



MICROGUIDES

CUSTOMER SUCCESS

Proven methods to take your team's
performance to the next level

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INTRODUCTION

The MicroGuides are your shortcut to staying current on the world's top Business, Leadership, and Personal Development books. They are used by individuals looking to better themselves, as well as by teams and organizations looking to create and foster cultures of continuous learning and development.

The MicroGuides are meant to serve as your starting point for identifying your goals and the obstacles that are standing in your way of achieving them. In addition to participation in regular ActionClasses, we urge leaders to use the content in these guides as inspiration for developing your own unique ActionPlan to make your ideal state a reality.



CUSTOMER SUCCESS

The truth of the matter is that your customers are the backbone of your business, and their success and satisfaction with your product and/or service could be the difference between going broke and achieving mega-growth. Customer success is a method for ensuring your clients achieve their desired results with your product/service and continue to renew their contract year after year. It is a relationship-focused system that is primarily guided by the alignment of customer and vendor goals to create mutually beneficial outcomes.

Short and simple, the success of your business is dependent on the success of your customers. While Customer Service is reactive to customer issues, Customer Success is proactive to prevent those issues from ever arising. Keep reading to learn more about creating a proactive system for creating the best possible customer experience.



01

Flip the Funnel

by Joseph Jaffe

01

Flip the Funnel

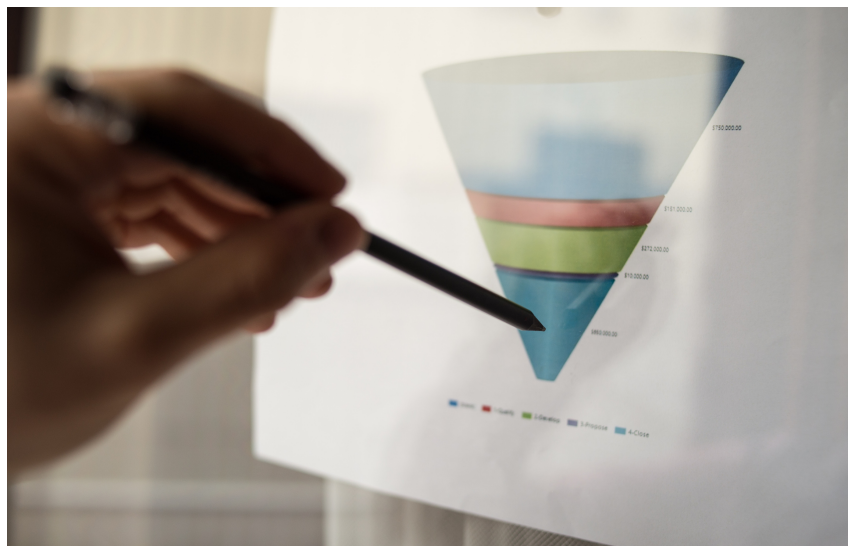
How to Use Existing Customers to Gain New Ones

by Joseph Jaffe

What if this whole “social media revolution” wasn’t about Facebook, Twitter, LinkedIn and Instagram? What if it was really about a change in the way you operate your business? What if, for the first time in history, you could say that you put your customer at the centre of your business and actually mean it?

Well, I know how Joseph Jaffe would answer it: “you’re damn straight that this is what it’s about.” In fact, he would argue that it’s time to “Flip the Funnel”.

Traditional marketers would tell us that we need to lead a prospect through a funnel where they are aware of your product, then take an interest in your product, then have desire that product and finally, take action. Tada! They had the entire world chanting: A...I...D...A! A...I...D...A!





But things aren't what they used to be, and AIDA is starting to look like a Model T instead of a Ferrari. It's out of date, oversimplified and incomplete. Why? Because the reality of business tells us we need more people to buy from us, but we also need them to buy more often, to spend more in the process and to tell the entire world about how awesome we are. AIDA focusses solely on the first point at the exclusion of the other three.

So how do you change? You flip the funnel and realize that the Action in AIDA is only the beginning. In fact, you take the traditional funnel, completely flip it over and you get ADIA - where A = acknowledgement, D = Dialogue, I = Incentivization, and A = Activation.

This is the world we live in now. And "Flip the Funnel" is your guidebook. Learn everything you need to know about how to Flip the Funnel, and win in this new economy where customers actually want to be treated with respect, and are willing to pay handsomely for it. Retention, my friends, is the new acquisition. And as you'll find out in this book, you can take that one to the bank.

Part I - The Traditional Funnel

“Third prize is you’re fired.” That scene from Glengarry Glen Ross is etched into my memory. Alec Baldwin standing up in front of a room of salespeople saying: “You’ve got leads. Mitch and Murray paid good money for them. Get their names and sell them...get them to sign on the line which is dotted!”

This scene is obviously over the top. But he goes on to describe something very interesting - the traditional marketing funnel.

AIDA. Attention, Interest, Desire, and the light at the end of the funnel, Action. Everything else, like the customer having a great experience - well, that’s somebody else’s problem.

The problem is that this mindset, that marketing’s role is to generate leads at all costs, is still as pervasive today as it was when they yelled “action” on the set and Baldwin started his now famous speech.

We’ve spent billions of dollars trying to get people to travel down this funnel. Super Bowl ads, magazine spreads and lately, more than a few viral videos. The problem with this thinking is that it doesn’t really matter how many people see your “kitten on a treadmill” Youtube video - what you need and want are profitable, long-term relationships with customers.

It’s fairly telling that the most glamorous awards for the advertising world (held at Cannes, not surprisingly) have nothing to do with how effective they were in generating business.

The problem with this thinking is that it is severely out of date. It’s oversimplified. It also leads to a company that doesn’t deliver “as advertised”. How many snappy commercials are going to get you over an amazingly crappy experience on an airline? Although it’s become a cliché, the world truly has changed in the past five or so years. If you ignore these new realities, the third prize will shortly be yours.

Adaptive reflection question: How do you track movement through your sales pipeline? How do you manage specific actions to move a lead into the next step in the funnel?

Part II - A New Way Forward

There are many different ways we could move forward, but only one that would truly capture the new reality we are living through.

The first option would be to extend the funnel. A lot of organizations are here now. We'll set up a loyalty program for our customers, because "we love our customers," right? Or maybe we'll have a shiny new CRM so we can continue to blast our newfound customers with offers, because "we love our customers" right? Or my personal favorite, we'll do one-to-one marketing where we swap out the "Dear customer" line for "Dear Bob." Not only do these things not work in the long-term, sometimes they actually have a negative effect on loyalty.

A study by Forrester Research has proven this for the banking, mobile phone and consumer packaged goods categories. What DID have a strong correlation to loyalty? Prior experience, trust, and reliable service.

I think it comes down to something simple and fundamental - actually caring about your customers. If you spend the entire day walking around trying to find ways to trick people to buy from you, you're not coming from a place of trying to figure out how to provide value. And so you won't. Third prize is yours.



The second option would be to turn the funnel on its side. Over the past five years the voice of the customer has become significantly amplified. From about a 1 or a 2 up to a Spinal Tap invoking 11. You could do this, but the reality is that this is going to happen whether or not took action or not. Choose this new way forward and you'd probably get second prize (the steak knives) and keep your job.

The last, and the option that makes the most sense, is the completely flip the funnel. We've all heard the studies that say it costs far more to acquire a new customer than it does to steward an existing one. So why, oh why, do we focus so little of our attention on it?

Jaffe suggests that if we focus more of our attention on the other end of the funnel - the stuff that happens *after* the sale is made, we'd be much more successful. But because we hate change so much, he was kind enough to actually flip the entire funnel and turn AIDA into ADIA (see how he did that?). You actually flip the funnel. Brilliant.

So after a customer buys, we now *acknowledge* them, start a *dialogue* with them, *incentivize* them and *activate* them.

Adaptive reflection question: What is your current procedure for engaging existing customers beyond the initial sales process?

Part III - How to Flip the Funnel

Acknowledge

The first thing we do on the other side of the funnel is acknowledge. This is what makes people feel important and like they made the right choice. This acknowledgement can come in many forms:

Saying thank you. Seems simple enough, right? As many people would tell you, it's one of the strongest two word combinations we have at our disposal.

Give a progress report. There's nothing worse than placing an order and then not hearing anything until you new book, furniture, or even food at a restaurant, arrives. Tell them when it shipped, or that your steak will be out in 5 minutes.



Do a courtesy check-in. Call your customer just to see how they are doing, without any other hidden agenda. They'll love you for it.

Now, there's a right and a wrong way to do this, and it's all in the delivery. I recently had an experience where the lady behind the counter said all the right things, but the way she delivered it in a way that literally made my skin crawl. Even worse than no acknowledgement at all is acknowledgement that isn't genuine.

Dialogue

The "dark" side of the funnel contracts as we move down it, while this side expands as we move along. Now that you've established a little bit of trust, it's time to take the next step and engage in dialogue with your customers. We live in what some people are calling the "many-to-many" era, where the conversations are seemingly endless, and our place in them is uncertain. Keep one thing in mind - our job now is to be ready to engage in dialogue with our customers on their terms.

Here are a few things we can do to get the conversation started:

Establish a customer club, forum or group. The goal here is to convene the group, not control it. So let conversations between the company and customers, and even conversations between customers themselves, grow and flourish.



Don't be a wallflower. Don't be that kid from high school who never got onto the dance floor because he/she didn't have the courage to make the first move. Just like in high school, there are plenty of rewards for getting on the dance floor.

Listen. The world's best conversationists are also the best listeners. Don't forget that.

Find the right mix of technology and people. There are plenty of technologies available that can help you manage the immense flow of information if you happen to be working in a big company - but remember, you can't automate everything. People still want to talk to people, not an automated machine.

Incentivization

Now it's time to start rewarding your customers so that they continue to buy from you. Jaffe asks a great question: do you know the percentage of your business that comes from repeat customers? If not, you might want to start measuring. If a company like Coca-Cola can measure this - who know that 12% of their customers account for 80% of their sales - you can measure it too.

You'll want to reward people not just for buying from you, but also for helping to spread the word. If you have any resistance to this idea, consider this brilliant point from Jaffe:

"You're already indirectly paying a network, publisher, or radio station money to persuade people to purchase your product. So why not cut out the middleman and pay them directly?"

Activation

Up until now the focus has been mainly on the customers themselves. But if you really want to blow the top off the funnel, it's time to start harnessing the power of the crowd. This is the most uncommonly used part of the flipped funnel, mostly because it's the part that looks nothing like our old traditional world. So we need to look to those few who are doing it well today in order to get some guidance.

Nike sells running shoes. Millions of them. Yet they've created an amazing community around their "Nike Run London," "Human Race" and Nike+ initiatives. So here's what the decision process looks like when deciding where to go for their next pair of running shoes: do I buy from another brand, who may or may not have shoes that will be better suited for me, or do I buy again from Nike and get great shoes AND a world-wide network of people who share my passion for running?

Seems like a simple choice to me. Nike has even ingeniously made a critical part of the community an app that tracks your runs and gives you feedback. Then consider what you'll say to your other friends who are in the market for new shoes. Powerful stuff.

Part IV - Tying it all Together with Customer Experience

If you think about everything we are attempting to do with the flipped funnel, it encompasses what has recently become the new buzz word in business, "customer experience." After all, that's the only thing the customer cares about, right?

Adaptive reflection question: How do you build community around your customers? What more can you do to build community?

One thing you need to do in order to make this happen is to ensure that your entire team is working on it. In this new world of smartphone video and social networks, it's the front line employees that are the most visible, not the CEO. It's not enough that you state a commitment to an "excellence in customer service," you have to live and breathe it so that your customers experience it.



02

The Customer Loyalty Loop

by Noah Fleming

02

The Customer Loyalty Loop

Why Customers Buy, Buy More, and Buy Again
by Noah Fleming

Most companies don't truly understand what they need to do to keep a customer. Noah Fleming does. Since 2005, he has worked with hundreds of companies and thousands of individuals. More importantly, he knows how to apply efforts and methods into your business, today.

The Customer Loyalty Loop looks at the psychology of customer experience and what you can do to influence your customer to continue to do business with you over and over again.





Background of the Brain

There are many cognitive biases that affect the way we rationalize, analyze, and process information. The first one is Anchoring bias. This is when one number or fact anchors the context of a specific point. You see this in ads that say, “normally this sells for \$89 but today only it’s \$15!” The first price, \$89, is used as an anchor.

Another bias is Availability bias. This means that if something is readily available to us, we are more likely to let it influence our narrative. For example, if a plane crash is popular on the news, we assign more influence and importance to plane crashes in our thoughts.

A third cognitive bias is risk aversion. This is when we use fear of loss as a mode of motivation and we do whatever it takes to avoid a perceived risk. There are, of course, many other biases that affect our thinking. Critical, rational, logical thinking requires a lot of effort, and our brains frankly don’t like exerting effort. Our perceptions and narratives are not based on rationality, but instead biases that lead us toward simpler, easier decision making.

Our brain is also unreliable when it comes to memories. Our memories can be influenced by stories we hear, emotions we feel, and frames we give it. Businesses should focus on creating the right customer memory, which begins long before the sale is made and continues as the customer does business with you.

The Customer Loyalty Loop

There are four stages of the Customer Loyalty Loop:

1. **Imagination Before Persuasion:** the beginning of the customer experience
2. **Conversion Without Coercion:** actually getting the sale
3. **Experience Choreography:** delivery of product or service
4. **Happily Ever After:** follow-up marketing

This isn't a closed loop. It is a circle, meaning that after stage four, the customer begins stage one again and continues through the cycle.

Each stage is important. The customer experience is the sum of the whole experience, and you need to focus on each of the four stages. Let's dive into each stage.

Stage One: Imagination Before Persuasion

Categorizing people into new customers and existing ones is a false division because they are the same person, just at different stages of the process. To take your business to the next level, you must understand the psychology of the new customer experience.

If you want to succeed in Stage One, there is nothing more important than truly understanding who your buyers are so you can market to them directly. Write a detailed narrative about your ideal customer. Include as many specifics as you can – the car they drive, the foods they eat, the clothes they wear. You can only find good customers if you know exactly what you are looking for.

Adaptive reflection question: Complete the activity described to the right. What new insights did you gain about your customer base?

The customer experience must be meaningful, memorable and personal. Small details, such as free bonuses, personalized attention, and follow-ups can significantly increase customer satisfaction and loyalty.

The Customer Loyalty Loop starts before any sale is made: from the very first time a prospect is exposed to your sales, marketing, and advertising efforts. The secret of Stage One is to learn how to tell your story in a way that implants a positive narrative into the potential customer's head and maintains their interest in you and your business.

One way to do that is pre-emptive marketing – everything that happens before the sale. Pre-emptive marketing is about building trust, relationship and story long before your competitors even have a chance to influence your potential customer. It lets you be the first to plant a story in their mind.

The most important thing to creating a customer for life is creating a positive memory of the customer's experience with you. And as we already learned, memories are highly unreliable. Keep this in mind as you learn about the following stages.



Stage Two: Conversion Not Coercion

Stage Two is about continuing to build trust with your prospects and converting the prospect into a sale. You can also build on their expectations of the future by delivering an incredible experience every step of the way.

Adaptive reflection question: What tactics do you use to establish trust with prospects?

A customer is the single most expensive thing for a business to acquire, and the most important. To be successful, a business needs to treat the sales process as an integral part of the customer experience.

Look at the details of your customer experience and identify any incongruities that may be impacting the customer. And then fix them, to ensure that your customer has a positive experience every step of the way. The experience at this stage will be remembered based on the cumulative experience of the entire sales process from start to finish. Communicate to your prospect that you have their best interests in mind and you are looking to satisfy them and improve their condition.

Use language that makes your customers feel valued, important, and listened to. Keep your focus on the prospect and you'll do great. Continuously test and improve your strategies. Test your sales effort. Include any valuable information that will create your preeminent position in the customer's mind as the one and only source for their needs. Make a list of your current operating procedures and brainstorm new ways of doing things. Test and try again.

Continue to build and maintain trust with your customer. As they transfer from Stage One to Stage Two, they are intrigued, but still unsure about moving forward. Build as much trust and remove as much resistance as possible here. Acknowledge their resistance and provide value to the customer. Offer a guarantee to give your prospects 100% certainty and assurance in their decision-making process.



Stage Three: Experience Choreography

At this stage, the customer has been influenced to complete the sale and now has an expectation that you'll deliver on the promises made in the previous stages.

The most powerful thing you can do in this stage is to create distinct memories of doing business with your organization that are remarkable. Remarkable Moments are the moments that leave lasting imprints in your customer's mind. Remember that the most important thing to create a Customer Loyalty Loop is creating a positive memory.

Remarkable Moments are unique, fascinating experiences that will allow your company to stand out from your competition. It will lead your customer to a trusting and positive relationship with your company.

To create Remarkable Moments of your own, think of the best and most memorable experiences you've had with other businesses. Then, develop your own Remarkable Moments for your own customers. Surprise and delight your customers with small details that will leave them feeling valued and taken care of. Think about the packaging of your product, the proposals, the atmosphere, the website. Are your customers quickly greeted and welcomed? Are you taking actions to help them feel calm and relaxed while they browse?

Don't assume that the transaction is finished once you get the customer. If you can delight your customer and create Remarkable Moments, they will likely speak highly of your company to their friends and family. But it will take effort on your end to keep them feeling positively about your company.

Stage Four: Happily Ever After

A customer that recently finished a positive transaction is more likely to engage in a transaction with you again. And the more frequently a customer engages in a transaction with you, the more likely they are to continue that behavior. Increase your customer's frequency and willingness to engage, and you have sent them on a solid path around your Customer Loyalty Loop.



Staying recent is a crucial underpinning to both your customer follow-up processes and procedures. Follow up with a customer soon after you do business together, and they will be more likely to respond with interest.

Remaining familiar are the keys to Stage Four, as this creates the right environment for word of mouth and referrals. To do this, follow the 90-45 rule. This rule says that no customer should go more than 90 days without at least a 15-minute phone call, and that the top 10% of customers shouldn't go more than 45 days without some sort of follow up. The numbers can change depending on your business, but the important takeaway is to keep a relationship with your old customers. The more you communicate with them, the more revenue your company will generate.

One way to assign specific Loyalty Loop-related tasks is the Pick-3 Process. In this process, you and your team each engage in three simple tasks related to the Customer Loyalty Loop:

- Calling your three best customers and clients
- Sending three handwritten notes
- Calling three inactive clients
- Soliciting three testimonials from existing clients
- Contacting three new clients
- ...Or anything else that adds value to the existing customer experience.

Adaptive reflection

question: Think about a customer that didn't renew. Why didn't they? What could you have done differently to foster a stronger relationship with this customer?

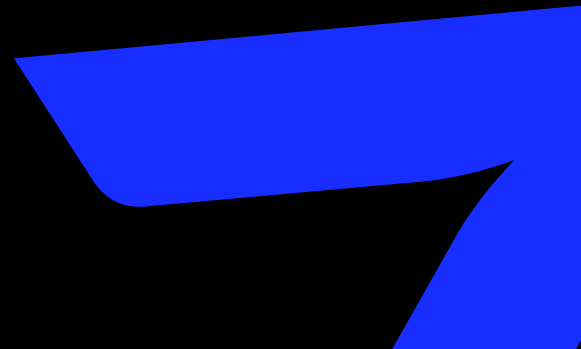
Customer loyalty is about connection. Build a relationship with your clients to show that you care about them more than just when they pay you to do so. Cultivate the relationship by remaining top of mind, adding value, and pitching only when it's time to pitch.

Instead of spending the majority of your time, energy, and resources trying to get new customers, invest heavily in your current customers to give them a memorable customer experience. You will grow your business, increase your competitive advantage, and create dramatic profit returns.

03

The Effortless Experience

by Matthew Dixon



03

The Effortless Experience

Conquering the New Battleground for Customer Loyalty

by Matthew Dixon

You've heard them before - the heroic customer service stories that set the bar almost impossibly high for the rest of us.

Like that one time a Zappos customer service representative stayed on the phone for 9 hours and 37 minutes with customer. Sometimes, the people at Zappos say, people just need to talk.

Or that other time a Nordstrom's customer lost the diamond from her engagement ring at the store. Multiple employees dropped what they were doing, and after a long and tiring search, they finally found the diamond inside the bag of a vacuum cleaner that had recently been used to clean the area.





The traditional thinking is that service like this goes a long way to creating customer loyalty, and thus profits.

But what if that thinking was wrong? What if, instead, customer service was more about defense? More about preventing frustration and delay?

Those are the questions that the folks at the Corporate Executive Board have been researching for the past few years, and they have learned some interesting things.

Over the next 10 or so minutes, we'll explore their 4 main findings, and the 4 main principles of what they are calling "low-effort service."

Finding #1: A strategy of delight doesn't pay

After analyzing the responses of 97,000 customers, the CEB found that there was virtually no difference at all between the loyalty of those customers whose customer-service expectations are exceeded and those whose expectations were merely met.

There are two big takeaways here.

First, companies tend to vastly underestimate the benefit of merely meeting customer expectations. We live in a world where most customer experience interactions are horrible. So people are very happy to just get what they were promised. In practical terms, if there's a problem, just fix it quickly and easily. No fuss, no muss.

Second, companies tend to vastly overestimate the returns they'll get from exceeding customer expectations. If your goal is to increase loyalty and profits, the extra resources you'll put in to the customer service experience beyond meeting customer expectations brings you almost no financial return.

So, figure out what your customer expectations are, meet them, and then invest the rest of your money elsewhere.

Finding #2: Satisfaction is not a predictor of loyalty

This one is surprising. In their global survey, the CEB found no correlation between how a customer rates a company on a customer service satisfaction survey and their future customer loyalty.

To make things worse, 20% of the people who suggested that they were satisfied with the customer experience also stated that they were intending to leave the company and buy from a competing company.

On the flip side, 28% of people who suggested they were dissatisfied with the customer service experience also stated that they fully intended to stay loyal to the company.

Finding #3: Customer service interactions tend to drive disloyalty, not loyalty

The CEB research showed that customers service interactions are 4 times more likely to drive disloyalty than loyalty.

Adaptive reflection question: How does your company measure customer success and satisfaction?
Feedback surveys?
Personal check-ins?

It's important here to make a distinction between a product experience and a service experience. Although they are both part of the customer experience, they have completely different impacts on loyalty.

For instance, 71 percent of people who have positive product experiences engage in word of mouth, but only 32 percent of customers with a negative product experience will tell other people.

Contrast that with the customer experience numbers. 65 percent of customers who have poor service experiences will engage in word of mouth, but only 25 percent of customers who have a positive service experience will tell other people.

There's an adage in management theory that says that people join companies, but they leave their managers. Similarly, in customer-company relationships, people pick companies because of products, but leave them because of their service failures.

The key, then, is not to try and delight people, but to put your time, money and energy into mitigating customer disloyalty.



Finding #4: The key to mitigating disloyalty is reducing customer effort

There are 5 drivers of disloyalty. Get ready to recall traumatic experiences from your past as we go through them one by one.

Having to contact the company more than once is the biggest problem of all, responsible for more than half of the disloyalty impact. Simply solving this issue for customers is a huge deal.

The next biggest driver is "generic service" - which is when a customer feels like the customer service rep is treating them like a number, and making no attempt to personalize the service.

Next on the list is having to repeat information, which is a cousin of repeat contacts. If you've ever called your bank, entered your card number into the automated system, and then had to repeat it again when a live person got on the line, you know what I'm talking about. Or you had to repeat your story to a supervisor because your original contact couldn't solve your problem.

The fourth driver of disloyalty is the "perceived additional effort to resolve," which means what it says - how much a customer believes they have to do in order to resolve an issue, even if the reality turns out to be much easier.

Finally, it's the concept of being bounced around between people or channels. For instance, trying to solve a problem online but then forced to call into the service line because it didn't work. Or getting transferred between departments to get somebody on the line who can solve your problem.

Now that the trauma is over, you'll realize that out of the 5 drivers of customer disloyalty caused by customer service, 4 of them are related to the additional effort the customer must put forward to solve their problem.

For the rest of the summary we'll focus on how to create an Effortless Experience, just like the title suggests.



Principle #1: Create "sticky" self-service channels

The research done by the CEB concluded that most people are more than happy to use self service channels, in spite of the belief of service leaders that customers prefer to talk to a human being. This is true across almost all customer types and demographics.

The key here is not to get people to try self-service, it's to get the people who start there to stay there. 58% of all inbound calls are from customers who were just on the company's website.

Looking deeper into the data, there are three main categories of people who end up calling after a website visit.

First, there are customers who couldn't find the information they were looking for. The solution to this problem is to simplify the self-service experience. As the authors point out, most service websites fail not because they lack functionality and content, but because they have too much of it.

Second, there are people who found the information they were looking for, but it was unclear. The travel company Travelocity created rules to solve this problem which you might find helpful:

1. Simplify language. Use language that score an 8 or 9 on the Gunning Fog Index.
2. Eliminate null search results. This can usually be solved by using the language your customers use when searching for information.
3. Chunk related information. This involves condensing related information and spacing it apart from other text, allowing easier scanning.
4. Avoid jargon. Your customers don't use your jargon.
5. Use active voice. This is much better for reading online.

The last category are those who were simply looking for your phone number to begin with. While you don't want to make it hard for your customers to call you, you do want them to use the self-service option if possible. One idea here is to feature prominent links to the most common questions customers ask.

Principle #2: Practice next-issue avoidance

When customers are forced to call your company, you want them to be able to solve their entire issue - and maybe even the next logical one they might run into - on the same call.

The CEB research showed that almost half of all repeat contacts go unnoticed by the companies. Customers who have their initial issue resolved frequently call back for reasons that are indirectly related to the original issue.

These issues often include things like adjacent issues (downstream implications linked to the original issue) and experience issues (the customer didn't feel like they were treated appropriately by the rep or didn't like the answer they got).

There are three rules that low-effort companies follow in order to get this right.

Rule #1: Down one, not two. Most companies can predict two or three calls into the future, but trying to solve those issues for customers on one call tends to overwhelm them. So, only forward-resolve the immediate adjacent issues.

Adaptive reflection question: What processes or standards do you currently have in place to prevent customer issues before they happen?

Principle #3: Low-effort companies equip their reps to succeed on the "emotional" side of the service interaction

When looking at the concept of effort, it's one third "do" and two-thirds "feel." Put another way, it's the customers' perception of effort that matters most.

Managing a customer's perception isn't about being nice - it's about engineering an experience that's rooted in behavioral economics to generate a positive response to an outcome.

Positioning Alternatives with Customer Benefits

The first thing you can do to engineer a positive outcome is to position alternatives with customer benefits. The idea is that you "don't tell customers what you can't do, tell them what you can do."





There are a few things to keep in mind.

1. Don't be so fast with a "no." Avoid sharing what isn't available immediately - take a little extra time.
2. Don't encourage reps to explain their way out of a high-effort solution.
3. Don't take the customer's request so literally. In many cases, what the customer is requesting and what they actually want/need is different. Ask questions to get to the root of what they are really looking for.

Personality-Based Issue Resolution

The second tool that low-effort companies use to generate positive outcomes is to divide the customer world into four basic categories. We have:

- The Feeler, who leads with their emotional needs
- The Entertainer, who loves to talk and show off their personality
- The Thinker, who needs to analyze and understand and
- The Controller, who just wants what they want, when they want it.

The key is to tailor the delivery of the service experience to the personality of the person. When you do, your customer will feel like you "get" them, leading to a much lower-effort experience.

Principle #4: Use incentives to value the quality of the experience over speed and efficiency

In low-effort companies, the service reps themselves determine how to best handle unique issues being experienced by unique people.

In their research, CEB was able to identify the skills required of reps in order to pull this off successfully.

They found 4 categories of skills that lead to increases in performance.

Being better than average:

- In critical thinking (or IQ) increases rep performance by 3.6 percent.
- In the basic skills of customer service (product knowledge, clear communication, etc) increases rep performance by 5.1%.
- In EQ (empathy, advocates for the customer, etc) increases rep performance by 5.4%.
- In what the authors call CQ (Control Quotient) increases rep performance by 11.2%.

This last category deserves a deeper look. It includes the following skills and behaviors:

- Resilience
- Able to handle high-pressure situations without becoming burned out
- Takes responsibility for own actions
- Responds well to constructive criticism by managers
- Able to concentrate on tasks over extended periods of time

Adaptive reflection question: Reflect on the skills and behaviors listed to the right. Which of these are you strong in? On which do you need to improve?

There are three things that you can do to create a High-CQ environment in your company.

First, you need to display trust in your service reps' judgement. At high-CQ companies, frontline reps feel free to do whatever is right to serve that one customer they are dealing with right now. So, ask yourself whether or not your employees feel trusted.

Second, you need to create a culture where the rep understands and has alignment with company goals.

Third, you need to have a strong rep peer support group. This is hard to get right, but the effort is worth it. Giving reps the time and space to share best practices with one another is critical to creating a culture that embraces CQ.



ABOUT ACTIONCLASS

ActionClasses are short interactive workshops on the Business and Leadership skill that matter most.

Based on 40+ critical leadership and soft skill competencies, ActionClass provides your team members with "no fluff," pragmatic, and action-packed workshops that put goals and objectives at the center of learning.

Our live, interactive workshops host leaders from all around the world, making them a great place to build your network and experience diverse perspectives on your most pressing business and leadership challenges.