

Building a Healthy Company

Lesson 3-5: Customer Focus

Discussion Guide – Confidentiality

One Word Check-in

Update – Personal, Business, Leadership

“And whatever you do, in word or deed, do everything in the name of the Lord Jesus, giving thanks to God the Father through him.” Colossians 3:17 (ESV)

Fall in love with delighting your customers and you will never go out of business. Stay relevant in the marketplace by continuously listening to what your customer wants. Many companies lose touch when they begin to fall in love with themselves and the products/services they provide.

Below are some steps to have a customer focused company:

- **Great customer service starts at the top.** As leaders in an organization, we set the tone for what is important. How we respond to customer needs, complaints and compliments will determine how the rest of the company responds. If you want a staff who listens, seeks to understand and serves customers with excellence, then it must be modeled at the top. Take the opportunity to publicly recognize staff and peers for outstanding customer service by reading positive customer feedback aloud at meetings.
- **Customer satisfaction data must be easily accessible and reviewed as often as financial metrics.** Companies obsess over financial performance daily, yet not nearly as many are spending the same time and diligence reviewing customer satisfaction data. Put a system in place that regularly measures customer loyalty and happiness. Results need to be reviewed in real time by leadership so that immediate action can be taken. The Net Promoter Score methodology is a good place to start. A best practice is to have team goals and incentives tied to some level of customer satisfaction.
- **Establish multiple channels to listen to the customer.** Have management join the frontline workers and set up formal customer advisory councils. Companies should have a group of core customers getting together on a regular basis so they can hear directly what they want and need. When we take customer feedback and build it into our strategic plan, we will always have a business that provides relevant products/service.

At the end of the day, all companies exist to make customers’ lives easier. Our teams and leaders should obsess about ways to make each interaction an opportunity to ease a customer’s burden. This mindset will also pay off in your company’s bottom line. According to a PricewaterhouseCoopers survey, clients will pay a nine percent price premium just for you being easier to do business with.

Shared Experiences:

- Someone share a time when you saw company management set a great example of serving, listening or helping a customer. How did that make you or others feel as a team member of that organization?
- What are some ways you can uniquely reward staff for providing great customer service?
- Please share how your company tracks customer satisfaction and what is done with the data received?
- Someone share a time you felt you or your company was losing touch with the customer? What was done to get back in touch with the market and customer base?
- What unique things does your company do to make it easier to do business with you?
- Someone share their worst unhappy customer experience. What was done to make them happy?

Bottom line: Great customer service starts with company leadership. Companies need policies to measure how well your company is serving the customer and incentivize staff that provides excellent customer service. If you provide great customer service first, profit will follow. Our great service will bring joy, encouragement and light to all those around us, which is a great example of the kingdom of God.

One Word Check-out

Dig Deeper

Want to learn more?

- *Article:* [Net Promoter Score](#) - Website to explain the Net Promoter Score. This is a measure to learn how to measure customer loyalty.
- *Video:* [How to Create Raving Fans](#) by Ken Blanchard
- *Article:* [The 1 Truth About Customer Service Most Companies Just Don't Understand](#) by Seth Godin, Inc.com
- *Book:* [The Soul of The Firm](#) by C. William Pollard. Pages 71-77 do a great job reminding us there is no such thing as a firm without customers and how customers are people, not organizations!
- *Video:* [The First 20 Hours- How to learn anything](#) by Josh Kaufman. Forget 10,000 hours to become an expert, according to Josh it only takes 20 hours to learn a new skill.
- *Video:* [I Was Seduced by Exceptional Customer Service](#) by John Boccuzzi, Jr. at TEDxBryantU

Below is a strategic exercise to help you understand and grow your customers.

1. **Be intentional about adding new customers.** Take time to truly define your target customer profile and go after those prospects. Think about what industry, geography and size customers you want. Go out and identify them in the marketplace and then create a sales and marketing plan to add those customers. Building a business to serve everybody does not work. Be thoughtful about building a good business because adding clients outside the target client profile can be detrimental.
2. **Once you get enough customers, begin to evaluate the profitability of each customer.** Take all your customers and put them in a spreadsheet with the amount of gross profit they generate for your company. Sort these customers from the highest amount of gross profit produced to the lowest. The 80/20 rule should apply in most cases. You will see that most of the time, 80 percent of your gross profit comes from 20 percent of your customers. This will show you which customers are worth prioritizing and which ones should be strategically pruned.
3. **Apply additional resources to keep and expand your business with your most profitable customers.** Once you understand the profitability of your customer base and where the concentration is, focus in on the customers producing the most gross profit and then apply the right resources to keep or expand the relationship through upselling.
4. **Make a strategic relationship plan for your most profitable customers.** Evaluate to make sure the right stakeholders are involved in these key relationships. It is a good practice to make sure the customers are sticky to you through both the relationships and goods/services you provide. Make sure there is an intentional relationship plan where multiple people are all tied in at different leadership levels of the customer. By knowing this type of information, you can make better informed decisions in your company and ultimately reduce the risk of customer turnover.