

# Unique Customer Service



How to Attract/Retain the Right New Customer

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# What is “Customer Service”

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... and why is it important

- It determines your reputation
- It is the basis for customer retention & loyalty
- It leads to referrals
- It impacts the rate of growth of the business
- It is VERY profitable

# The Business Case (part 1)

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Let's attach some \$'s to customer service

- Assume 1 new additional customer per week becomes "loyal"
- Assume 1 customer per week "tries you out" from a referral

- Sales \$ =  $52 \times (\$1000/\text{yr}) + 52 \times (\$300 \text{ 1}^{\text{st}} \text{ visit})$   
= \$67,600 per year

- $= \$33,800 \text{ (labour)} + \$33,800 \text{ (parts)}$

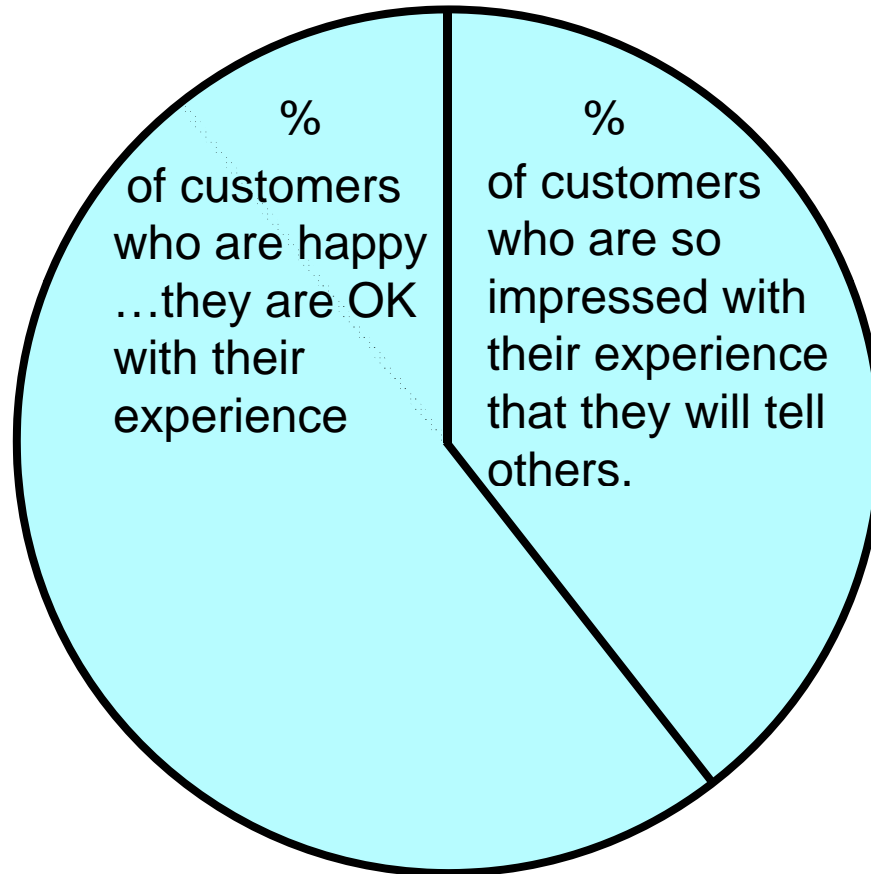
- Costs =  $\$0 \text{ (labour)} + \$19,600 \text{ (parts)} + \$0 \text{ (fixed costs)}$   
+  $\$7000 \text{ (variable costs)} = \$26,600$

- Net profit before tax =  $\$67,600 - \$26,600 = \boxed{\$41,000}$   
= 61% OF SALES

# Effective Customer Service Requires...

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## VISION



The above choice AND the intensity you intend to invest in achieving it will define your actions... or lack of action.

# Your Customer Service Intentions vs. The Competition

Your Shop

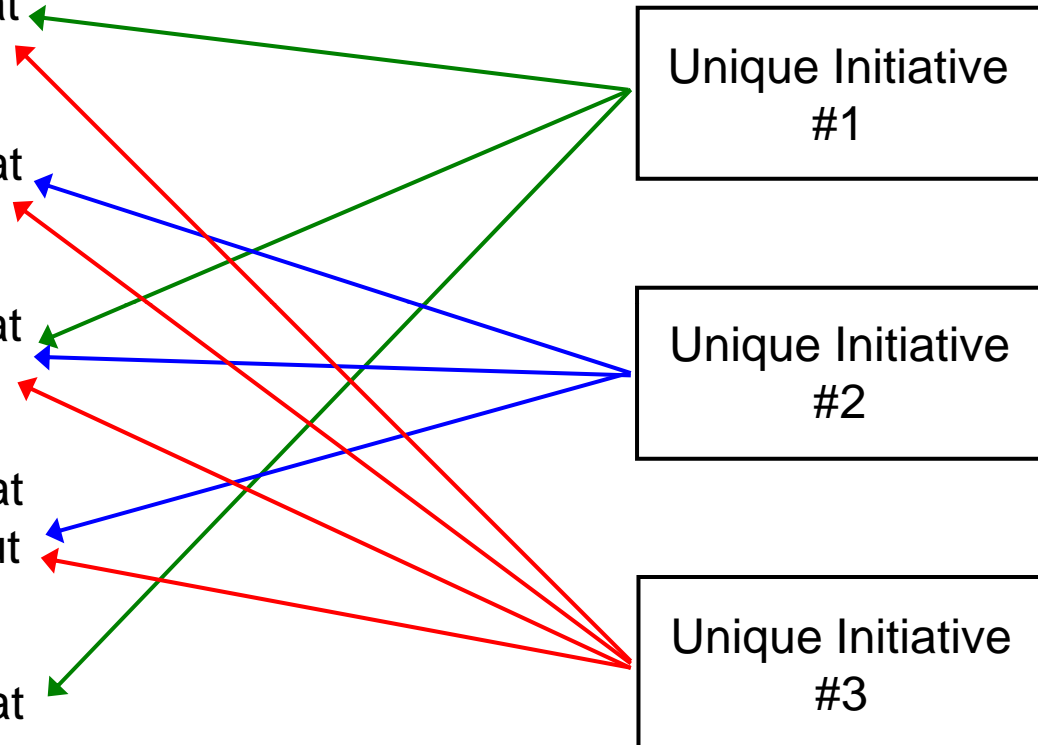
Competitors

Intensity of Commitment	Customer Service Initiatives	A	B	C	D	E	F	G	H	I	J	K
Minimum (Basics)	• Friendly & nice to deal with	✓		✓	✓	✓	✓	✓	✓	✓	✓	
	• Honest & Trustworthy	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	• Fix right the first time	✓	✓	✓		✓		✓	✓	✓	✓	✓
Medium (Good Ideas)	• Caring relationship & considerate	✓		✓	✓	✓			✓	✓		
	• Clean place	✓	✓	✓		✓		✓	✓	✓		
	• Loaner vehicles/shuttles		✓	✓	✓	✓	✓		✓		✓	✓
High (Unique)	1. <input type="text"/>	?		?		?			?	?		
	2. <input type="text"/>			?		?			?			
	3. <input type="text"/>					?						
	4. <input type="text"/>					?						

# Guide to Impressing New Customers

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- Do something (for me) that others don't do
- Do something (for me) that has value
- Do something (for me) that makes me feel good
- Do something (for me) that I do not like to do myself but needs to be done
- Do something (for me) that makes me feel appreciated & important



Note: Unique initiatives can be seasonal!

Note: Unique initiatives need to be communicated to the customer!

# Some Ideas

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Unique Initiatives (per transaction)	When	Time req'd	Investment
• Clean the inside windshield	Weather Permitting	5 Min	Low
• Vacuum the vehicle	All Year	5 Min	Low
• Wash the vehicle	Weather Permitting	20 Min	Medium
• Dry out the foot wells	Winter	5 Min	Low
• Use MAP Canada stds.	All Year	0-10 Min	Low
• Check & inflate tires to spec	All Year	10 Min	Low
• Follow-up for satisfaction	All Year	1 Min	Low
• Thank the person that gave your customer a lift	All Year	1 Min	Low

# It Takes a Team

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- Counter personnel and shop personnel need to be in sync (usually shop “to do”, counter to “communicate & impress”)
- Hold a meeting and clearly explain WHY, WHEN, and HOW you expect things to be done
- Review objectives... frequency, documentation, and who did what
- Monitor and give feedback to the staff (this includes sharing the comments of the follow-up calls)

# The Biggest Mistake (Risk)

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**If** you can not manage an initiative for consistent execution  
EVERY TIME...

DO NOT START IT!

Note:

Consistency = **Referrals**

Occasional execution = **Embarrassment**

# Yea But...

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- We do not have time to do this!
- I can't ask a TECH to do this!
- My Techs are too valuable to do this!

## The Business Case (part 2)

- Business case part 1: 1 additional customer + 1 referral per week  
= \$41,000

Take 2000 transactions per year X 10 minutes each

= 333.3 Hours

$$\frac{\$41,000}{333.3 \text{ hrs}} = \$123 \text{ per hour}$$

# Take this Home

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If you do not introduce (talk about, design, implement) one unique initiative to improve customer satisfaction within a week...

- You have decided the outcome is not worth the effort (ask yourself what other focus will give you a better outcome)

or...

- You need help to start it (ask yourself who else on your team could lead this initiative)

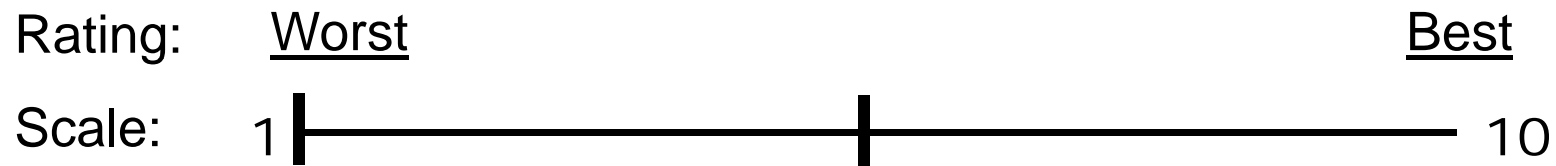
or...

- You're too busy with the day-to-day and "forgot" (ask yourself how you intend to grow the business staffed the way you are?)

# One Last Dimension

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Would you like to measure your customer service?



Consider a result after 30 surveys... **4.9** vs. **8.7**

- Which score above will receive more referrals?
- What target would you set for YOUR team?
- Do THEY know what YOU want as an outcome?
- How will YOU know YOUR Progress?

# Summary

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