas for reward and recognition to encourage on-going customer service.

Understanding customer needs and expectations

Customers have varied needs, wants and expectations.

- A need is a 'state of felt deprivation' e.g. you may feel the need for a drink.
- A want reflects a demand for particular goods or services to satisfy a need e.g. you may need a drink but want a cup of coffee.
- Expectations are the extent to which a customer thinks their needs and wants will be satisfied e.g. the customer thinks that the cup of coffee will satisfy their thirst.

People arrive at your business with needs and expectations that vary according to the setting and their previous experiences. When they go to a fast food chain, they are likely to expect speed, value for money and product consistency. If they are seeking advice from a health professional, they need expertise and confidentiality.

Businesses have to keep up with their customers' needs and expectations. To deliver excellent service, businesses must understand who their customers are and what is important to them. For example, over the past twenty years, cinemas have abandoned one large auditorium in favour of several smaller ones. In this way they are able to screen a range of films simultaneously to appeal to different demographic groups and satisfy a range of needs and expectations.

tip

When thinking about who your customers are, don't only think of current customers - include lost customers, potential customers and competitors' customers.

"Luxury purchases are relationship buys; the service expectations really are a lot higher,"

Steve Ogden Barnes, researcher for Retail Studies, Monash University

Customer service moments of truth

Jan Carlzon wrote about the changes he made as CEO of Scandinavian Airlines, where he turned an \$18 million loss into a \$54 million profit in eighteen months. He introduced the concept of 'moments of truth'. These moments defined any interaction lasting 15 seconds or more between the airline and a customer. Booking a ticket, checking in, being served dinner and picking up bags are all 'moments of truth'. Carlzon recognised that these many, small moments were very important to customers, often creating the overall image of the airline in their minds. He persuaded his staff to focus on improving service in these moments by a small percentage. The results were dramatic.

For further information, refer to an interview with Jan Carlzon on the subject at: www.customerthink.com/interview/jan_carlzon_moments_of_truth

Australian marketing expert Barry Urquhart believes that customer service standards in Australia have fallen in recent years. He states that the customer should be acknowledged within five seconds of entering a store, spoken to within thirty seconds and served within two minutes or the sale could be lost. However Scott Driscoll, National Executive Director of The Retailers Association believes this acknowledgement could simply be a "Hi, how are you?" or a glance and a smile – not 'badgering' or pouncing on the customer.

Barry Urquhart believes the acknowledgement process and the quick offer of service allows the customer to express how they want to be treated, if they need service immediately or want to browse in the store. Acknowledgement of the customer is one of the most important parts of customer service and shows the customer that they are valued. It is a 'moment of truth' for customers entering your premises.

The customer service mix

Good customer service is not just about the friendliness and skills of your staff or your expertise in marketing – it includes all aspects of the customer's experience with your business that meets their needs and expectations. The following components of the customer service mix involve everything that has an impact on your relationship with the customer from the physical environment, to interaction with staff and the product or service provided. These components add up to a good customer service experience.

1. Image

- Tangible elements of your business such as the physical facilities and staff appearance
- Non-tangible elements such as your business's branding and reputation.

2. Staff knowledge of products and services

- Common customer requirements
- Technical aspects of the products or services
- The quality and standards of the business's products and services
- Comparison with similar products and services
- Whether products and services match the needs of the customer.

3. Customer access to products and services

- Signage and tourism information
- Telephone listings, webpage, internet access
- Telephone answering and reception
- Trading hours
- Physical environment
- Access and parking.

4. Staff attitudes and communication skills

- Greeting and listening skills
- Showing empathy
- Personal style
- Handling complaints.

5. Customer service systems

- Returns
- Managing feedback
- Follow-up and after sales.

Clarence River Tourism is an independent incorporated tourist association with a board of directors that provides visitor information servicing, destination marketing, destination development and support services for the local tourism industry. They receive funding from Clarence Valley Council but operate independently from the Council.

Clarence River Tourism (CRT) covers an area of 10,440 sq kms in the Northern Rivers region, in the local government area known as the Clarence Valley from Iluka in the north through to Yamba and Grafton, and Woolli in the south. They manage two high profile visitor information centres on the Pacific Highway at Maclean and Grafton.

CRT aims to provide customer service that exceeds customer expectations. Their customers include members of the public requesting information, tourism operators, commercial businesses, the local community, Clarence Valley Council, regional stakeholders, other visitor information centres, government agencies, tour groups, travel agents, event organisers, and the media etc.



Grafton



Maclean

Operations manual

- CRT developed a comprehensive operations manual which clearly details:
- Customer service policy and procedures
- Brochure management policy
- Information provision
- Clarence Valley subsidiary information outlets
- Retail management
- Operator services
- Tourism operator brochure design policy
- Tourism operator website design policy
- Local festival and event promotion policy.

The manual is used to train staff in quality control and to ensure that the standards of customer service are continually improved. The level of customer service is regularly monitored both informally by senior staff and formally through staff performance reviews.

Customer services

CRT aim to provide all customers seeking information with a same day service, for example all enquiries for information are packaged and sent within 24 hours. All visitor enquiries are logged onto a database using a customer enquiry form. They regularly conduct customer surveys to determine the level of satisfaction of visitors. At the Clarence River Visitor Information Centre (VIC) there is a 'guest book' for visitors to sign, which is monitored regularly and comments are passed on to staff.

CRT provides a range of services to tourism operators to assist their businesses, including:

- Customer feedback
- Brochure and website design services
- 'Special interest' brochures and fact sheets, including accommodation guides, restaurant and cafe guides, tour planner's handbook and a conference planner
- Electronic 'destination promotion', including their website www.clarencetourism.com
- Accommodation surveys to assist operators to fill vacancies during school holidays
- Cooperative marketing opportunities.

Physical layout and presentation

The layout of both VICs can service up to two bus loads of visitors (up to 100 people) at a time. The layout was designed to encourage a circular flow of customers, in and around the space, with clear delineation between information and retail areas. The doors are wide and each VIC has a covered verandah so people can get out of their cars, stretch their legs and stand in the shade to look at the landscaping and views.

Sometimes different visitor groups arrive at the same time (e.g. single customers, a small bus group and a large coach), with staff servicing the varying needs. The larger group can be broken down with half using the theatre to watch a 12 minute DVD of the Clarence Valley whilst others circulate through the centre.

Information is laid out in a format that is easy to find, with information presented first on the Clarence Valley followed by the immediate surrounding regions and South East Queensland. NSW information is then laid out alphabetically, flowing on to Sydney and the south coast.

Staff ensure the toilets are clean at all times. There are approximately 2,700 visitors per week and staff at the two centres are often complimented on the cleanliness of their toilets.

Staff do not wear uniforms, but have standards of dress for office clothes. They must wear a name badge and smile and greet every customer.

The retail areas are important to the visitor experience. At Maclean, the centre is shared with a local arts and crafts business and food outlet. In Grafton local artisans place goods on consignment, with 20 per cent commission on each sale going to the centre. The outlet exposes local arts and crafts to 75,000 visitors each year and also to local residents buying gifts. In 2008, local artisans earned \$48,000 through sales at the centre.

Branding

Destination branding is used to define the visitor experience - for Clarence Coast (based around Yamba), Clarence Country (based around Grafton) or Clarence Valley (based on the river or an overall valley experience). Information is provided for enquiries based on the branding, although other branding can be layered and tailored to each enquiry. For example, an enquiry may be about a museum in Yamba, so information given out includes that museum, the town of Yamba, Maclean's museum and town information and then other museums in the Clarence Valley. Branding is used clearly and consistently throughout the centres, such as on postcards, stationery, and information etc.

The Clarence River Tourism website services 325 customers on-line every day. It provides information on each town and village and lists every tourism operator in the valley. If an operator advertises on the site, a link is created to their own site.



Staff knowledge and products

Staff knowledge on products and services is constantly updated. Common enquiries are compiled under frequently asked questions (FAQs). 'Special interest' fact sheets have been developed to provide information for FAQs, with over 60 fact sheets developed in a branded format. Another source of information has been compiled for non-frequently asked questions. When the information is identified, it is compiled under a system called 'lists and directories', with staff continually building knowledge in the 'easy find' information system. If a question is asked many times, it is moved to the FAQ system and a fact sheet or booklet is developed.

For example, an A5 booklet was developed called *Holidaying with Pets in the Clarence Valley*, which is emailed or printed on the photocopier as required. It lists all pet-friendly accommodation, all off-leash areas for walking dogs on beaches and parks, vets, boarding kennels, pet supplies and pet grooming services. It also lists where you can travel and stay with horses, horse trails through the Clarence and all saddlers. When an enquiry is received for people travelling with pets, the booklet is sent to them.

Customer enquiries on Grafton's flowering trees were used to produce the book, *Street Trees of Grafton*. This is professionally printed and retails at \$9.90, with a wholesale price to local nurseries and shops so the book is sold at the same price.



Street Trees of Grafton



Visitor Guide

Staff are asked not to recommend only one business where there is a choice. They must offer a choice of two or three, especially for motels or apartments. They have compiled an accommodation guide with every operator in the valley, including the NRMA listings with star ratings and prices. If complaints are received, the information is given back to the operator to resolve. If constant complaints are received, the operator is not recommended and if it gets serious, they can threaten to take the operator off the guide.

Staff training

All staff are trained to show empathy, for example a mother may have been travelling with young children in a car for several hours and may be quite stressed when trying to find accommodation. Staff are also trained on how to handle compliments as well as complaints, with complaints noted in the Complaints Register or the Accident and Incident Register.

Staff visits (famils) are conducted to attractions and accommodation on a regular or annual basis throughout the valley, so all staff are familiar with the status of all businesses.

Awards

Clarence River Tourism won the NSW Tourism Award for best visitor information and services in 2005, 2007, 2008 and silver in 2009. They won the 2008 National Trust Heritage Award for the Grafton Heritage Trail project and the 2008 Rod Murdoch Memorial Award in recognition of Clarence River Tourism's outstanding contribution to the development of tourism in the Northern Rivers region and NSW.

Attention to detail distinguishes high performing businesses from mediocre ones. Customers will judge the quality of service either by the small courtesies you offer or the irritating oversights. Businesses can start by asking themselves questions, such as the following:

- Is the phone answered promptly?
- Do we keep our advertised promises, such as opening times or advertised specials?
- Are our invoices consistently accurate?
- Is there a long queue for service?
- Do customers enjoy the personal contact with our staff?
- Are mistakes fixed up professionally?
- Is there a friendly, welcoming atmosphere when people enter our business?
- Are our products attractively displayed?
- Is our business environment visually appealing?



Bells Milk Bar & Museum is situated in Patton Street, South Broken Hill in Outback NSW. The milk bar started in 1892 as a confectionary store that also made its own cordials. In the 1950s, Les Bell modernised his mother's handmade syrup recipes to create a delicious range of drinks, such as the renowned Green Lime Spider or Vanilla Malt Milkshake.

In 2004 the milk bar was restored to its former 1950s glory. It won a NSW Tourism Heritage and Cultural Award in 2007 and recently opened the Milk Bar Museum to preserve milk bar memorabilia and provide a place where people can share their milk bar memories.

Bells realises that in such a competitive economy, tourism businesses can no longer rely on product and service quality alone. They believe that customer service is created through a 'package' of services. They want to exceed customer expectations and engage them in a memorable way by creating the 'sweet spot' experience outlined in Experience Economy by Pine and Gilmore:

- Aesthetics of the premises, both internal and external
- Escapism into the atmosphere of an older era through the decor, the ability to buy old fashioned, hand made syrups and to read old magazines
- Education through the history of the milk bar in the museum and oral histories told by staff
- Entertainment through good old fashioned music playing in the milk bar, regular live music and friendly, proactive customer service by the staff.

To create this experience, Bells trains all their staff by:

- Developing company policies and procedures
- Delivering traineeships using TAFE modules
- Providing an induction manual and verbal training
- On-going monthly staff meetings and training sessions
- Surveying customers to monitor and evaluate their experience and giving this feedback to staff
- Providing regular staff newsletters that always include customer service tips – for example:
 1. When you get a spare 30 seconds, drop by a customer's table and say something like: "How is everything over here? Did you enjoy your drinks? Can I get you anything else?"
 2. When customers are greeted by a friendly, down to earth, enthusiastic sales assistant (you) they have a better experience, spend more, come back more often and tell more people about their experience
 3. If you see someone taking a photo of their group, rush over if possible and offer to take the group's picture at Bells – try to get the dancing fruit mural or Bell's counter in the shot if possible
 4. People will want to know about Bells and milk bar history. You will need to know it, so brush up on your history and enjoy the interaction with people as they 'relive' old memories or learn new things.

case study - bells milk bar and museum, broken hill cont...

Bells works hard to encourage customer loyalty and repeat visitation by providing a range of customer service strategies that include:

- Loyalty cards to earn points and gain a free drink at 20 points
- Vouchers for 50 per cent off the next drink for filling in a survey
- Sponsorship of local sporting teams and fundraising events with free drinks or bottles of syrups
- Free 'upgrade' vouchers to accommodation houses to encourage referrals
- Changes and additions to the menu, such as waffles and coffee in winter or new desserts in summer
- An ever-growing database of customers
- Emailing milk bar news or changes to the menu to referring businesses in the tourism industry and to a large customer database
- A Bells Milk Bar Facebook page with updates for 'friends of Bells' on events and promotions
- 100 per cent satisfaction guarantee with a money back offer or new product
- Customer facilities, such as a new toilet and parent's room with change tables, and the availability of free wireless internet
- Regular competitions for customers, such as:
 1. 'Name your flavour' competition with a flyer delivered to every house in town – for example the winner in 'best spider and milkshake' competition had their flavour added to the menu and received vouchers and syrups
 2. 'Put your name in the barrel' competition to win an Easter Pack or Christmas Syrups
 3. Prizes for 'milk bar stories' or for completing the 'what's your story' form.



Bells is developing an e-commerce website for customers to buy syrups and other products online as well as providing the opportunity to share their milk bar stories and find out more about the milk bar culture. All these efforts add value to the Bells Milk Bar customer service experience to ensure the growing popularity of this well-loved Broken Hill institution.

Invest in training

Serving customers well takes organisation, skill and hard work. It involves listening, answering questions, clarifying concerns and solving problems, suggesting alternatives, cutting red tape and soothing frayed nerves with good humour. The ideal relationship with customers is based on honesty, integrity, trust and reliability. You can achieve this by offering good knowledge of your products or service, listening to what your customer is saying, identifying their needs, empathising with your customer and selling them what they want, not what you want to sell.

Customer service skills are not always automatic, so it is wise to invest in training. These skills can be learned. It takes time and effort, but the rewards are worth it. Although some people are more gifted communicators, a good training program will help staff at all levels to learn and practice new skills.

Invest in training for management as well. Good customer service includes marketing, business decor and layout, signage, staff interaction and after sales care. Times are changing fast and businesses need to keep updated on the latest methods. If you have been in business for more than ten years and still use the same marketing methods of the 1990s, you could be missing out on attracting new customers, particularly Generation Y, which is one of the fastest growing markets.

Marketing messages and promotions are often the first impression customers gain of your business and consequently of your customer service. Businesses need to put effort into promotion to attract customers to their stores, premises or websites. Managers need to understand every marketing method available and how to make use of the new social media connections. For instance, the growing use of 'free' promotion such as offering free products or free advice via newsletters, or using Facebook or Twitter as a free marketing tool. Training management in current marketing methods will help your customer service and boost your business. Refer to the Marketing and Promotion and Cooperative Marketing modules in this series for more information on marketing methods.

When you train your management or staff, consider the cost as an investment. The return on your investment will come from creating an excellent customer experience, from the first marketing message to the final sale or after sales care, branding your business with a reputation of good customer support and creating positive word-of-mouth advertising.

There are a number of education providers who can train businesses in customer service skills. AussieHost is a national training program that provides interactive workshops where participants learn or refresh their basic skills of good customer service. TAFE teaches accredited training in dealing with customers and colleagues as well as telephone skills in their tourism courses and training could be negotiated for specific subjects. Other educational institutions or training consultants can also provide training that is accredited or designed specifically for individual businesses.

The customer service skills outlined under the following headings in this section can be used as a basis for creating your own customer service procedures or for internal skills training for your management and staff.

Communication skills

Good communication skills, both written and verbal, are valued in customer service. However, listening skills and empathy are also an important component of good communication. Listening does not come naturally to most people - we need to work hard at it, to stop ourselves from 'jumping in' and giving our opinions. Mostly, people don't listen; they just take turns to speak. We tend to be more interested in announcing our own views and experiences than really listening and understanding others.

Active listening involves communicating that you have understood the message. Good active listening skills include:

- Concentrating on what is being said
- Not interrupting
- Not assuming, but clarifying points in the conversation
- Sounding interested and, where appropriate, reflecting back what the person has said to show you have understood their meaning.

When using active listening skills it is useful to focus on trying to understand how the other person feels and discovering what they want to achieve. Trust, rapport, empathy and understanding are powerful relationship-builders. Empathy is about understanding, not necessarily agreeing. Part of the 'empathy process' is establishing trust and rapport. Establishing trust is about listening and understanding - without judging. An effective customer focus enables you to see both sides and arrive at a mutually satisfactory solution. Communication skills essentially involve active listening, using empathy and building rapport and trust.

Body language

The primary aspects of good body language include soft eye contact, appropriate facial expressions, good body posture, movement and hand gestures, and maintaining a comfortable physical distance from your customer to ensure you don't invade their personal space. Touching people can be tricky and is not recommended.

When you want to get a message across, your body language will tell your customer far more than the words you say. Your message will be conveyed through body language by about 55 per cent, through the tone of your voice by 38 per cent and only seven per cent by the actual words you say.

Positive body language includes facing the customer, smiling, nodding, leaning forward and having an open stance – do not cross your arms or stand with your hands on your hips.

Personal presentation is also part of your body language. How you present yourself to the world is a reflection of who you are and also reflects on the business. Ensure you always have good personal hygiene and cleanliness, including clean nails, neat hair, as well as not too much make-up for women and clothes appropriate for the job you are doing.

Telephone skills

When you are on the phone, the tone of your voice projects around 86 per cent of your message. You communicate your mood through your voice, so customers can tell if you are friendly, alert and interested or bored and irritable. Try to smile when you answer the phone, it will be reflected in your voice. Be aware of the rate at which you speak, the volume of your voice and your inflection. You can experiment with your telephone voice by using a recorder. It may feel odd to do this, but it is a very useful form of feedback.

When making a call, decide what you want to say before you pick up the phone. When you answer a call, try to pick up the phone by the third ring. The method used to greet callers may vary from business to business, but it generally contains these elements:

- A greeting
- The name of the business
- Your name
- An offer of help "Good morning, Western Concrete Supplies, this is Jane speaking - how may I help you?"

Sometimes you may need to put a caller on hold. Ask the caller's permission, "May I put you on hold?" – and wait for an answer. Callers will appreciate your courtesy and almost always say yes. Thank them for holding. If they are left on hold, check back with them after 1-2 minutes to see if they still want to hold or if they would prefer to leave a message. If you get a refusal to hold at any time, offer to take a message or get their number and call them back.

If you have to take a message, write down the name of the person the message is for, the date and time of the call. Write down the caller's name, business, contact details and any key facts. Always repeat the phone number to make sure you've written it down correctly and clarify any other information if necessary. Thank them for calling and allow them to hang up first.

One certain way to annoy customers is to pass their call from pillar to post. If you are unable to help with the query, arrange for the appropriate person to call the customer back. If you do have to transfer a call, let the customer know the name of the person they are being transferred to.

If you use voice mail, be sure your message is clear, friendly and indicates when the customer should speak, usually "after the beep". Respond to your messages promptly and try to return calls within the same day. Voice mail messages should be updated promptly following an absence from the office or business.

Email skills

Emails have become a part of everyday life for many people working in business as it provides a convenient, 24 hour service, reduces costs and increases productivity. You can also stream email using multiple addresses and attach files and large documents. It provides a 'trail' to track the history of conversations and can be sent to customers at any time.

However, it can be overused as a substitute for phone or face-to-face communications. It isn't as secure or confidential as people think and can be used in court as evidence, so you need to be careful what you write or send. Confidential or private information can be passed on through emails systems to the world. Email is not the best communication method for emotional or highly charged situations which should be handled personally after adequate time has been spent considering the appropriate response.

Crafting effective emails is a learned skill. Here are a few suggestions:

- Use a specific subject line with a few well chosen words on what you are writing about
- Include a greeting at the start of the email "Dear...", or "Hi...", don't just start writing the body copy
- Respect your reader's time – keep messages clear and concise
- Don't write in one big block of information – have clear sentences and break the ideas into separate paragraphs to make it easy to read
- Sign off the same way you would sign a letter, although you may be a bit more informal and friendly in an email sign-off, such as "kind regards" or 'cheers'
- Most email programs have a signature that can be added automatically, so include your name and contact details for your reader's convenience
- Review your email before you send it – grammar needs to be correct and the 'spell check' doesn't always get it right or work on some systems
- Be timely and try to return all email enquiries within 24 hours
- If replying to a customer's query, include the text from their original email, saving effort on their part and providing good customer service
- If a file is to be attached to the email, make sure it is not too large as some email systems may reject files that are too big.

Website skills

Give people a reason to visit your website. If they come back frequently or stay on your site for longer, you have a better chance that they will buy something. However, if you make customers unhappy on the internet, be aware that the message can reach thousands of people if it is passed along an email chain.

case study - strawberry.net

A good example of an on-line business that encourages frequent customer visits to their site is www.strawberrynet.com. The business sells beauty products and perfumes at discounted prices and have an excellent e-commerce site. The business has developed strategies to encourage frequent visits and they make it easy to stay on the site longer.

For example, Strawberry.net offers special loyalty discounts to encourage extra orders on a sliding scale up to ten per cent off. They offer another five per cent if you purchase three products or more per order, and offer free shipping worldwide for skincare and make-up products. A free make-up sample is also offered to new customers on their first purchase or for special promotions throughout the year. All discounts and samples are automatically added once a customer's order is placed and recorded under their email address. The site encourages people to sign up to their regular newsletter that announces monthly specials and lists latest products and special discount offers, often with up to 50 per cent or more off. The success of the business has been astonishing and is largely due to its professional, well set-up website.

If conducting e-commerce from your website, ensure you make it easy, safe and convenient for your customers to purchase from you.

Another strategy to attract potential customers to your website is by providing free information – it also provides good service to potential customers. The internet culture values the sharing of free information, so if it is relevant to your business, investigate this strategy. The following are examples of useful free information you could provide:

- A 'white paper' – an easy to read, five to ten page document expounding on an industry issue that can be picked up by search engines
- 'How to' articles – they can empower your customers and entice them to purchase your products to accomplish the 'how to' subject. The articles also establish your business as an expert in the field and increase comfort levels in purchasing from you
- Relevant links and resources – create links to other companies or sources of information that complement your business, adding value and convenience to your site. Make sure the links direct your customers to sites you know and trust as these links are often seen as endorsements
- On-line tools such as questionnaires, surveys, tests, and industry-specific calculators (e.g. mortgage payments) etc

- Advice – depending on your type of business, you could add an advice section to your site, even as simple as FAQs (frequently asked questions)

- Email newsletter – this can be a very powerful tool and another form of marketing your business and website if people pass the newsletter on to friends or colleagues who might also find the information useful. Archive your past newsletters on your site and set up a system so visitors can search using key words to find what they're looking for

- Work samples – show samples of your work and be proud of your achievements. Include any awards you have won or positive publicity you've gained. Anything that makes your business appear more competent, trustworthy and knowledgeable is worth putting on your website

- Share ideas – use message boards or blogs, or you can send information through broadcast email lists

- Webcasts – interactive websites keep people on your site longer, for example you may broadcast a news item, a television advertisement or a lecture with relevant information on your business or industry.

Remember, you need to update and maintain your website regularly.

Time management skills

Being organised, managing your time and conducting your business efficiently are other elements of good customer service. Be proactive, not reactive. Prioritise your tasks according to their importance, for example:

1. Urgent and very important – must do straight away
2. Important – schedule them in as soon as possible
3. Urgent – do quickly or delegate if they need to be done but are not of high importance
4. Not urgent or not that important – these are tricky and sometimes can be great time wasters – keep them on your ‘to do’ list and schedule them in when you have time.

Have a weekly ‘to do’ list - check the remaining tasks on the list and prioritise the main tasks you need to accomplish each day. Every morning take 5-10 minutes to plan your day, it will keep you focussed and help you to manage your time. Prioritise your daily tasks according to their importance. You can also take five minutes at the end of the day to write in your diary your day’s major achievements or cross off the accomplished tasks from your ‘to do’ list and ‘wrap up’ your day’s work.

Another handy time management tool is developing a simple phone call sheet. Photocopy several sheets, put them on a clipboard with a pen attached and keep it next to your phone. Write the date at the start of each day and jot down messages or note important phone calls. This tool allows you to keep track of your phone calls and ensures you never lose a message that has been scribbled on a loose scrap of paper. It also provides a track record of phone calls, for example you can use it to list your message bank calls. You can note the date and time when the customer called and if you returned the call, spoke to the customer, fixed the problem or left a message.

Dates	Notes	Who	Details

Don’t procrastinate, get caught up in the trivial or postpone important matters that are unpleasant. If a task looks too big or too difficult, break it down into smaller, more achievable goals. Remember the old Chinese proverb, “the trip of a thousand miles begins with the first step”.

Be aware of your time wasters, such as reading unnecessary emails or chatting to co-workers over coffee when you have urgent matters to attend to. Learn to delegate tasks to others when you are busy, if possible. Understand your energy levels and do jobs requiring mental effort when you are at your best, usually in the morning or after a break.

Dealing with difficult customers

No matter how good your service is, there can be occasions when things go wrong. Sometimes the problem is caused by a service failure and sometimes the customer is at fault. Whatever the cause, good service means recovering from a difficult situation. Use the following steps a guide:

1. Acknowledge the problem

Whoever is at fault, acknowledge the problem. Customers want to know that you recognise there is one. Offer an apology even if you know you are not to blame. Apologising for the inconvenience does not admit blame, but it does build rapport with the customer. You need to identify and acknowledge the real problem.

2. Listen, ask questions and show that you care

It's tempting to be defensive, but nothing makes customers angrier. Give your customer your full attention and listen. If you ask a few well-placed questions and use active listening techniques, you will demonstrate that you are taking the customer seriously. It's also important to acknowledge the customer's feelings and emotions, e.g. "I understand this is frustrating".

3. Fix the problem

Tell them what you can do, not what you can't do. Look for a way to fix the problem fairly. Some rules cannot be broken (those that relate to safety, for example). Others may be flexible. If staff are empowered to bend the rules within reasonable limits the problem may be fixed quickly and fairly - and customer loyalty retained. Customers want to be treated as individuals. According to research, one of the most common sources of customer dissatisfaction is 'lack of flexibility' from the service provider.

4. Follow through

To recover the situation you may have to make new promises. Be sure you can deliver on these promises - or don't make them! Follow through and take time to check that things were resolved to the customer's satisfaction. Customers feel doubly cheated if they come to you with a problem and the recovery process fails. They will be impressed if you follow up to make sure they are happy with the outcome.

Difficult retail customers in hard economic times

The following tips were written for retailers on how to handle difficult customers during hard economic times, with a few tips on the root causes of some problems.

- Let people talk and listen to them. People need to talk things out - you need to listen and build relationships.
- Be empathetic
For example, use terms such as "I understand how you could feel like that".
- Identify the problem and ask for a remedy
Ask how it can be corrected and identify a solution together - however, if their remedy is unreasonable, use the expression "I wish we could" - it often works.
- Thank you
You cannot thank people enough. It is so easy to do, but so few people do it. When was the last time you thanked a customer for coming into the store or sent a thank-you note after a big sale?
- Expectation management
What does a customer expect when they enter your store? Walk into your own store and try to see it through their eyes. Your policies could have become stale because you never shop in other businesses to see what your customers are experiencing elsewhere. It is one thing seeing good ideas but it's another thing implementing them. Fix any problems before they happen, create an experience for your customers and make it easy for them to use your store.
- Become more flexible
Don't be rigid; lighten up. Times are changing and the rules of the 'new normal' are currently being written. Things are never just black or white; there are many shades of grey.
- Decisions of convenience
Some retailers get lazy and make decisions because it's easy or convenient for them. For example, you may create different rules and policies for different customers or employees. Make decisions that are based on the needs and expectations of your customers, even if it means a bit more hard work for you.
- Commitment and passion
Retailing isn't easy. There can be long hours and frustrating times, but you have to enjoy it. You need to get excited when new merchandise is delivered, or to call a customer up because you were able to get exactly what they were looking for. You need to get excited about the displays and signs in your store and your next buying trip, even when you're tired - because that new vendor may become your winning merchandise of the season. If you don't have the passion for retailing, it's time to leave.

Reward and recognition

Rewarding and recognising the efforts of employees is ranked as a key factor in customer satisfaction, employee retention and profitability. Although a salary is important, people thrive on praise. Your business will benefit from increased morale and productivity if you take the time to instigate a reward or recognition system in your workplace.

Informal recognition is spontaneous praise - giving positive feedback to staff will ensure that their good service habits stick and they repeat the behaviour. Don't delay with your praise as the further away you get from the event, the less impact it has.

Formal recognition is pre-planned and takes time, money and planning to implement. Recognition methods vary in scope and expense; here are a few ideas:

- Send a thank you note or have a senior executive thank the employee
- Create a 'hall of fame' for 'service heroes' e.g. on the staff lunch room wall or in the company newsletter, with heroes updated every month - include a short caption underneath their photo outlining their achievement
- Display customers' letters of praise
- Send out for a staff take-away lunch on a Friday and say it's in thanks for their hard work
- Take your staff out to lunch or individuals out to dinner as a thank you
- Surprise staff with balloons or flowers, or a cake on their birthday for morning tea
- Let hard workers take (paid) time off in lieu of their efforts
- Give gift certificates
- Send employees to outside training or conferences
- Hold an annual awards presentation.

Keep your rewards interesting and suitable to the person and the achievement.

case study - colleen reilly, optometrist mullimbimby

Mullumbimby is a small town situated in the Byron Shire in the Northern Rivers region of NSW, with a population of just over 3,000 people. Colleen Reilly's business includes two optometrists and three optical dispensers/reception staff.

Colleen regularly rewards her staff throughout the year with birthday presents, Christmas presents, and gifts at Easter or on special occasions. Once a year, all staff attend the Optical Distributors and Manufacturers Association (ODMA) Optical Dispensers Fair in Sydney for a weekend with all expenses paid. In 2009, Colleen paid for fares to Paris for herself and two staff members to attend the World Spectacles Display, followed by accommodation costs for a two week holiday.

The rewards and friendly work atmosphere build staff friendships, relationships and loyalty. All staff members have worked in the business between 10-17 years and find it easy to support each other and provide exceptional customer service to their clients.

part 4 conclusion

It is not your customer's job to remember you; it is your obligation and responsibility to make sure they don't have the chance to forget you."

Patricia Fripp, expert in sales presentation skills and training

Summary of customer service points

Today's customers are demanding and have more choices than ever before. Good customer service incorporates the whole experience the customer has with your business, so make sure you:

- Conduct market research such as surveys and focus groups – remember, customers are your most valuable source of information and will help you realise if you are meeting their needs
- Understand your customers and create a business that is focussed on the customer's needs, not an inward focus on the needs of the business
- Maintain and update the appearance of your business - create good displays, decor, layout and signage
- Develop customer service standards that are measurable and specific and set out the actions you require to reflect your company's values, such as developing a policies and procedures manual
- Create 'moments of truth' to build customer relations
- Apply the same service courtesy you show external customers to your internal customers i.e. your co-workers. Work as a team to discuss issues or identify and solve problems
- Train managers and staff in customer care – if possible, include on-going training or networking to keep them motivated and sharing information
- Encourage and train staff to develop empathy, good body language, active listening, writing and telephone skills, and good personal presentation

- Deal efficiently and effectively with difficult customers and customer complaints – devise standard procedures in your procedures manual
- Develop professional on-line content, web-site and email skills
- Develop good time management skills and prioritise your work
- Reward staff for excellence in customer service.

"Service standards keep rising. As competitors render better and better service, customers become more demanding. Their expectations grow. When every company's service is shoddy, doing a few things well can earn you a reputation as the customer's saviour.

But when a competitor emerges from the pack as a service leader, you have to do a lot of things right. Suddenly achieving service leadership costs more and takes longer. It may even be impossible if the competition has too much of a head start. The longer you wait, the harder it is to produce outstanding service."

William H. Davidow, marketing guru, author and partner at Mohr, Davidow Ventures in Menlo Park, California.

Resources

Survey methods used by communities Retail Customer Survey

These surveys vary in size, from a few quick questions gathered from customers whilst shopping to an in-depth survey for local residents. Short shopping surveys are used to identify issues such as where shoppers come from, perceptions of the local shopping area, gaps in the shopping mix and purchasing habits.

More complex resident surveys are distributed to local households to ascertain the buying habits and attitudes of local consumers and other issues, such as identifying the competition for local businesses and suggesting approaches to encourage local shopping.

Merriwa Shire conducted a telephone survey of 310 residents. The aims of the survey were to determine the average proportion and dollar amount of total retail expenditure made within and outside the shire, to assess the general level of satisfaction with shopping in Merriwa and the reasons why householders did not shop locally for specific items.

Visitor Survey

These surveys are often conducted by local tourism attractions or appropriate questions can be included in 'in-house' surveys of local accommodation providers. They can provide a profile of current visitors, identify their attitudes and buying habits, and can ask for suggestions to improve the area or the attraction as a tourist destination.

First Impressions Survey

This survey is a useful technique for capturing the initial impact of your area on visitors. Communities and their residents often have difficulty in developing an objective assessment of their own environment, so it is a good idea to find someone else to assess your town with their 'first impressions'. This is a simple and inexpensive mechanism to gain valuable feedback. It involves groups of volunteers from two communities agreeing to visit the other community. The visiting group makes observations on a range of aspects, documents its findings and makes recommendations. The report can then be used for strategic planning improvements for the town.

If possible, the two communities should be similar and comparable in size, with 3-5 people on the visiting team. Each team compiles a report and forwards it to the other community. The two teams can meet and share their reactions to the exercise.

Refer to examples of the first impressions surveys in the following pages of this section. The first survey is a longer, in-depth survey for teams. The second survey is a quick, short survey for individual people to use as they visit different towns.

A First Impressions Photographic Survey

This survey is used to capture images of things that may impact positively or negatively on visitors. Features to observe might include:

- Town entrance statements
- Main street/CBD appearance
- General signage and directional signage
- Industrial area appearance
- Residential area appearance
- Community facilities such as parks and recreational grounds, swimming pool, public toilets etc.

Mystery Shopper

Some businesses use mystery shoppers to provide reliable feedback about how well their staff conducts customer service. Some businesses hire a mystery shopper service and they audit the customer service experience based on a detailed checklist. Staff are aware that the mystery shopper could visit at any time, but they do not know when this might occur. In some cases, the results of mystery shopper surveys are taken into account in staff incentive packages. If this approach is used, professional help will be needed to manage the survey as a badly managed mystery shopper survey can alienate staff and result in worsening customer service standards.

Communities can use the mystery shopper approach to assess customer service in their town. As this is usually an expensive exercise when using a paid service, it is possible to use volunteers in larger communities who are recruited for the project. In smaller communities where most residents are known, the mystery shopper survey can be conducted by swapping teams between two communities, as in the first impressions survey outlined above.

The mystery shopper approach can be used in a range of industries, for example to assess customer service specifically in the local tourism industry.

Telephone, post or on-line surveys

The difficulty with these surveys is that people tend to be too busy to respond. For this reason, it's best to make the questions brief. It sometimes helps to offer customers an incentive, such as an opportunity to win a prize if they take the time to fill in the form or talk on the phone.

Refer to the Cooperative Marketing and Community Strategic Planning modules for further related information.

Focus Groups

Focus groups can provide more in-depth information about what customers think than surveys. A focus group is a small group of around 6-12 people, facilitated by an interviewer. One type of focus group is a structured, but informal meeting with refreshments provided. The interviewer uses a series of open-ended questions, moving from the general to the more specific. The group is asked to evaluate specific options as well as add ideas. Often a comment from one participant triggers others to add opinions.

Another type of focus group is unstructured where participants are asked to discuss a subject and the issues are recorded or noted by the facilitator and analysed after the sessions are completed.

Unstructured surveys and observations

There are less structured ways of finding out what your customers think. Just ask a few customers what they like and what they dislike about your business or the shopping area. One-on-one discussions can identify a lot of valuable information.

Observation is also used as a form of research by businesses to find out information such as customer needs. Staff can share their observations during a company meeting when specific issues are being discussed. Another observation method was used by a hotel chain when they wanted to know how long customers were prepared to wait to check in. Asking people 'how long' was not helpful. Instead the hotel used a video camera in the lobby and watched for signs of irritation (changing from foot to foot, looking at watch). This observation gave them a time measurement that was used to keep check-in lines short.

EXAMPLE CUSTOMER SHOPPING SURVEY

The following questions were used for a customer shopping survey that was conducted in Nambour in 2008 and it identified valuable information.

Q1 (a) Do you live in the Nambour area? (Yes) (No)

(b) If no, where do you live? (circle) Buderim
Caloundra
Coolum
Maroochydore
Mooloolaba
Palmwoods
Woombye
other.....

Q2 (a) Do you conduct most of your shopping in Nambour? (Yes) (No) (Sometimes)

(b) Where else do you shop regularly and why? Buderim
Caloundra
Coolum
Kawana
Maroochydore
Mooloolaba
Noosa/Noosaville
Woombye
other.....

(c) Why?.....
.....
.....

Q3 Are you happy with the variety of shops in Nambour? (Yes) (No) (Sometimes)

Q4 What shops do you believe are missing in Nambour?

.....

Q5 What changes could local shops make to get more of your business?

.....

Q6 What improvements would you like to see in the CBD?.....

.....

Q7 Are there any final comments you would like to make?.....

.....

TOWN FIRST IMPRESSIONS SURVEY

'You don't get a second chance at a first impression.'

Approach another community and agree to visit each other's town to provide feedback on your 'first impression' of that town. Don't let anyone know the dates or times of the visit as the exercise acts like a 'mystery shopper' survey. Establish a visiting team of 3-5 people, with each one playing a different 'part' to view the other town from a variety of perspectives i.e. one can pretend they are a business person looking to relocate, another can be a retiree looking to live in the town or a tourist, or a day visitor or someone passing through wanting a break.

The potential business operator could chat to local businesses on what it's like to do business in the town and ask about information such as business networking opportunities, is there a chamber of commerce, access to supplies, labour issues etc.

The potential retiree can look at things such as housing types and availability, recreation, community facilities, local education, aged care facilities, transport etc. The tourist or visitor can look at local attractions, tourist services and information.

Each participant fills out a survey. At the end of the exercise the teams from each town can meet to swap surveys and/or reports and discuss verbal impressions, giving feedback on what the town can do to meet the customer's needs from the different perspectives in the survey.

Make sure the teams have a range of genders, ages and backgrounds. Don't walk through the town in one group and don't use obvious props such as a clipboard; however you can use a digital camera. Use as many ways as possible to look at local services and facilities and interact with locals and businesses about their views. If your team decides to write a report, do it at the end of the day whilst your ideas are still fresh. You can report different opinions of the same issue as impressions are not about right or wrong, they are personal opinions.

Two sample surveys follow. The first example is conducted by the team of 3-5 people as a 'mystery shopper' exercise. The second example is a quick one-page survey that can be completed by one person on entering a town for a quick 'first impression'.

FIRST IMPRESSIONS SURVEY

EXAMPLE ONE

Drive 1 – initial impressions (drive through the town on arrival, complete this section of the survey from each participant’s viewpoint i.e. visitor, business person etc)

1. As you drive towards the town you are visiting, what are your expectations?
2. What are your initial impressions on arrival?
3. Drive through town and park at the other end – what were your initial thoughts on things such as appearance, landscaping and signage?
4. What were your impressions of the residential areas – gardens, streets, sense of pride etc?
5. What were your impressions of the community facilities, such as the range and condition of parks, playgrounds, public facilities etc?

Drive 2 – drive around town and record your impressions for:

1. Town entrances – signage, quality, beautification etc
2. Appearance of the main street – condition of buildings, empty shops, sense of pride, signage etc
3. Appearance of the industrial area - layout, activity, signage, accessibility etc.

Walk 3 – walk individually around town and record your impressions for:

1. Physical state of the businesses – condition of businesses, window displays and merchandising, pride in business etc
2. Range and diversity of businesses – range of products and services offered, what do you think is missing?
3. Local people – how friendly and helpful are the locals, is there good customer service in the businesses, knowledge of local facilities or attractions etc
4. Community information – such as bill boards, brochures, maps
5. Public toilets and other facilities – notice where they are located, if they’re easy to find, public telephones, drinking water etc.
6. Parking – location and accessibility.

Write 4 – at the end of your visit, write down the following impressions:

1. Overall feeling about the community
2. List the six most positive features
3. List the six most negative features
4. Note one or two ideas you could ‘steal’ for your own community
5. What is the most important issue or key area that the community needs to pay the most attention to?

FIRST IMPRESSIONS SURVEY EXAMPLE TWO

Town:

Date:

1. How I was greeted? (entrance signage)
2. I looked around to park (easy to park or lacking parking spots etc)
3. I looked for a cup of coffee (mainstreet coffee shop)
4. I decided to sit down (public seating with shade / curbside dining cafes)
5. I went to the toilet you kindly offered me (public toilets - really important)
6. I looked around for something to do (information board, visitors centre)
7. I looked around for somewhere to stay (motels, hotels, B&B's)
8. I sat in the park and decided what to do (public parks or similar amenities)
9. I looked back as I left town (include signage - 'thanks for visiting, come back' etc)
10. My overall 'first impression' of your town (was the main street beautified, was the town inviting, friendly, show pride, would I want to come back etc).

Customer service training or resources	Website or email
Industry & Investment NSW Self Help Mobule on-line	www.business.nsw.gov.au www.regionalcommunities.nsw.gov.au
Industry & Investment NSW Small Business Website	www.smallbiz.nsw.gov.au/run/operations/customers/Pages/default.aspx
AussieHost National Coordinator - Caroline Mews - Retailers Association	caroline.mews@retail.org.au
TAFE training: Customers & Colleagues Telephone Skills	www.tafensw.edu.au
Australian Retailers Association - free resources	www.retail.org.au/index.php/ara-article/Free_resources
About.com: small business Canada - free resources	http://sbinfocanada.about.com/od/customerservice/Customer_Service_And_Customer_Loyalty.htm
The Amazing Customer Service Toolkit - free resource from Kevin Stirtz	http://amazingserviceguy.com/resources/Amazing_Service_Toolkit.pdf
BNET Australia - free resources and articles	http://resources.bnet.com/topic/customer+service.html

Case study communities	Website
Benalla	www.benallaonline.com.au
Port Macquarie Hastings Customer Care Program	www.hastings.nsw.gov.au
Clarence Valley Clarence River Tourism	www.clarencetourism.com
Broken Hill Bells Milk Bar & Museum	www.bellsmilkbar.com.au www.facebook.com/pages/Bells-Milk-Bar/7263396306

Books on customer service may be purchased or borrowed from your local library - try to source books that have been written in recent years. The following are examples of titles and subjects to assist your understanding of customer service requirements.

Authors	Website or email
Peter Fisk	Customer Genius (2009)
Corey Sandler & Janice Keefe	1001 Business Letters for all Occasions - from interoffice memos and employee evaluations to company policies and business invitations: templates for every situation.
Richard S Gallagher	What to say to a Porcupine - humorous takes that get to the heart of a great customer service (2008)
Renee Evenson	Award-Winning Customer Service - 101 ways to guarantee great performance (2007)
Joseph T Sinclair	eBay Business the Smart Way - maximise your profits on the web's number 1 auction site (2007)
Karen Leland & Keith Bailey	Select Simply Better - winning and keeping customers by delivering what matters most (2004)
Patrick Barwise & Sean Meehan	May I Help You? - great customer service for small businesses (2003)
Barry Urquart	Marketing Magic: Streetsmart Marketing & Why Perception is Reality (2001)