

HURLBERT CONSULTING GROUP

A close-up photograph of two hands, palms up, holding a small, rectangular piece of white paper with a deckled edge. The paper has the words "CUSTOMER SERVICE" printed on it in a bold, dark red, sans-serif font. The background is dark, making the hands and the paper stand out.

**CUSTOMER SERVICE**

**Concierge Customer Service: How to Give Customers What They Want and MORE, to Ensure Conversion, Retention, Referrals, and Profit**

– Jeanne Hurlbert, PhD

What's the primary concern of most wholesale distributors? **Profit.** But as you face such challenges as disintermediation, the growth of nontraditional competitors, and technological transformation, ensuring profitability has become increasingly challenging.

Things haven't changed as much as it may seem, though. Your keys to success lie exactly where they always have: ensuring that you **convert** and **retain** customers, particularly the customers for whom profitability is highest. How do you do that? Simple: Provide **concierge customer service** to your most profitable customers. If you do that — and put in place mechanisms to ensure you continue providing that service — you can increase profitability by

1. Increasing **customer retention**, because you're serving your customers at the highest level;
2. "Cloning" your best customers, by generating an endless stream of **referrals** from them;
3. Increasing your **conversion of prospects to customers**, by

generating five critical forms of social proof that demonstrate you serve your customers well:

- a. Testimonials;
  - b. General/overall satisfaction data;
  - c. Specific satisfaction data,
  - d. Referrals, and
  - e. Online reviews.
4. Maintaining **continuous process improvement** within your organization, by constantly ensuring that you offer concierge customer service.

Those benefits — retention, referrals, conversion, and continuous process improvement — represent the outcomes that are most important to wholesale distribution companies, because they're the outcomes that drive profitability. In this white paper, we outline the simple steps you can take, right away, to gain these benefits.

## What Concierge Customer Service Really Means

When a call from an unrecognized number interrupted my gym workout, I expected to hear from a solicitor. Instead, I heard this: "I'm not calling to sell you anything, I promise," he began. "But I was just thinking about you, remembering how sick your husband was a few months ago, and I just wanted to see how he was doing and make sure you all were OK."

I was stunned. The caller handled customer service for a small company from whom we order pet supplements. Last fall, when my husband was hospitalized for a life-threatening illness, our supplement shipment went astray. When I called to inquire, I was delighted to be told they would simply send another shipment at no charge. That, in and of itself, constituted concierge service, in my book. But when that same customer service specialist called months later, just to see how we were doing, I

was touched — and astounded. And I knew I would be their customer for life.

The company's actions and concern embody the four key elements of concierge customer service, in which you give **MORE** to your customers — an acronym for giving your customers more than you competitors give and sometimes, as in this case, even more than your customers expect. For concierge customer service to really change the game for your company, it needs to become more than a policy — it needs to be part of your culture, something ingrained in your corporate DNA. That was clearly the case for the supplement company: They explained that they called because they consider the pets and families they serve to be part of *their* extended family.

## Giving Customers MORE

There's nothing mystical or magical about providing concierge customer service to give customers MORE—and most of the time, it doesn't require anything extraordinary. It's primarily about

- executing the fundamentals,
- executing them well, and
- executing them consistently.

To make it clear, let's look at the 4 key elements of concierge customer service, the components of giving your customers MORE:

**Mindset** — Those who handle customer service in your organization — and for that matter, *everyone* in your organization — should be lifetime learners who maintain a positive orientation not only toward your customers but also toward the other members of your organization. They need to become patient problem solvers who are good at "taking the role of other," which means they know how to gather details on a problem and find out what the customer *wants*. This ability to understand well the

customer's point of view, taking notes to ensure that they do so, proves critical to customer satisfaction, loyalty, and retention — and when you supplement it with a birds-eye view of customer preferences through the **Opportunity Generator**,™ you can bond your customers to you so tightly that no competitor can wrest them from you.

**Ownership** — Your front-line employees should assure customers that they will handle every issue personally — and then do so, with no excuses. As they move forward, they should keep the customer apprised of each step/action that they take. And ultimately, they should provide a solution.

**Referability** — Referrals provide gold to your business because they allow you to reach deep into your target market to "clone" your best customers, at virtually no cost. The fundamental question is: Will they refer you or will they send others to your competitors? The answer to that question provides the ultimate measure of **customer loyalty**.

**Experience** — Providing an experience for your customers can be as simple as consistently executing the fundamentals — something many of your competitors probably fail to do. Ensuring that you continue providing a wonderful customer experience provides the key to distinguishing your business in the marketplace; the key to referability;

and key to satisfaction, loyalty, and retention.

**Remember, it costs 5 times more to acquire a new customer than it does to retain a current customer.** That's why the dividends on giving your customers MORE prove to be so high.

## Obtaining **The Full Benefits** of Concierge Customer Service

Garnering the full benefits of concierge customer service — and ensuring that the quality of that service never slips or degrades — requires putting into place two critical forms of customer feedback: an Opportunity Generator™ and a Customer Feedback Generator™.

Together, these two tools let you answer the most **fundamentally important** — yet ubiquitously unanswered — questions in business:

1. What do your customers really *want*?
2. And how satisfied are they with the degree to which you're providing what they want?

The Opportunity Generator™ and Customer Feedback Generator™ answer those two critically important questions. And we're willing to bet these are answers that most of your competitors simply *don't have*.

Let's look at what these two key tools can do for you.

### The Opportunity Generator™

To truly provide concierge customer service, you have to be sure it *aligns with the priorities of your customers*. And that obviously means you have to determine what those priorities are. Finding out what your customers' top priorities are, or what problems they want to solve most urgently, lets you know immediately where to focus your customer service efforts. **You can now serve them better than your competitors can because you now know them better.** What's more, you can also focus your content, products/ services, and marketing directly on the issues that you know are most important to your most important audience — your customers. When you publish content on the issues about which your customers care most, you gain instant credibility and authority, positioning that will prove invaluable in the industry.

And of course, one of the key issues you should measure with the Opportunity Generator™ is the customer service touch points that are most important to your customers. For example, how do they want you to communicate with them? How often do they want you to communicate with them? How quickly do they expect answers to their questions? Are phone menus, live chat or other forms of automation desired? Or would they prefer to have a person answer the phone when they call? When we've measured these kinds of customer preferences, the data have proved invaluable to the wholesale distributors for whom we gathered them.

### The Customer Feedback Generator™

The Customer Feedback Generator™ lets you ensure that you continue to serve your customers, and especially your best customers, at the highest

level. The bonus here is that you can leverage this same information in your marketing, to **skyrocket conversions**, externally; and to **ensure continuous process improvement** and **ensure you retain your best customers**, internally.

Your ability to do that comes from the five core forms of social proof that the Customer Feedback Generator™ provides:

1. Testimonials;
2. General or "overall" satisfaction data;
3. Specific satisfaction data;
4. Referrals; and
5. Online reviews.



**Testimonials** provide the "stories that stick" with prospective customers. These stories persuade best when they describe: 1) what the problem, issue, or challenge was, *before* using your product or service; 2) the experience of purchasing from you, working with you, or using your product or service; and 3) the results the customer obtained. The Customer Feedback Generator™ employs a proprietary Testimonial Generator™ that automatically invites a customer to leave a testimonial when he or she has provided positive feedback. If the customer isn't happy, the system asks why AND *automatically sends an alert to your customer service team*, so you can contact the customer quickly and correct the problem immediately. **Thus, you're not only generating powerful testimonials that increase conversion but also increasing retention by ensuring that you spot problems quickly and respond immediately. This is key to providing concierge customer service.**

But no matter how glowing your testimonials are, they may not be enough to convince your prospective customers, who may worry that the

testimonials were hand picked or don't represent typical results. The stark reality is that many of your competitors won't have the information to answer those questions or overcome those *objections*. **Statistical satisfaction data** provide the most powerful form of social proof to overcome that hurdle.

**General satisfaction data** come from the Satisfaction Data Generator™ measures in the Customer Feedback Generator™ that tap the global, or overall satisfaction with your product, service, or business. These measures typically provide useful information for your marketing, because they're easily interpreted and offer a summary indicator. To really ensure that you serve your customers at the highest level, and to ensure continuous process improvement for your business, we recommend that you combine these measures with **specific satisfaction data**.

**Specific satisfaction data** augment the general or overall data in 2 ways:

1. If overall satisfaction is high, they can illuminate areas that can still be enhanced. This proves key to continuous process improvement.
2. If overall satisfaction proves to be low, these measures provide vital information to identify critical areas of improvement — including customer service — on which you can take action to increase overall satisfaction *before* it affects your bottom line. This proves key to customer retention and offers the secret to true *concierge customer service*.

These general and specific satisfaction measures aren't just useful internally; they can also fuel your marketing by providing even more ammunition to increase conversions, sales, and revenue. And here's a tip to make them even more powerful: If you target your specific satisfaction questions in your Satisfaction Data Generator™ at areas in which customers' objections typically arise, you'll gain a powerful weapon for overcoming those objections.

**Referrals** come most easily when you *invite* satisfied customers to refer their connections to you. Because your customers' connections are highly likely to be similar to your current customers — your ideal target market — and because your customers' connections are much more likely to trust you if they receive a referral directly from someone they know and trust, conversions on referrals prove to be extraordinarily high. **The Referral Generator™ then, is the tool that lets you glean easily the referrals that concierge customer service creates.**

**Online reviews** often lie “off the radar” for wholesale distributors. But these reviews have become a key driver in consumer decision-making: A recent study by Deloitte reveals that 1 in 4 (25%) of all Americans do “comparison shopping” on the web and fully 75% — 3 in 4 — of surveyed respondents indicated that the information presented on online rating sites is “generally fair.” This means that the decision-makers in the companies you serve will increasingly turn to these reviews. In fact, we've found online reviews that some wholesale distributors' customers have placed online — and the distributors didn't even know they were there. Because so many distributors underestimate the importance of these reviews, those who do implement a system—like the Online Review Generator™ — to ethically encourage positive reviews can quickly move ahead of competitors who don't take action. If you're providing concierge customer service to your customers, satisfied customers can automatically be invited to leave online reviews with the Online Review Generator™.

## Putting Your Concierge Customer Service System In Place

To survive and thrive in wholesale distribution today, you must become customer-centric. Doing so has become imperative, as illustrated by the fact that the number of Chief Customer Officers has grown from less than 20 *in the world* in 2003 to the point at which more than 1 in 5 — 22% — of the Fortune 100 and 10% of Fortune 500 companies have a Chief Customer Officer. That person is charged with ensuring that the company serves customers well. Whether you have such a formal position or not, putting customers—particularly your most profitable customers — at the center of your business is critical to your success in the rapidly-changing marketplace in which wholesale distribution companies operate. It's not enough to simply make sales. You must acquire customers. And to retain those customers, you must **know them well so that you can serve them well** by providing **concierge customer service** to them. You do that by giving your customers **MORE** — ensuring that your **mindset** is customer-centric; that you take **ownership** when a problem arises; you are **referable**; and the customer has a positive, memorable **experience**. Putting in place the Opportunity Generator™ to ensure that you align your customer service with what your customers *want* and then using the Feedback Generator™ to ensure you continue to offer concierge customer service provides the keys to conversion, customer retention, and endless referrals that ensure you maintain your profitability.

*We had the pleasure of working with Jeanne and her team earlier this year. It was clear to us very early in the engagement that Jeanne is not only a brilliant individual and one of the leading authorities in her craft, but she is also a great person to work with. The process that Jeanne led us through was well defined and had a logical flow, which resulted in no wasted steps or time!*

*With her guidance, we were able to net more than a 10% response rate from our survey. This is 2X or better than our average for our more typical customer satisfaction and other customer facing surveys. The insights we received from the survey are incredible and will prove critical to our planning as we prepare our 2016 strategic plan. Through this process we learned a lot about our customers, business, and ourselves and we owe much of it to Jeanne and her team.*

*- Tony De Luca, Director of Sales and Marketing, Swagelok Northern California*

Apply for your strategy session at [www.ConciergeCustomerService.com](http://www.ConciergeCustomerService.com)

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