



## Tales from the Customer Service Crypt

By John A. Lanier, DSL

### Introduction

The presence of poor customer service in the economy is an exploitable opportunity for small businesses. Really! Why? The short answer is that irrespective of the type of business model, customer service is an integral part of commerce. The service sector dominates U.S. employment. According to the Coalition of Services Industries, all 50 states have at least 69% of their employment base comprised of services. Naturally, it follows that customer service would be an important success variable to the service sector. However, the rest of the economy has customers for whom customer service also influences their satisfaction—or lack thereof.

The Small Business Administration reports that 46% of the private sector economy comes from small business—including a third of exports. Deductively, 54% of the private sector economy and two-thirds of exports come from big business. What are some potentially exploitable traits of “big?” Bureaucracy, punctuated by the possibility of sloth, unaccountability, and entitlement.

*Customer service  
could/should be  
competitively differentiable*

Small business leaders, you cannot hide so easily, but don't despair. If you deliver good customer service, the odds are in your favor to be Davids to the big business Goliaths.

I am perpetually amazed by the copious quantities of customer service arsenic dished out by vendors for customer consumption. This value-creation newsletter installment borrows tales from the customer service crypt to substantiate the malady, as well as the benefits of resolving to do better. The carcasses from the crypt may be humorous to read, but painful to experience. Upon pondering the examples of this article, you may see an allegory. The names are changed to protect the guilty.

### It Rhymes with “Hell”

Anchorage was the site of a popular M3 deliverable: Value-creation Roadmap. In short, it transforms the investment thesis into resourced initiative priorities. Day two

was November 30, 2018. I love rock-n-roll. To me, this means music, but Mother Nature has a different version of rock-n-roll. I measure music in decibels; Mother Nature's instrument is the Richter Scale. Mama's 7.0 trumped Led Zeppelin's 100, respectively. The hotel meeting room floor was bouncing, lobby fixtures were swaying, and glass was breaking. After the excitement subsided, I returned to the meeting room and found my PC keyboard in a puddle of water. I missed the bacon frying sizzle sound of my motherboard's demise, but you know the outcome. Being a disciplined nerd, I dynamically back-up in the cloud. All I had to do was find an instrument of connection. This turned out to be a Surface. Functionality returned.

Upon returning to my office, I contacted the PC manufacturer about submitting the machine for repair. Many interesting things happened:

- I had to pay in advance because the warranty had just expired. No surprise. However, after receiving my deposit, the manufacturer immediately began a sales salvo to extend the warranty. Shouldn't they have mentioned this option before I paid in advance? Otherwise, why would I pay twice?
- Upon receiving my quote, I noticed that my account number in their system registered as a company other than M3. At least it was in the same state. It took the manufacturer a while to acknowledge the possibility of error. Perhaps the assumption of infallibility is a cultural marker in their organization. Of course, this "oversight" changed the price of the quote, but not materially. At least the name had been corrected—or so I thought.
- I removed the hard drive before shipment for obvious reasons and confirmed my motives with a representative. However, the shipping instructions directed me to remove all personal information from the hard drive before shipping. In other words, ship the PC with the hard drive. I contacted the manufacturer again to remind them why I was sending the PC for repair. Indeed, if I could access my personal information, I would not need their services. They assured me that shipping sans the hard drive was okay.

*Vendors, when you find yourself in a hole, stop digging!*

Apparently, the manufacturer has a one size fits all set of instructions irrespective of why a customer seeks repair—not that this provides the customer any degree of comfort.

- I tracked the FedEx ticket to know that the manufacturer had received the machine. However, the company did not acknowledge receipt. Actually, they lost my machine. How? They transcribed the wrong identifier into their system. This did not stop them from insinuating that I had submitted bad info. Luckily for me, I always print what I key into a screen. Only when I told them I had kept an audit trail did they change their tune, but they never did admit making a mistake.

- Time dragged on. They kept up the emails about “as soon as possible” repair, but they never would associate an execution metric with that descriptor, i.e., a deadline by which my machine would be returned.
  - No movement toward resolution resulted until I apprised them that according to my home state’s statutes, they may be committing theft by deception. First, they required payment in advance. Second, they were in possession of my machine. Third, they were not producing any compelling evidence of returning a repaired machine in consideration of my cash in advance. I told them I would press charges within 48 hours absent feedback to my satisfaction. Mysteriously, an appropriate response took less than 24 hours.
  - My persistent insistence eventually netted an explanation that because my PC was out of warranty, it was in the wrong department for repair. This is something that should have been self-evident at the advent of this sordid experience. Indeed, I had to submit a deposit because the machine was out of warranty. The machine had to be transferred to “the appropriate department.” I also learned that I would receive an empty box as part of their process for closing out the wrong department loop. Indeed, I did receive an empty box. However, it had yet another name on the label that was not M3. This time, the closest match I could find on the web was in a neighboring state. Note that this is the second company the manufacturer associated with M3’s allegedly distinct customer number.
- Passing the buck is symptomatic of an unaccountable culture*
- The “progress notes” available to me on the manufacturer’s customer portal might as well have been hieroglyphics. They were nonsensical and redundant, with no discernable connection to why the machine was submitted. Just for kicks, I asked one of my nerd network pals to translate the tech notes. The translation was, “We are doing ‘stuff’ to your PC.”
  - The manufacturer eventually returned the machine-but not the power pack. This, too, took protracted effort at resolution.
  - “ASAP” repair took two months.

**Take-away:** The PC was the first one procured by M3 from the manufacturer in years. Poor customer service is the reason. History does tend to repeat itself.

**Post-script:** There is a great independent computer repair shop close to my office. I have used them for years—including recently. They quickly assessed an uninterrupted power supply device and told me the parts and labor to fix it were more expensive than the cost of a new one. This took \$25 and 24 hours. Ironically, they could have repaired my PC, too. I just didn’t think of them. They will get all of my business going forward.

### They Used to Have a Better Idea

Call me square, but I go out of my way to buy American automobiles. I know, with global supply chains, there is no such thing as a purely American made car. Foreign cars made in the states are comparably “American” made. After telling Edwards Deming to pound sand, American manufacturers got a practical lesson in quality from the Japanese. My first car was a 1978 Oldsmobile. When I took delivery, I noticed that you could see through its black paint to the primer, and a few inches of seam on the rear seat upholstery was missing. When I pointed this out, the dealer said, “That’s not so bad.” Translation: “American quality sucks. Settle. The next car might be worse.”

It’s safer to buy “American” now. I’ve had good luck since the 1980s. With appropriate maintenance, getting 200 thousand miles out of a car is a reasonable stretch goal. My wife’s present car is a turbocharged sedan. It handles like a sports car. I have navigated curves in the Rockies at tire-squalling speeds without breaking a sweat. In a parking lot, it mingles nicely with both European and Asian styling.

We buy our cars from a dealer an hour away from our home—and also drive that hour for routine service. In a word, the dealer is “exceptional.” The employees are highly trained, technically proficient, polite, and quick. Their service lounge is enormous. It is stocked with free coffee and internet access, lounge seating with HDTV, and work areas for professionals. The vending machines have a nice variety of reasonably priced snacks. It is as clean as an operating room—including and especially abundant restrooms. I don’t mind taking either vehicle when I am in town. They open at 7:30 AM and I can work in their lounge until they are done.

*A customer’s cost for bad service includes opportunity cost, i.e., the cost of foregone options*

The unthinkable happened. The sedan stalled while my wife was driving. It would intermittently start but eventually stalled. My Spidey sense suspected a fuel and/or electronic ignition problem. Risking driving it the hour for service was not an option. Of course, I am always out of town when these things happen. My wife had the car towed to a “reputable” dealer near our home and rented surrogate transportation. The dealer kept it two weeks. The service manager said they had driven it for days but could not find anything wrong with the car. My wife picked it up and it stalled again on the way home. When she looked at the odometer readings for the drop-off and pick-up dates on the service invoice, she noticed that the mileage was the same. Get the picture? Yelp.com!

The car was then towed to the “good dealer.” They told us immediately that they were covered up. It was the holidays. Two more weeks of car rental ensued, but they

managed our expectations. When they connected the vehicle for diagnostics, the problem immediately registered: fuel line. Spidey was right.

**Take-away:** We rented a car for four weeks. We hired two wreckers. When you find someone who does good work, the real cost is often less than you think.

**Post-script:** Customer loyalty is pure gold to a vendor. What makes customers loyal? Owning an issue is important, but quick resolution makes accountability a force-multiplier. Of course, truth and integrity are essential to both. Fibbing to customers never ends well.

### **Bambi's Family, Fed by Outdoor Man**

Finding a gift for someone who doesn't need or want anything is a challenge. This past

*Good assembly instructions may be flawlessly followed by persons unfamiliar with the product*

Christmas season, I did GREAT! My wife and I love wildlife. Although we live in metro Atlanta, wildlife regularly saunters through neighborhoods. We suspected our neighborhood

to be similar. I resolved to find out the quantity and composition of the animals. I gave my wife a programmable deer feeder and an outdoor motion-sensitive camera.

The retailer who sold the equipment is fun to visit. The ambience feels like the set of the Tim Allen sitcom, *Last Man Standing*. Their staff is excellent. The product, however, was another matter. The equipment needed installation. I'll first deal with the feeder.

- The instructions bore no resemblance to the product. My guess is that the product had undergone several revisions—but not the instructions.
- Pieces were missing. The bolts came with wingnuts. However, the wingnut threading did not match and the bolts. Moreover, the two-piece feeder reservoir was designed for nuts—not wingnuts.
- I spent Christmas Eve in an Ace Hardware figuring out what it would take to salvage assembly. If Ace Hardware doesn't have what you need, a solution doesn't exist.
- The feeder's grain reservoir rests upon three angular tripod legs. However, the weight of the grain for which the feeder was allegedly designed caused the legs to gradually flare outward. The increasing stress as the squatting worsened eventually snapped the plastic sleeves in which the legs were inserted. Terrible engineering.
- Fortunately, the retailer asked no questions. Unfortunately, the retailer did not understand its product line. I got a replacement but knew I would return to the

hardware store for more parts to create a solution that precluded repeated tripod failure.

- I designed something that worked. Mission accomplished.

I'll now deal with the camera.

- I bought a universal stand upon which to position the camera.
- Apparently, there is no such thing as a universal stand because it was not compatible with the camera.
- Ditto on the retailer not understanding its product line.
- I belted it to a tree. It works fine.
- This bought time to figure out another engineering solution. I don't want to have an expensive camera harnessed to a lightning rod, a/k/a a tree.

**Take-away:** The retailer's "no questions asked" exchange was appreciated. However, the feeder was not cheap. My effective cost was twice what I paid—supplemental parts, travel, and time.

**Post-script:** The good news is that the wildlife pictures are mesmerizing. Four does and six bucks are feasting nightly from dusk till dawn. The does can get under the feeder and utilize their giraffe-length tongues to rake out the grain irrespective of the programmed broadcasting mechanism. Two of the bucks are 10-pointers. They regularly joust. A smaller buck has a single antler, perhaps a casualty of fighting. In the spring, perhaps some fawns will be in tow with the does. The parade of complementary critters is edifying: coyotes, foxes, possums, raccoons, birds, squirrels, and rabbits. Apparently, rabbits are not intimidated by the deer.

### **When "It" Absolutely, Positively Must Be Done Right—and Right Now Times Three!**

Not all big companies stink at customer service. Even big companies who stink may have pockets of excellence. Either way, acknowledgement of "doing the right thing" is appropriate.

Years ago, I changed the Value-creation Roadmap process in two ways. First, I arrive comfortably in advance the day before the off-site to set up. To begin with, I don't trust airline schedules. Amid three million miles in the air, I have observed that carriers do not always level with their customers in similar terms to what they might tell their mothers. Lead time facilitates necessary problem-solving. Second, I ask for local client support for handouts, posters, and other materials. My punch list is so long that something invariably goes awry. The items are numerous and bulky. Checking them with an airline can be a

“Where’s Waldo?” episode. Lugging them is no Dale Carnegie moment for making friends vying for overhead space on a plane.

O’Toole’s Law graced a recent engagement. O’Toole holds that Murphy’s Law is an optimistic account of execution. Late one Friday evening after a typical road warrior week, I found it necessary to scramble to create facilitation materials for an off-site before departing over the over the weekend to set-up. My local support contact designated by the client bailed late in the process.

The initial stop was a printer—a once independent entity acquired by a global logistics company which shares a hometown with Elvis. Not all of their locations are world class,

*Acts of simple, unexpected  
kindness are pure  
customer service gold*

but the one near our home is. I reviewed my order with the manager. He said he would turn it around in an hour, availing time to head to another store before it closed to grab additional items. He called me while I was on the supplemental errand to make sure I understood how much color printing would boost the bill. I appreciated his conscientiousness. Indeed, he got it right the first time—and was the picture of professionalism.

The second stop shopping experience was uneventful. I found what I needed and checked out in time to scramble back for the printing job ahead of store closure. As I picked up the perfect order, I had a gnawing feeling I had muffed something. While driving home, it hit me. I left my planner in the shopping cart at store number two. The planner was far beyond its useful life, but it had priceless sentimental value as a daily memento for surviving a terminal degree program while working fulltime.

I did a U-turn and bounded into the store entrance. To my surprise, a red-vested manager near the sea of cash registers noticed me and initiated contact. She was professional, empathetic, and sympathetic. She checked their lost and found to no avail. She took my contact information and said she would call me if anyone turned it in. I gave her high marks for handling the situation, but in truth, I never expected my phone to ring. I went home in a sad state wondering what type of omen the loss portended.

Upon unloading the purchases from my car, my cell phone rang. It was the lady from the store. Someone turned in my planner. She left it at the customer service desk for convenient retrieval. The customer service attendant had been obviously alerted to expect me. It was in my hands within 30 minutes. I sought the lady in the store to express my thanks in person. Expressing gratitude appeared to surprise her, perhaps because we customers do not say thank you as much as we should. Then again, it may have been a byproduct of good training and/or her DNA of doing the right thing.

We once had a rescue dog who was the clone of the store's mascot. I think of both simultaneously in favorable terms. I have "enjoyed" a baseball game during a Spring snow in the ball park bearing their name. I have a choice for superstore shopping. Guess where I go.

The tale of the engagement is not complete without the third leg. An upscale hotel in the host town was the off-site venue. Don Draper of *Mad Men* cultivated a relationship for a few episodes with the character bearing the founder's name for the facility's holding company.

Despite syrupy promises, I rarely have good experiences with hotel catering on materials, meeting room accessibility, or assistance. Whereas something typically is amiss—and this was also true at this facility—the difference was that my contact was

*Accountability and  
prompt resolution  
undergird brand equity*

waiting on me—after hours on a Sunday night, no less—and owned and resolved the issues expeditiously. Moreover, he was on duty and at my disposal at 6:00 AM Monday morning to make sure all the bases were covered. In truth, the event had several hiccups. However, the hotel responded like a

Navy SEAL team. I am far more impressed by how they addressed problems than by the actual incidents. There was no drama, and thus no stress. The engagement was a success, and due in material measure to the hotel's customer service.

### **The Punchline**

This article provided examples for how bad and good customer service affects brand equity via its impact on customer loyalty. Consumer research attests that customers expect errors, despite preferring they not happen. Consumers are willing to forgive when vendors own the problem and fix it. Even more important, consumers increase loyalty when satisfactory resolution is prompt. Finally, customers tend to suffer in relative silence with poor vendors; however, they will tell their network. Social media enables this and amplifies the potency of negative experiences.

One of my early mentors instilled in me that the initial order does not constitute the definition of a customer, but rather repeat business. He also helped me understand this in terms of customer acquisition cost. Indeed, continual commerce with a customer drives the internal rate of return on the relationship. The quality of customer service is tantamount to insurance on the relationship.

The question for entrepreneurs is whether their culture and processes embrace these realities for defensive if not offensive reasons. If entrepreneurs rally their teams around



these realities, they can regularly be the David that defeats the Goliaths. If entrepreneurs do not, they run the risk of joining the graveyard of would be success stories doomed by the Achilles' Heel of entitled arrogance.

Every major religion has a version of the Golden Rule: "Do unto others as you would have them do unto you." Isn't this the essence of customer service? Think about it.

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