

# WARM THOUGHTS COMMUNICATIONS



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## Upping the ante to defend your customer base

**W**hen was the last time a friend came over and you said, “Want to go down to my basement to see my furnace run? It’s really hot!”

Or, “Try some of this heating oil. It’s pure #2, man.”

Doesn’t work that way, does it? We provide a product and service that most people don’t want to think much about.

When everything is going right, we’re pretty invisible to them. The delivery ticket left in the door is the only way they know they’ve bought something from you. And isn’t that a joyful reminder? Most of your customers’ systems don’t break down in the middle of the cold winter night. They don’t have a tricky problem that only your well-seasoned service techs can solve. And they don’t need you to get to them in less than 2 hours to avoid some catastrophe.

Unfortunately, this actually makes it more difficult to distinguish your company by providing extraordinary service. Because even though you might delight the people that you come through for in the clutch, if there aren’t that many “clutch” moments, you have less opportunity to impress. It’s like you are loaded for bear, but most of the time you only have to shoot at rabbits.

At the same time, you have plenty of competitors who are willing to take advantage of this by offering their product for less (at least initially) and claiming they can provide service that’s just as good. And in a tough economy, your customers are more and more tempted to find ways to save.

All of this makes it imperative that if you are going to compete on the basis of your service, you need to up the ante. It is not enough anymore to simply get to people fast and fix their problems right. It’s not enough to simply keep their tanks full, not letting them run out

on automatic. To defend your margins and your customer base in this environment, you’ve got to go out of your way more to imbue even the little experiences with something special. You’ve got to create more distinctions, so they don’t think they can get exactly what you offer for less.

***“The ease and reach of the Internet can allow anyone to broadcast their experiences (good or bad) to tens of thousands of people.”***

In marketing terms, we call this differentiating your brand. And it is a multifaceted process that includes how you communicate with your customers, build perceived value, make yourselves look better than others, etc. But without going down that pathway here, one of the areas you can immediately focus on is the way your employees treat your customers. How much “wow” is built into their customer experience? Do you set your sites just on taking care of your customers, or on impressing the heck out of them? And are you even doing a very good job of the former?

***“You’ve got to create more distinctions between you and the competition, so your customers don’t think they can get what you offer for less elsewhere.”***

**Good news travels.**

**Bad news travels at the speed of digital light**

In the old days, they used to say that if someone had a good experience with your company, they’d tell 3 or 4 others. But if they had a bad experience, they’d tell 20. Nowadays, those numbers have multiplied a hundredfold. Why? Because of the ease and reach of the Internet, which can sometimes allow anyone to broadcast their experiences to tens of thousands of people.

Does your community have a chat room or list serve where people can post questions and ask for recommendations? Mine does.

A recent post about fuel prices and local companies drew only 15 responses. But it was seen by 3,500 other members. There are forums popping up everywhere. On Twitter. Through Facebook. In churches and temples. Online newspapers. You name it. And that's not even mentioning what customers can post on sites like YouTube. If you want to see how it works, go on YouTube and search for "Sears Service Repair Sucks!" At last count, more than 40,000 people have been given pause about using Sears for repair service.

The bottom line is that for all sorts of reasons, we need to do more. And it's best to start with a clear understanding of what matters the most.

### **Rethinking what your customers are really buying from you**

I was leading a training program for 80 customer service personnel recently, and I posed a couple of questions. I asked, "What business are we in?" "What are we selling?" And several members of group shot up their hands to show off their smarts. It wasn't quite a "Mr. Kotter, Mr. Kotter" moment, but it was close. "We're in the fuel business," said one. "We sell heating oil," said another. "Then, what are people buying from us?" I asked. And they looked at me the way my 14-year-old daughter looks when she thinks I just said something really dumb, which is most of the time. "We just said they're buying heating oil (the duh is silent)." Well they are, but then again they're not. And therein lies the rub.

Of course, your customers are purchasing fuel from you. You even have meters to count off every gallon. But if that was all your customers were truly buying, many of you would have shut your doors a long time ago. Because they can get good old #2 from lots of places, and for less, sometimes much less, then you charge for it.

If you are a full service company charging typical full service prices, then you are actually in the **feelings** business much more than the fuel business.

What your customers are really buying from you is a set of feelings they experience from having you deliver their oil. They are buying the feeling of confidence that you will keep them warm, that their family is in good hands. They are buying the feeling of being appreciated – that

your company cares about them. They want to feel safe, feel that their problems will be taken care of quickly, and they want to feel they are paying a fair price, as they define it.

A few years back, we did a market survey and asked homeowners to rate the things that

would make them most unhappy about their fuel dealer. We offered them these choices:

- a) found out you were paying 10 cents more than the going rate
- b) let you run out of oil
- c) talked with a rude employee
- d) tech or driver dirtied the house
- e) waited longer for service than they told you.

It may surprise you that the biggest number chose c) – talked to a rude employee.

Maybe it's because people will make allowances for certain mistakes if they feel that you're sorry. But when it is your attitude itself that is the problem, their rope is very short.

The reason all this matters is that few things are more within our control than the way we handle our customers. You can't control world oil prices. You can't change the weather. You can't prevent every breakdown, no matter how well you tune up their systems. But you can make every one of your customers feel appreciated, valued, cared for and confident. In fact, delivering exceptional customer care is one of the few areas where you can absolutely differentiate yourself in this crowded market. It is one of the few antidotes to the aggressive price competition that infects most markets. It increases the likelihood you will get referred and gives you the opportunity to earn higher margins.

### **So if this is true, then what are you doing to ensure that your company is spectacular at delivering great customer feelings?**

I've worked with hundreds of fuel companies, and literally thousands of customer service reps, drivers and technicians. I can tell you that you don't do enough. And I want to help you change that.

In subsequent articles, I'll share some ways you can set the bar higher, stand out more and help your people manage their customer interactions in ways that impress and build perceived value.