

## LEADING THOUGHTS



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## Enabling Customer Loyalty

**Toning up customer loyalty: There are no short-cuts to a healthy customer-centric culture. A consistent focus on diet and exercise is the only way to get the results you want.**

Leaders with contact center and customer service responsibilities seem to be on a continuous quest to find the “secret sauce” — that special something that will allow them to move their organizations closer to the customer while growing the business. Most leaders understand that the days of just focusing on customer satisfaction are gone; to grow your business, you have to focus on customer *loyalty*. Loyal customers feel valued and proud to be associated with your organization — and they are the most effective (and cheapest) form of marketing. While many companies claim that they are “customer centric,” few are able to move the people they serve from “satisfied” to “loyal.”

The challenge for most managers lies in moving the organization from being focused on customer service to building service around the customer. To foster and sustain such a culture, you need to ensure that everyone in your organization is ready for their “moment of truth,” no matter when or how it’s presented. This is no easy task — don’t expect to be able to achieve it immediately following a mandate from the executive level.

In our work with customer service leaders, we’ve found that the best managers fully understand that loyalty comes from a continuous focus on and reinforcement of a customer-first strategy. Organizations known for providing “world-class” service have a culture built around the customer; every decision begins and ends with the customer impact in mind. This means that changes and updates to tools and

tactics are frequent to match ever-changing customer demands and expectations. We compare this to how an adult maintains health and well-being; it’s not about quick fixes or the latest fad — it’s about a continuous focus on “Diet and Exercise.” You are probably asking, “Can the proverbial quest for customer loyalty really be completed by following the same steps we follow to maintain our physical health? While the answer is “yes,” the execution is the difficult part.

Just about every adult has at one time or another decided to go on a diet or to start exercising more. And most have experienced early progress after their decision; they stick with a routine for a couple weeks, see improvements and feel better about their decision. Unfortunately, just about every adult has regressed after straying from their routine. Many are on a continuous cycle of diet and exercise because they feel great about their accomplishments — so good that they start to take some things for granted and they stop paying the same amount of attention to the activities that got them feeling better.

We see the same phenomenon in companies that are focused on building customer loyalty; they start to see gains, then take their eye off the ball and begin to focus on other activities. When this happens, the front line forgets what to do during their “moment of truth,” and the customer gets caught in the middle.

Let’s examine further this notion of diet and exercise with regard to customer contact organizations, and look at what you can do to develop a healthy culture

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focused on consistency, customer loyalty and employee delight.

### All Diets Start with a Reason

Some people were brought up in an environment where a healthy diet and plenty of exercise were top priorities. For others, it takes a life-threatening event (e.g., a heart attack) to make them focus more on their health. Whatever the driver, to sustain positive results we must continue to focus on the basics and often revisit the reason why we're doing what we're doing.

This is no different in organizations; some are built on a culture of service and others get forced into it because the bottom line is ailing. And just as adults need a little push to help them stick to their regimen of diet and exercise, organizations need reminders to keep them motivated and focused on improving loyalty.

However, motivation by itself isn't enough; all the desire in the world isn't going to get you very far without a plan. In today's competitive market, companies known for providing world-class service develop formal strategies to keep pace with an increasingly demanding consumer. But even before creating a specific plan, a company must have a culture in place that emphasizes the customer as the key to success. In the companies that we've worked with, several key ingredients were missing at this step of improvement, including the following:

**Culture isn't part of the daily discussion at any level of the organization.** In fact, it's often missed altogether as leaders jump directly into trying to improve customer satisfaction by making changes with regard to people and processes. While such changes can provide short-term improvements, those improvements will never be sustained without developing a culture that is focused on service, and until everyone in the organization understands what it means to serve. Developing and sustaining a culture of service starts at the executive level of the organization and finds its way to the front line. Unfortunately, most companies try to make this happen in the reverse direction.

**Too much focus on and reaction to the daily metrics.** The numbers are tied to actions, and depending on what the metrics look like at the beginning of the day, leaders and employees at every level will refocus their efforts. On the surface, this doesn't sound all that bad, but we forget that the customer is caught in the middle of the change. If we're continuously refocusing our efforts throughout the day, the customer's experience will never be consistent, thus causing them to question the competence of the organization and whether the organization values them. The key is to ensure that everyone understands what the metrics really mean from the customer's per-

be a starting point and regular checkups along the way. The good news with diets is that the improvement targets are easy to measure and track.

Most companies think they know what to measure to improve service, but they often come to realize that the customer's moments of truth can happen in many places with several systems and with the help of various people. Pulling all of this together is often the big stumbling block in creating the customer service scale. We have often found ourselves helping managers to break down the organizational silos that prevent this from happening.

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spective, and make improvements that are transparent to the customer.

**Financials get more attention than service.** Most organizations pride themselves on growing their revenue, income or stock price. A negative swing in any of these becomes an immediate motivator for improving customer service. Unfortunately, the financials alone don't really indicate whether you're providing great service, and they often put additional pressure on those tasked with delivering the service. The best companies focus on service first, with profits following.

It's difficult to lose weight in a house stocked with donuts and potato chips; similarly, it's difficult for companies to improve customer loyalty without ridding the contact center of the things that distract from the customer experience. Begin with the basics — ensure that everyone will be given the opportunity to succeed. It all starts and ends with culture.

### Tracking Your Improvement Requires a Scale

Dieters typically measure progress by getting on a scale or measuring their waistline. For us to know how we're doing, there must

Most organizations have a tough time balancing the different work silos, thus creating multiple pain points for the customer. For example, we worked with a bank that had a 30-day mortgage loan processing turnaround for customers, but, internally, it only took only about five hours from start to finish. What was the reason for the delay? There were multiple organizational silos (intake, processing, underwriting, validation, etc.) — each with its own leaders, service level objectives and focus. All of the silos were relatively successful against their own measures, but the customer's overall experience relative to time and communication wasn't a priority for any of the departments. By moving the primary metric from departmental success to customer success, the organization had a better understanding of the overall process gaps that were ultimately felt by the customer, but that were blind to the organization.

The only way to develop a good scale to measure service improvements is to begin by looking at all of your processes through the customer's eyes. Once you gain that perspective, the reason to build silos around the cus-

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tomer rather than the company will become obvious, and you'll begin to get the real information needed to measure improvement.

### You Can't Lose 20 Pounds in a Day

Healthy weight loss happens a few pounds a week. Sure, you may have heard stories about people who have lost 50 pounds in a month by following a new, "revolutionary" diet program, but such weight loss can be dangerous, as well as very difficult to maintain.

When following a sensible diet, there will be weeks when nothing changes and, thus, it's easy to get discouraged and stop believing in the plan. If we go two weeks without losing any weight, we start to change our plan or, in some cases, we just give up and go back to the way things were before. It's no different in call centers — nothing is going to change overnight and there will be weeks (or months) when we show no notable improvement.

For call centers, it starts with a well-defined plan that includes daily doses of customer feedback. It's critical to be in touch with your customers and understand their expectations. Customer satisfaction ratings are important, and help to identify positive change in processes and areas where change is needed.

Often, customers' expectations shift faster than the organization's improvement processes. We've seen this happen with several companies that get so focused on their internal customer service measures that they never stop to ask their customers if the bar has been raised by someone else. You may be getting all "5s" (or "7s" or "10s") from your customers based on the way the survey ques-

tion is worded, but customers may be ready to give more business to the competition. Remember, today's consumers demand that all companies provide the same (or a higher) level of service as the last company they interacted with — regardless of industry. You're no longer measuring yourself against the competition; it's all about the customer's last interaction.

As important as it is to understand the yardstick measures, it's even more important to stick to the plan you developed at the beginning. Approach your customer improvement just like you would any other long-term change in your organization. Assign a champion and provide them with the resources and leverage to see to it that the plan is carried out. If you've approached this in the right order — getting the top-down culture right, adjusting the measures from the customer's perspective, and realizing that the bar is ever-changing, you'll be well-positioned for success.

### Keeping the Weight Off Is the Hardest Part

We've all known people who have achieved a weight-loss goal only to rebound a few years (or months) later. In many cases, this up and down is just a part of their life — the scale is always moving in one direction or the other. While the physical changes are obvious, medical experts will tell you this variance can be harmful to your body.

In business, such variance can be felt by customers, who see the fluctuations and inconsistencies and begin to question the organization's strength. Controlling the variance is key to creating a customer-focused

organization. As we previously mentioned, the companies that are renowned for providing great service and who have loyal customers follow a continuous regimen of "diet and exercise." Once they raise the bar to meet their customers' desires, they develop programs to maintain their focus via daily exercises in commitment and a balanced diet of customer feedback. These companies know that their agents are the key to success, and they're continually reinvesting in them in ways that enhance the agents' ability to delight customers with outstanding service. The leaders in companies that focus on proper "diet and exercise" know that they set the tone for everyone, and place more importance on service than on financials. The customers of these companies feel so passionately about their relationship, they get involved by providing new ideas for growth and improvement. And the employees of these companies feel proud to provide service, know their opinions matter, and receive continuous coaching to keep them on the plan. 📌

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