

The ABC of getting CSI right

By Mike Perry

CSI (Customer Service Indexing) is a widespread management practice, yet current customer service levels are, at best, disappointing. What's gone wrong?

Lesson: The marketing department hires the CSI service provider, but the results are not properly correlated with the other parts of the organization that deliver service.

In the experience of Perry & Associates, it's a question of re-learning the ABC of CSI. Managers who want to strategically put their company ahead on service should pursue the following ABCs:

Access - competitive advantage results from destroying the barricades to resolution of bad service. Customers who have a private banker enjoy these benefits as do the independent broker customers who qualify for 'platinum service' from financial services organizations.

Brand experience is what customer service is really about. If it's not outstanding, managers are removing differentiation, commoditizing the product and destroying brand equity.

Computer systems can help - Internet banking from the top three banks, the success of budget airlines and SARS are examples. Using the Internet, they offer one-time data entry and cut out the intermediary - this results in seamless service.

Start your CSI campaign with strategy:

Don't measure only the things that contribute to operational excellence (these do raise the average but they don't put your firm ahead).

Strategically assess what factors will give you competitive advantage (rather than measure the same factors for 10 years, re-examine which questions of strategy need to be evaluated every three years).

Management should experience the circumstances which the CSI data is describing. (Why not copy the example of Avis managers who, from the Chief Executive down, all worked one week behind the rental counter each year?)

Attack each of the barriers in your company (call centres, remoteness, SLAs and attitudes that say 'it's OK' to damage the brand experience with indifferent service).

Understand the issues that the campaign must address to be meaningful to the customer as well as give dramatic advantage to the firm.

Get CSI measurement linked up with the action:

In SA, there's a wonderfully illustrative contrast between the good (Imperial Car Rental and Woolworths) vs the frequently bad service that we receive at airports, from banks and car dealers.

It's probable that the top three contenders in each of the industries mentioned undertake regular (most likely annual) measurements of CSI.

CSI methods are good, there are many top-class suppliers, and yet it's not producing results. Sometimes this is because the marketing department hires the CSI service provider, but the results are not properly correlated with the other parts of the organization that deliver service.

Get to the point of breakdown:

Customer service most often fails in one of the following areas:

The call centre, which has frequently become an effective barrier between customer and management, is unempowered and restricted to normal office hours.

Arrogance, autocracy and bureaucracy. The auto industry provides some examples: 'It's not my job to listen to customers' (CEO of an automaker here in SA) and, 'The Customer Conflict Resolution Centre' (the name of the customer service department of a luxury car company) - no joking!

Inter-departmental service level agreements (SLAs) - 'I'll immediately fax your statement but you won't get it for 4 days' (one of SA's big banks).

Attitude to the CSI data is usually one of 'good enough' rather than inspiration to innovation.

Meet the future challenges of customer satisfaction:

Customers are becoming smarter and more aggressive in the pursuit of satisfaction and righting the wrongs of bad service. This new wave includes the following:

Customers who have a more in-depth knowl-

edge of the product, its performance and competitors than salespeople or call centre clerks.

The power of the Internet; this allows dissatisfied customers to coalesce (Telkom and Helkom) and blogs that provide the disaffected with the means of 'getting even'.

Business Week identifies vigilantism by unhappy customers as a major new trend. These people are not seeking individual compensation, but rectification of the problem for all customers.

24/7 customer service access. The new generation is not restricted by bureaucratic 'working hours' - they seek resolution when they have the time, even if it's late at night.

Communicate the link between service and brand equity:

If our brand is the best, customer satisfaction must be way ahead of the pack and is, therefore, the underlying basis to brand equity:

Trust, that's what defines a brand. Trust is built on successful experience of the brand. Every experience must justify that trust. Every time.

The idea that advertising can create a brand is wrong. Advertising can spark interest. Advertising can intrigue and lead to trial. Advertising can reinforce. Advertising can remind you of a successful brand experience, thus leading to re-trial. Advertising does not create trust.

If it's your strategic intent to create a brand, every rand spent on creating and guaranteeing a successful brand experience is worth three or four rands spent on advertising. Today's advocates of 'living the brand' are creating strategic assets for the future - the ultimate form of future wealth: brands that we can trust.

Source: In Brands We Trust by Mike Perry (Encyclopedia of Brands & Branding 2008)

Service is access, builds brand equity, and cuts scope for error - but only the human touch can save the day when it fails!