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How to use the downturn to upturn

The word 'recession' strikes fear into the hearts of everyone working in a commercial environment. Whichever way you look at it, doing business in a recessionary climate is challenging. But, for many organisations, recession is not just about survival; it's also about opportunity.

Severe economic downturn inevitably leads to a cull of the weakest. Whilst there is certainly an element of luck involved for all of us, it rids every sector of some of its weakest players. So, it is about more than survival of the fittest, it is also about the growth and future prosperity of the fittest. And that begs the question, how can we not only survive but actually make the most of the opportunity recession offers us to come out as stronger players than when we went in, to maintain financial strength whilst building both reputation and market share?

Hold on to what you've got

Whatever our business, attracting and retaining customers in highly competitive markets is challenging enough during the good times, but when things take a turn for the worse, it becomes an extremely precarious pursuit. So, what's the key? First of all, hold on to what you've got. How? Well, price competitiveness is important, but a business strategy in a downturn, based largely on price reduction is an expensive option. It may produce a short-term benefit but can rapidly become an ever-downward spiral that destroys margins and ultimately customer loyalty.

On the other hand, price competitiveness delivered with outstanding customer service is a tactic that pays dividends in retaining existing customers and attracting new ones. A focused service offer needs to be developed and targeted to reduce customer churn and complaints whilst simultaneously increasing sales productivity and customer referrals. In order to achieve those goals, let's remember that service quality is not just a matter of efficient systems and processes; it requires a major human contribution in the way that our people act and react with customers - the way they meet individual requirements at all times and in the toughest of circumstances. Speaking from personal experience, one of the most puzzling aspects of a downturn is that, in general, standards of service do not seem to change markedly. There is little widespread evidence of more attentiveness, more responsiveness or more eagerness to hold on to customers. That creates many opportunities for organisations willing and able to adopt a more energetic and resourceful approach to their customer service offer.

Make your customer service perform

So, how can we ensure that our customer service performs for us during this recession, keeping revenue up, our margins intact and increasing market share? We've already stressed the importance of holding on to and getting the most out of our customers. To do that, we need to hold on to and get the most out of our key customer-facing staff. So, even at a time when all sensible organisations are keeping overheads down, we are fully justified in investing in the precisely targeted training that will ensure that we offer outstanding customer service that meets the most stringent performance requirements. That means training grounded in reality and both reflecting and respecting the day-to-day challenges and pressures faced by our frontline staff and their managers. It means training designed and delivered with specific and measurable behavioural outcomes and, just as importantly, timed key performance indicators to be achieved. These may include percentage reductions in customer attrition and customer complaints as well as targeted improvements in CSI or Net Promoter scores. Clearly, the training must also target the retention and effectiveness of our key customer-facing staff and those who manage them.

Outstanding customer service underpinned by precisely focused training should be a key weapon in every organisation's recession-beating strategy. In training terms, 2009 must be 'the year for results'!