



# Gaining Competitive Marketing Advantage with Excellent Customer Service

**AGC of America 89<sup>th</sup> Annual Convention  
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Monday, March 10, 2008**

Presented by

**Trudy Shay Petty**

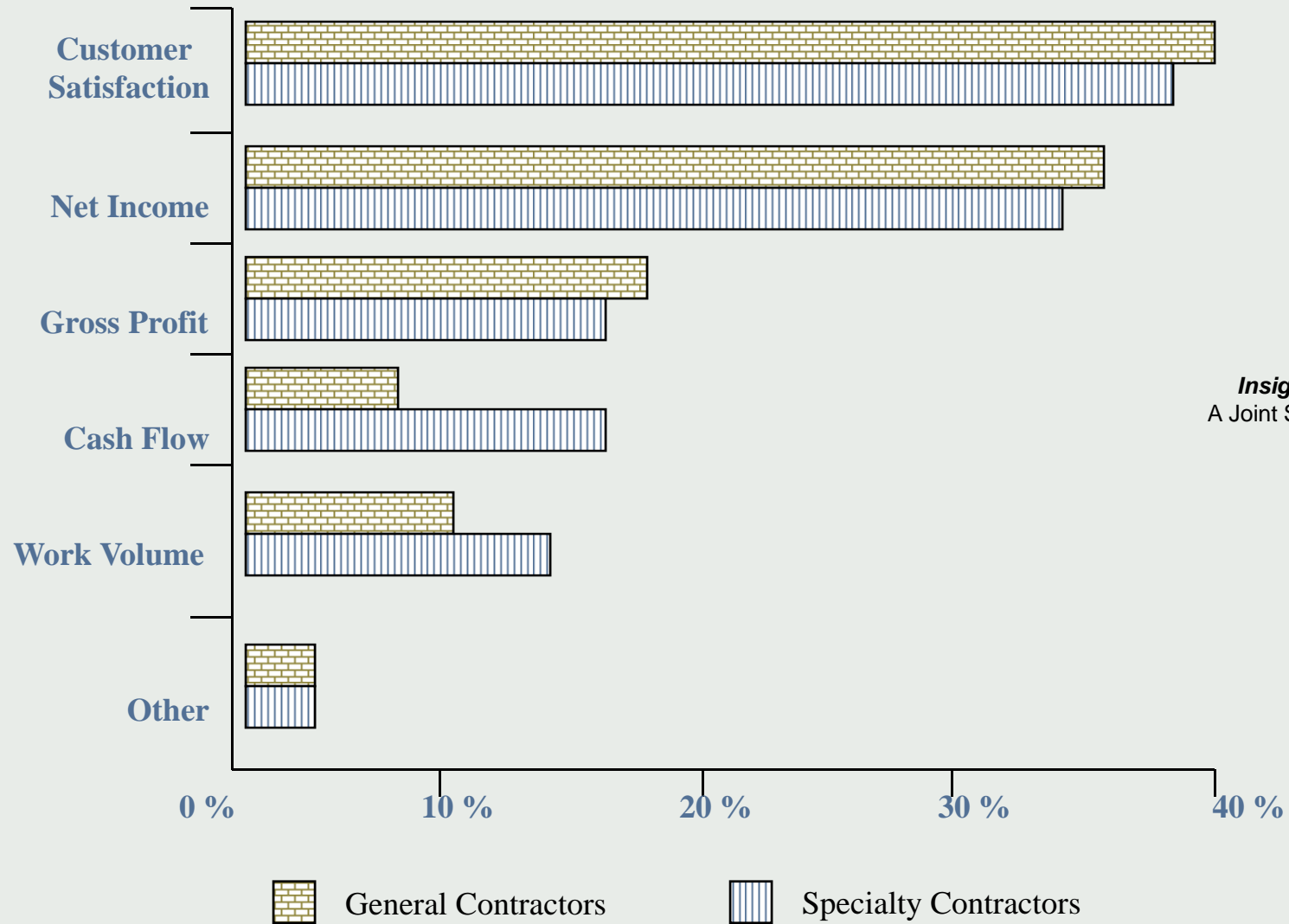
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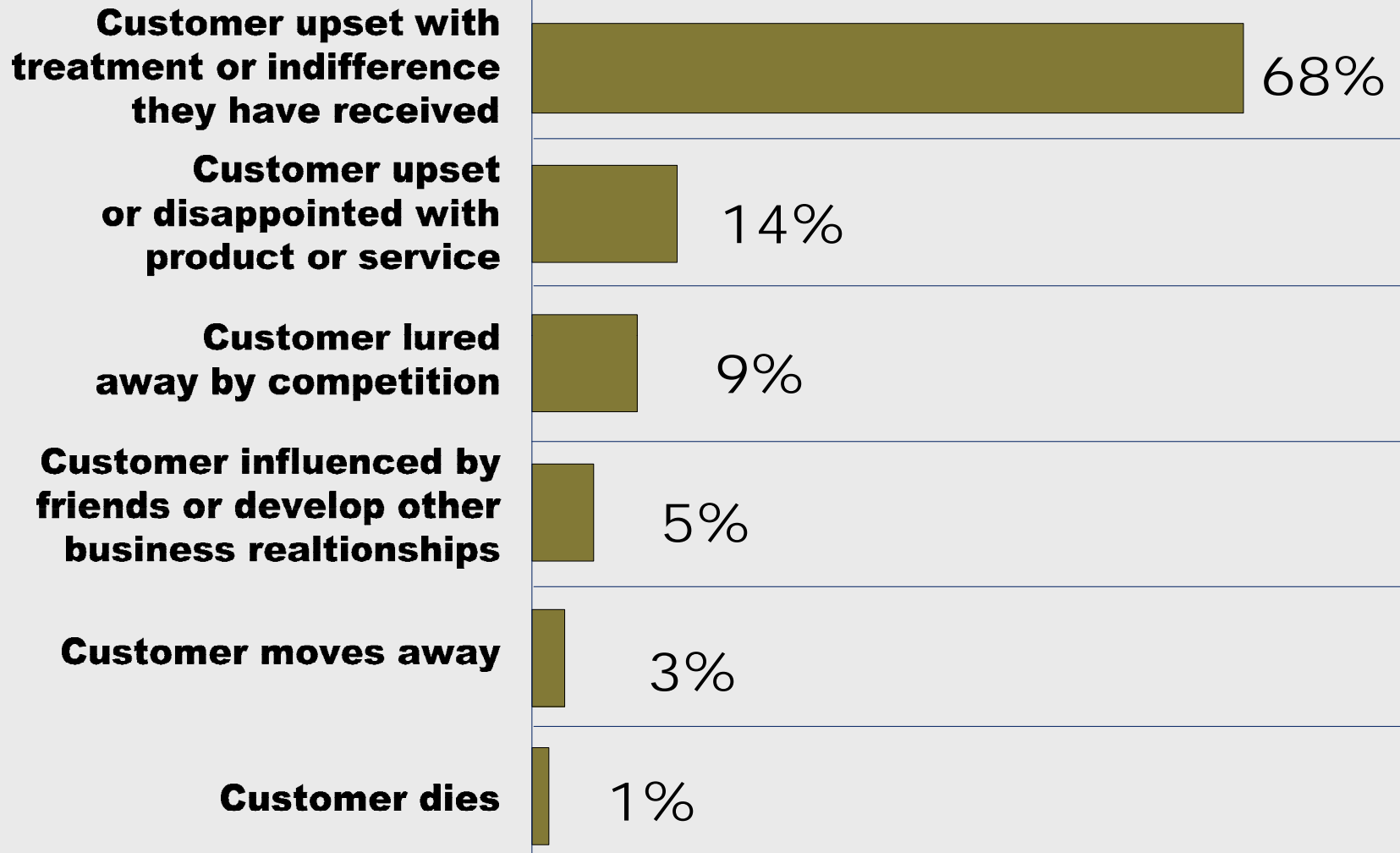
# Primary Indicator of Business Success



**Insights in Construction**  
A Joint Survey by AGCA and  
Deloitte & Touche  
December 2000



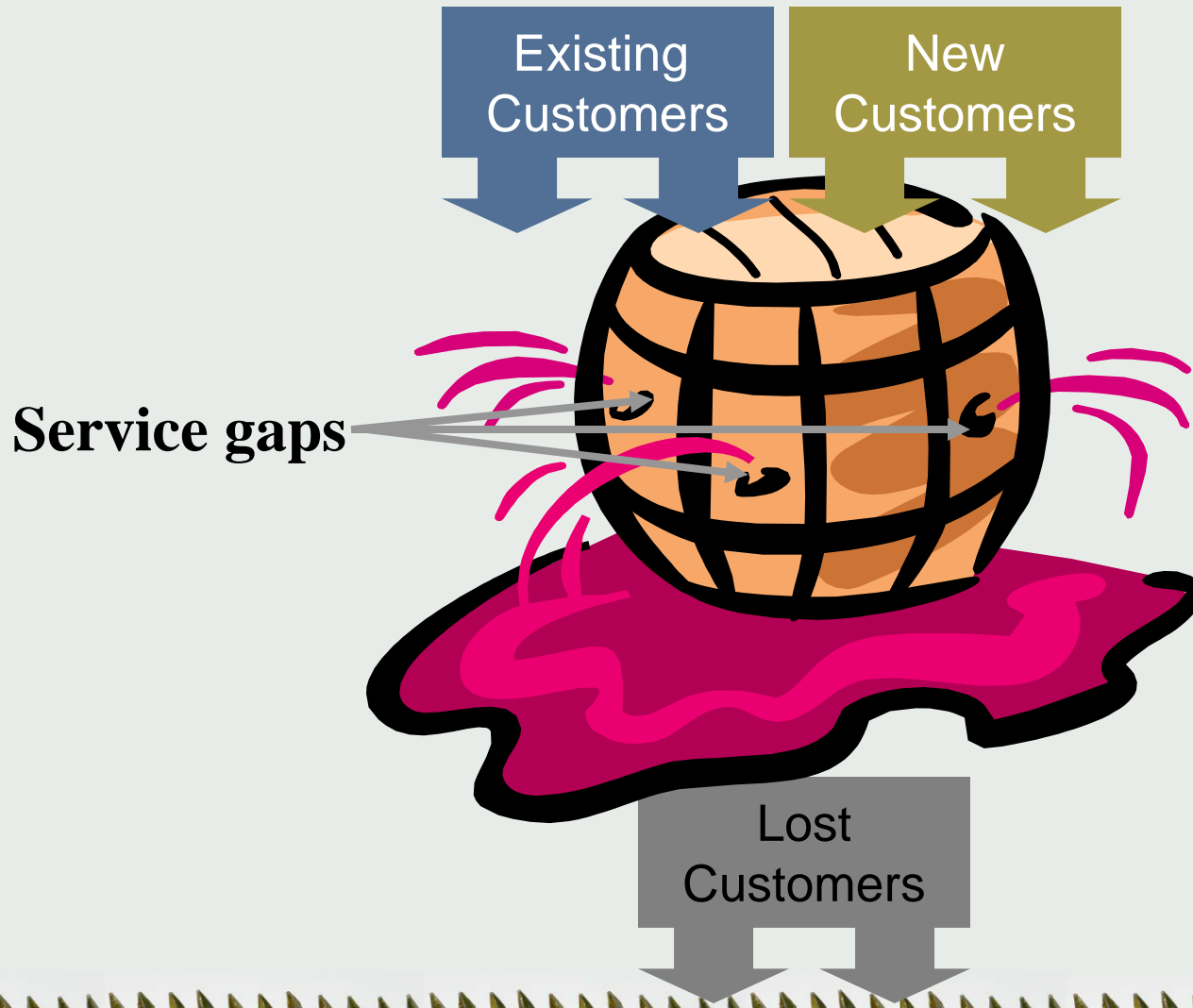
# Why Companies Lose Customers



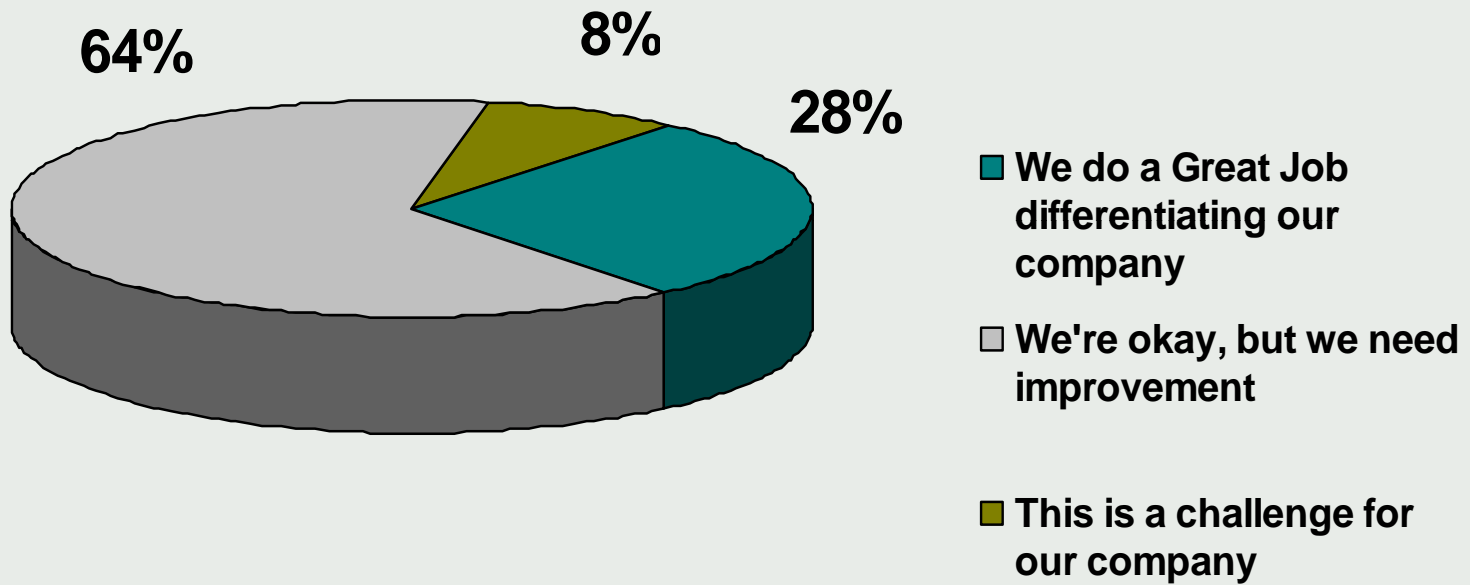
Source: American Society for Quality



# The Leaky Barrel Theory of Marketing



**Are You Able to Give Customers a solid reason to pick your company besides low price? (All contractors)**



# What Clients Are Saying About Customer Service

Customer service really matters to us.

94% of respondents in a recent Katzenbach Partners survey of American consumers said that customer service is important to them.

We're willing to pay more to get it.

82% of Americans said that they're likely to spend more money where they get better customer service.

Companies aren't improving their customer service. In fact, almost half of us think it's getting worse.

80% of Americans said that over the past few years they have not seen any improvement in customer service, and over half of this group said things are getting worse.

When we have a bad service experience, we don't come back.

62% of Americans reported that if they had a bad service experience with a service provider (ie. contractors), they would not buy from them again.



## Key Points to Cover Today

- 1. From the customer's perspective, it is all about their "experience" and customer service is a major contributor to the "quality" of this experience.**
- 2. The degree to which you fully understand and satisfy your customers' needs and expectations will help differentiate your firm from others.**
- 3. You won't know where to start your improvement efforts unless you assess your current level of customer service.**
- 4. Recognizing challenges and removing obstacles/bottlenecks is key to making the necessary improvements in customer service.**
- 5. Excellent customer service requires a more customer-focused mindset and putting in place a "service framework."**
- 6. High-performing companies who excel in service provide contractors with proven strategies and best practices to raise the level of customer service.**



## Key Points to Cover Today

1. From the customer's perspective, it is all about their "experience" and customer service is a major contributor to the "quality" of this experience.



# Your Personal Customer Service Experience

## Worst Customer Service

Think about the **Worst Customer Service** you ever received. List below some of the things that made this service so poor?

- 1.
- 2.
- 3.
- 4.

## Best Customer Service

Think about the **Best Customer Service** you ever received. List below some of the things that made this service so exceptionally good?

- 1.
- 2.
- 3.
- 4.



# Quality Work Doesn't Mean Quality Service

$$\text{Technical Quality} + \text{Service Quality} = \text{Customer Satisfaction}$$

## Technical Quality

How good is the work delivered by your firm? (bricks and mortar)

## Service Quality

What kind of “experience” does the customer have with your firm?  
(focus is on the service and relationship)



# Welcome to the Experience Economy

Commodities	Goods	Services	Experiences
Coffee	Nescafé	McDonald's	Starbucks

18¢

\$2.25

Source: Shaun Smith & Joe Wheeler in *Managing the Customer Experience*



# Questions for Contractors to Ask

1. What does customer service mean to me?

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2. How are we defining customer service at my company/organization

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3. Even more important, how do our customers define customer service?

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4. Who do we consider customers at our company/organization?

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5. What is our company's current approach to achieving customer satisfaction? Is it working? How do we know our customers are fully satisfied?

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6. What is most important to our customers?

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# Defining Customer Service

Customer service typically is thought to refer to what we do to meet the needs and expectations of the customer as defined by the customer.

Other possible definitions—Customer service is a function of how well an organization meets the needs of its customers.

Customer service is about treating others as you would like to be treated yourself.

Customer service is any contact between a customer and a company, that causes a negative or positive perception by a customer.

**Better yet, define customer service from the Customer's point of view:**

Customer service is a function of how well your organization is able to constantly and consistently meet and exceed my needs and expectations.



# Customers

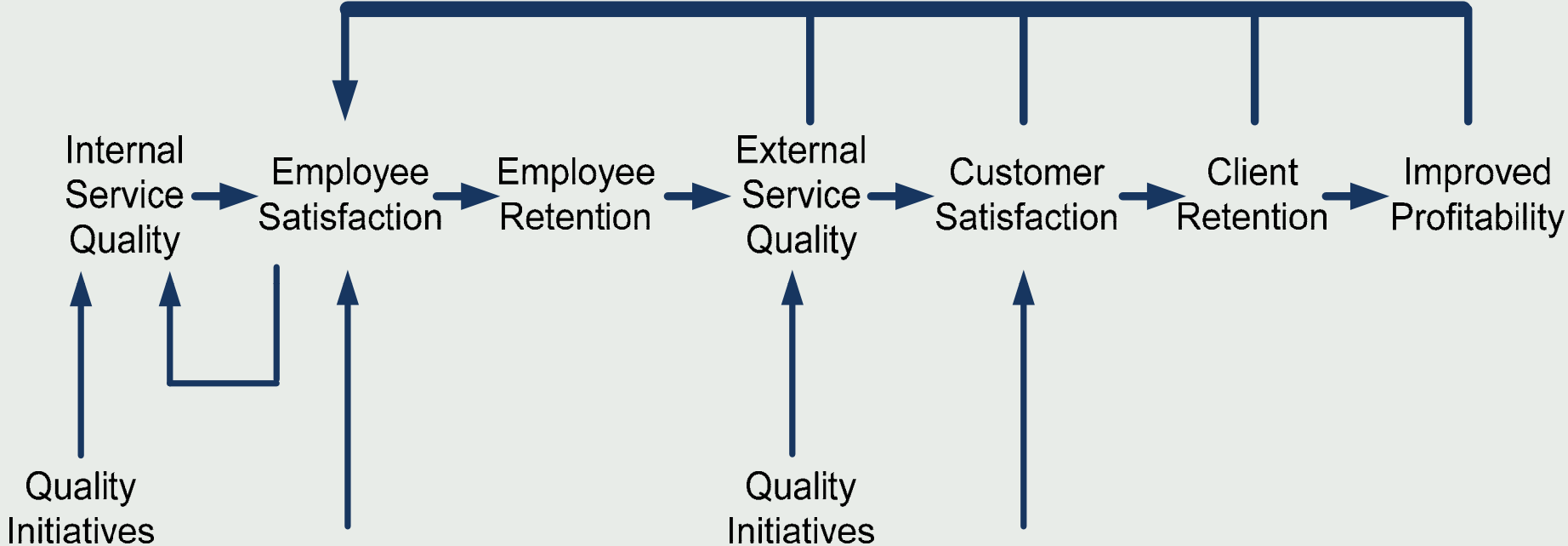
**A Customer is defined as anyone who depends on your effort to get his or her need met or job done.**

- Are Driven by Their Needs
- Have Constantly Changing Needs
- Have Expectations based on other Service Experiences and Personal Preferences
- Have More and More Options for Service
- Judge Service Based on Their Perceptions of What Service Means to Them
- Concept of Internal and External Customers



# The Service Profit Chain

## Employee Satisfaction Leads to Customer Satisfaction



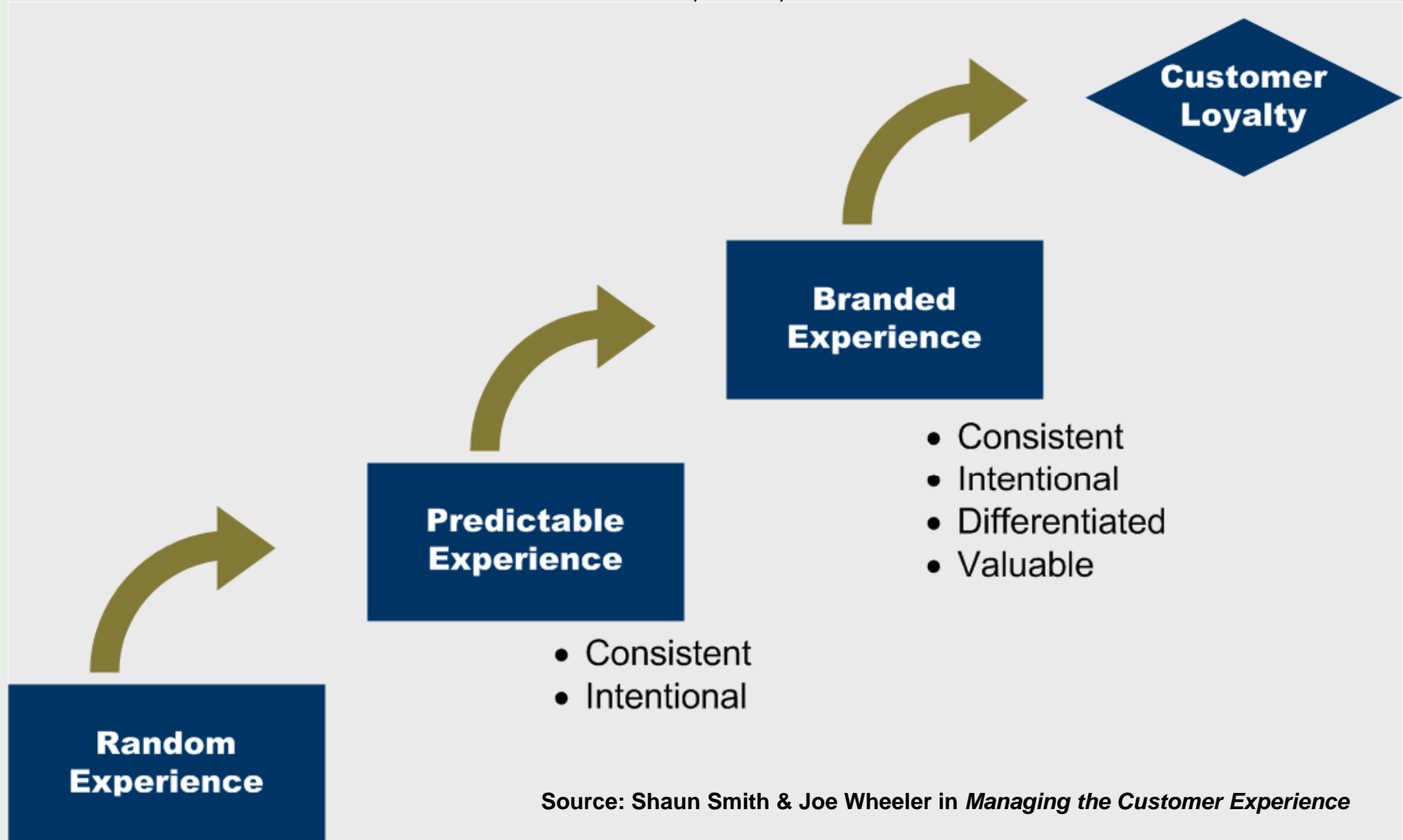
- Careful selection
- Thoughtful training
- Latitude for judgment
- Empowering technologies
- Pay for performance
- Recognition



- Attractive value (quality/cost ratio)
- Service designed to meet targeted client needs



# Your Customer's Experience Drives Customer Loyalty and Profit



# Contractors--Ask Yourself This Question!

What do we “think” and “feel” best describes the “experience” our customers are receiving?

## Is the experience.....

All expected and more	Bumpy	Aggravating
Well-planned	Enlightening	Satisfying
Challenging	Disappointing	Smooth, hassle-free
Enjoyable	Frustrating	Ho-Hum
Less than expected	Inconsistent	Exceptional
Exhilarating	Inattentive	Difficult
One misstep after another	One-sided	Positive

*Then ask your customers this question!! How would you describe your experience with us? Any discrepancies?*



## **Emphasis is on “Feelings”**

Customer Service is about the little gestures that make someone feel good and appreciated.

Customer Service is the difference between feeling good or great or feeling neutral or disappointed once you walk away.

Customer Service is about making people feel good when they are in your presence.

Customer Service is about making people feel comfortable.

Customer Service is about helping people feel confident.

Customer Service is about making people feel important and valued.



**Would You Do  
Business With  
YOU ?**

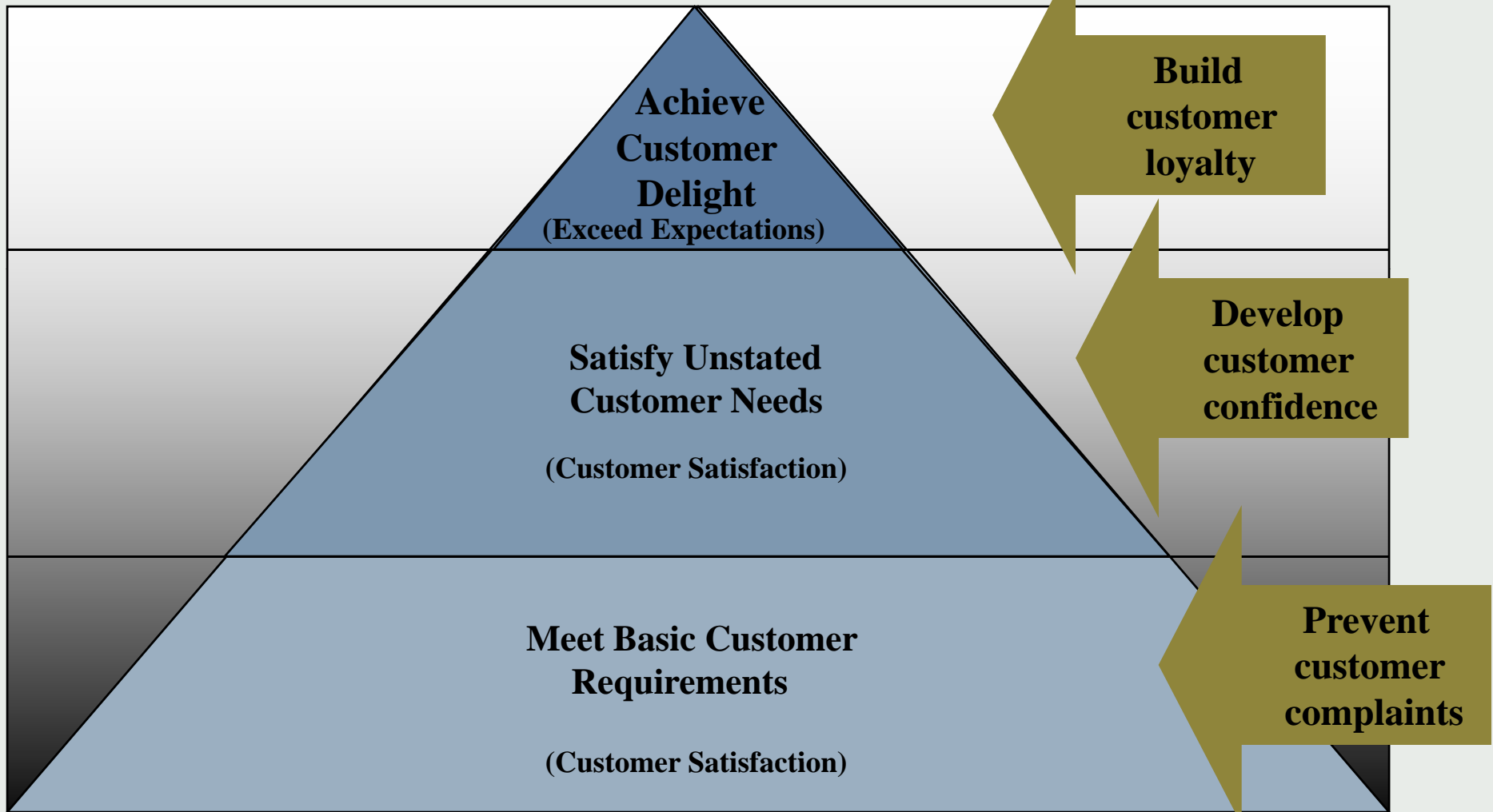


## Key Points to Cover Today

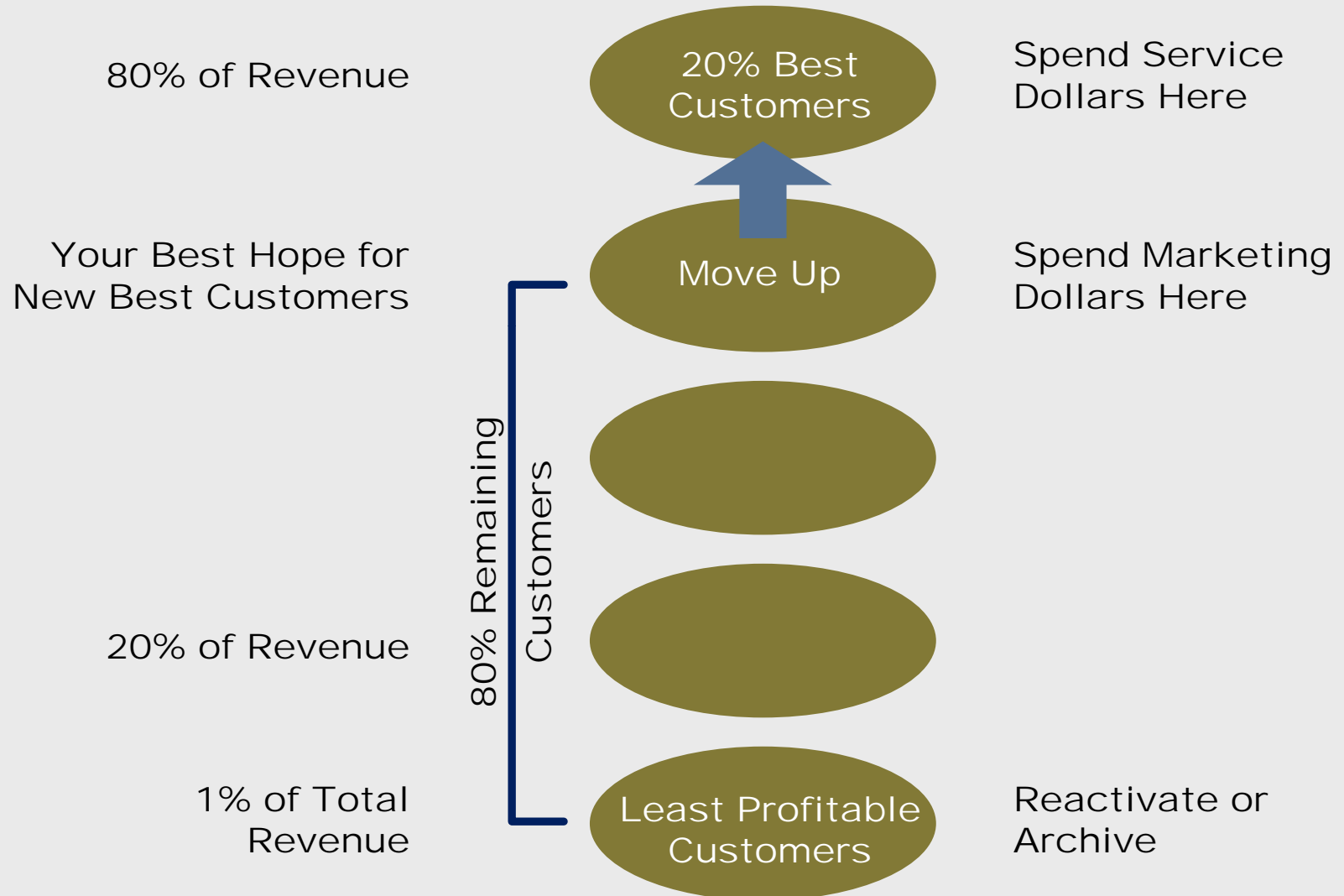
1. From the customer's perspective, it is all about their "experience" and customer service is a major contributor to the "quality" of this experience.
2. The degree to which you fully understand and satisfy your customers' needs and expectations will help differentiate your firm from others.



# The Customer Satisfaction Model



# All Clients Are Not Created Equal



# SEEING WHAT YOU DO THROUGH THE EYES OF YOUR CUSTOMERS

*Requirements* *Hot Buttons*

*Expectations*

*Perceptions*

*Priorities*

*Needs* *Wants*

*Care Abouts*

*Pet Peeves*

*Preferences*



# Top 5 Things Important to Customers--RATER

1.	Being Reliable	<i>What you promise to do (doing the promised service dependably and accurately)</i>	Do your customers trust you to follow through?
2.	Giving Assurance	<i>Courteous, polite people who are knowledgeable and can convey trust and confidence</i>	After talking to you, do your customers have peace of mind?
3.	Providing Tangible, Positive Moments of Truth	<i>Appearance and convenience of physical facilities, equipment and personnel as well as communication materials</i>	What impressions do your customers have of you and your company?
4.	Showing Empathy	<i>Amount of concern and individualized attention you provide a customer</i>	Do you treat each customer as an individual rather than as a number?
5.	Being Responsive	<i>Willingness to help customers and ability to provide prompt service</i>	Do you and your company respond to customer needs in a rapid fashion?



# What Do Clients Really Want from Contractors?

- Integrity- honesty
- Creative solutions
- Fair pricing
- No conflicts of interest
- Effective listening
- Attentiveness
- Consistency
- To be understood
- Accessibility
- Continuity of personnel
- Problem solver
- Flexibility
- Accurate information
- Responsiveness
- Peace of mind
- Professionalism
- Reduce FUD (fear, uncertainty, doubt)
- Wants to feel important and valued
- Timely and effective communication
- Follow through on promises
- Industry and market knowledge
- Complete scope of services
- Hassle-free, easy to do business with
- Attention to details
- No inconveniences
- No embarrassments
- No risk or danger
- Finish projects as strong as you start
- No negative surprises



# Paying Attention to Customer Preferences

## Customers prefer.....

- Information presented in-person *or* by email
- Big picture *or* detail oriented
- Getting together with others to energize *or* going off on own
- Planning *or* fire-fighting
- Logical *or* creative thinking
- Embraces change *or* likes things status quo
- Overall value *or* price-oriented
- Lots of handholding *or* minimal involvement
- Decision-making based on logic *or* impact on people
- Learning visually (see it) *or* kinesthetically (touch it)
- Rigid schedule *or* open-ended
- Closure *or* okay with ambiguity
- Avoidance *or* confrontation when it comes to differences or difficulties
- Building relationships *or* more task-oriented



# Get to Know Your Customer's Hot Buttons/Pet Peeves

- Absolutely don't ever wait until the last minute to tell me about a problem
- Don't keep me guessing or in the dark
- Don't surprise me with an added fee
- Don't just come see me when you need more money
- Too many errors since obviously no one is doing any quality checks
- Boiler plate language that doesn't even apply to our project
- Seeing another company's name in proposal you are presenting to us
- Saying you will do something and don't
- Waiting for you to show up with no call
- Convening meeting and not knowing the agenda or purpose
- People not showing up when they are supposed to
- Not following up in timely manner

\*\*\*What are your hot buttons/pet peeves? What are your customers' hot buttons/pet peeves? You may not know unless you ask!

\*\*\*It takes 12 to 13 positive service interactions to overcome one negative one, especially when it has to do with a customer's hot button.



# Expectations Take Center Stage in Customer Service

- An expectation is a personal vision of the result that will come from an experience.
- Expectations can be positive or negative.
- Expectations can be stated or unspoken.
- Expectations are usually based at least partially on perceptions. A perception is the way we see something based on our experience. Everyone's perception of a situation will be at least slightly different.
- There are two levels of expectations—
  - Primary expectations include a customer's most basic requirements of an interaction. (ie. satisfy hunger, getting new school built)
  - Secondary expectations include expectations based on our previous experience that are enhancements to our primary expectations. (ie. good service or tasty food, good up-front planning to limit cost overruns)



## Examples - Owner Expectations of Contractors

- Effective leadership of the pre-construction and construction phase
- Communicate regularly--keep us informed of progress and issues
- Commit to the success of the project, not just to the success of the contractor
- Schedule the work for timely completion
- Insure jobsites are safe and safety is a company priority
- Stay within agreed to budget
- Use only proven, quality subcontractors and insist on quality workmanship
- Respond promptly and effectively to phone calls and emails
- Anticipate problems and solve them ahead of time to minimize fire-fighting
- Properly plan, coordinate and manage all aspects of project and workforce
- Pay subcontractors and suppliers on time
- To be accurate and take responsibility for errors or problems
- Put together a project team who are the best fit
- Provide complete and thorough closeout documents and as-built plans
- Keep the jobsite clean and provide professional appearance at jobsite office
- Accountability to fulfill role and responsibilities
- Work well with architect and consultants, owner's rep, etc.



# Examples - Contractor Expectations of Owners

- Communicate clear goals and expectations for the project
- Have funds in place to pay for project
- Insure a completed set of contract documents are provided at time to build that accurately and thoroughly reflect owners intent
- No “design as you go” situations
- Be understanding when there are legitimate delays, ie. weather
- Pay in a timely manner
- Be treated with respect and valued for what we do
- Deal objectively and fairly on changes in scope of work or additional items
- Sufficient time for pre-planning
- Respond promptly to requests for information, sign-offs and decisions
- Be candid about concerns or questions about how the project is progressing
- Provide help in making sure architect is fulfilling their role and responsibilities
- Accountability to fulfill role and responsibilities
- Follow through on commitments that can have an impact on job progress
- Provide sufficient time to meet before dirt turns to insure a stronger start-up



## Examples - Architect Expectations of Contractors

- Show respect for my design and try to really understand the original intent to preserve all aspects of the design during construction
- Be respectful when errors are made in putting documents together and let's work together to solve problems
- Effectively lead the project with good planning and proper scheduling
- Bring quality subcontractors to the project and professionally manage the jobsite workforce
- Plan ahead to minimize unreasonable time constraints on us
- Be financially responsible for problems created by contractor or subs
- Provide reasonably detailed documentation for proposed change orders so we can accurately evaluate the cost of the proposed change
- Communicate clearly and listen, ask for our input
- Demonstrate commitment to the project, the owner and architect
- Not asking us to change a product specification because of poor planning by the contractor
- Submit shop drawings, samples and manufacturer data early in the project to provide adequate time for review
- Take time to build a relationship with us



## Examples - Contractor Expectations of Architects

- Send a professional and completed set of documents—floor plan thru details
- Coordinate the architectural, structural, plumbing, hvac and electrical plans
- Respond quickly to design issues, errors, construction problems and informational needs
- Process submittals promptly
- Review proposed change orders objectively and fairly
- Provide help in solving problems as they come up
- Take responsibility for errors and don't blame others
- Promote the team concept of working together vs. an adversarial relationship
- Effectively lead the team of consultants during design and construction
- Provide help in our understanding the original vision and concept for the design based on the owner's needs and wishes
- Provide well trained and experienced professionals who enjoy working with contractors
- If something comes up that involves us, discuss it with us first before going to the owner
- Provide us with honest and candid feedback
- Effective and frequent communication



# Examples - GC Expectations of Subcontractors

- Commitment to the success of the project
- Honest communication—let us know if you have a problem
- Read the subcontract agreement and comply with the terms you agreed to
- Provide accurate information when the construction schedule is developed
- Return phone calls and emails promptly
- Provide material/equipment submittals and shop drawings on time
- Order materials/equipment for timely delivery
- Provide qualified, cooperative personnel at the jobsite
- Comply with safety requirements and insure safe jobsites
- Complete punch list work in a timely manner
- Advise of potential design issues within your scope of work
- Meet goals and deadlines or tell us in advance why there is a problem
- Price proposed change orders fairly and provide adequate supporting documentation
- Suggest potential solutions or alternatives to problems as they come up
- Value the relationship and strive to make it long term and mutually beneficial



## Examples - Subcontractor Expectations of GC's

- Communicate with us honestly
- Represent our interests fairly to the owner and design team
- Provide well-trained and capable superintendents and project managers
- Pay us on time
- Give us an opportunity to have input when construction schedule is developed
- Organize the work so we can be productive and profitable
- Don't ask us to begin work before the project is ready for our trade
- Provide updated documents in a timely manner
- Press the owner and design team for prompt answers to our questions and solutions to our problems
- Listen to us and negotiate with us fairly
- Don't expect us to absorb the cost of other's mistakes
- Don't allow other trades to damage our work
- Insist that all trades comply with safety requirements
- Insure all trades keep the jobsite clean so we can work safely and productively
- Help us make the GC and the project a success



## Examples – GC/Sub Expectations of Service/Suppliers

- Show us that our project is important to you
- Provide submittals in a timely manner
- Provide accurate information regarding delivery dates
- Come to the jobsite to survey existing conditions as they relate to your product
- Promptly return phone calls and emails
- Price proposed change orders fairly
- Communicate frequently with the product manufacturers to verify the progress of our order and keep us apprised of status or delays
- Keep us current about your products
- Provide solutions to our needs—consult to determine whether there is a match between their product and our need
- Deliver on time
- Be knowledgeable about the industry
- Provide quality products and services



## Examples – Service/Supplier Expectations of GC's/Subs

- Give us the order as soon as possible so we can meet the construction schedule requirements
- Check our submittals carefully and promptly
- Realize that our advantage with manufacturers is to get the order in early
- Have space at the jobsite to store materials on the date you requested delivery
- Don't expect original delivery date when owner/design team make late changes
- Provide updated documents in a timely manner
- Pay us on time
- Process our change orders in a timely manner so we can recover our cost
- Provide us with feedback on our performance
- True and honest evaluation of proposal and value of solution
- Early involvement
- Access to the decision maker
- Clearly define your needs



# Opportunities to Exceed Expectations

	BEFORE	DURING	AFTER
PRODUCT/ SERVICE	* Learn about customer's situation	* Deliver expected outcome plus extras	* Seek immediate feedback
	* Verify customer's needs	* Verify satisfaction	* Verify performance
	* Align your capabilities to deliver	* Make adjustments to changing needs	* Recover instantly from problems
TRUST	* Demonstrate experience	* Demonstrate skills	* React positively to feedback
	* Agree on a working relationship	* Keep customer informed	* Apologize for any problems
	* Show you care	* Treat customer as special	* Make a personal commitment to customer



**“THERE ARE NO TRAFFIC JAMS ALONG THE  
EXTRA MILE.”**

**Roger Staubach**



# Identifying and Managing Moments of Truth

“A Moment of Truth is a situation in which the customer comes into contact with any aspect of your company or organization, however remote or brief, and thereby has an opportunity to form an impression.”

*Jan Carlzon, CEO of SAS Airlines*

**Are You Creating  
Moments of Magic**

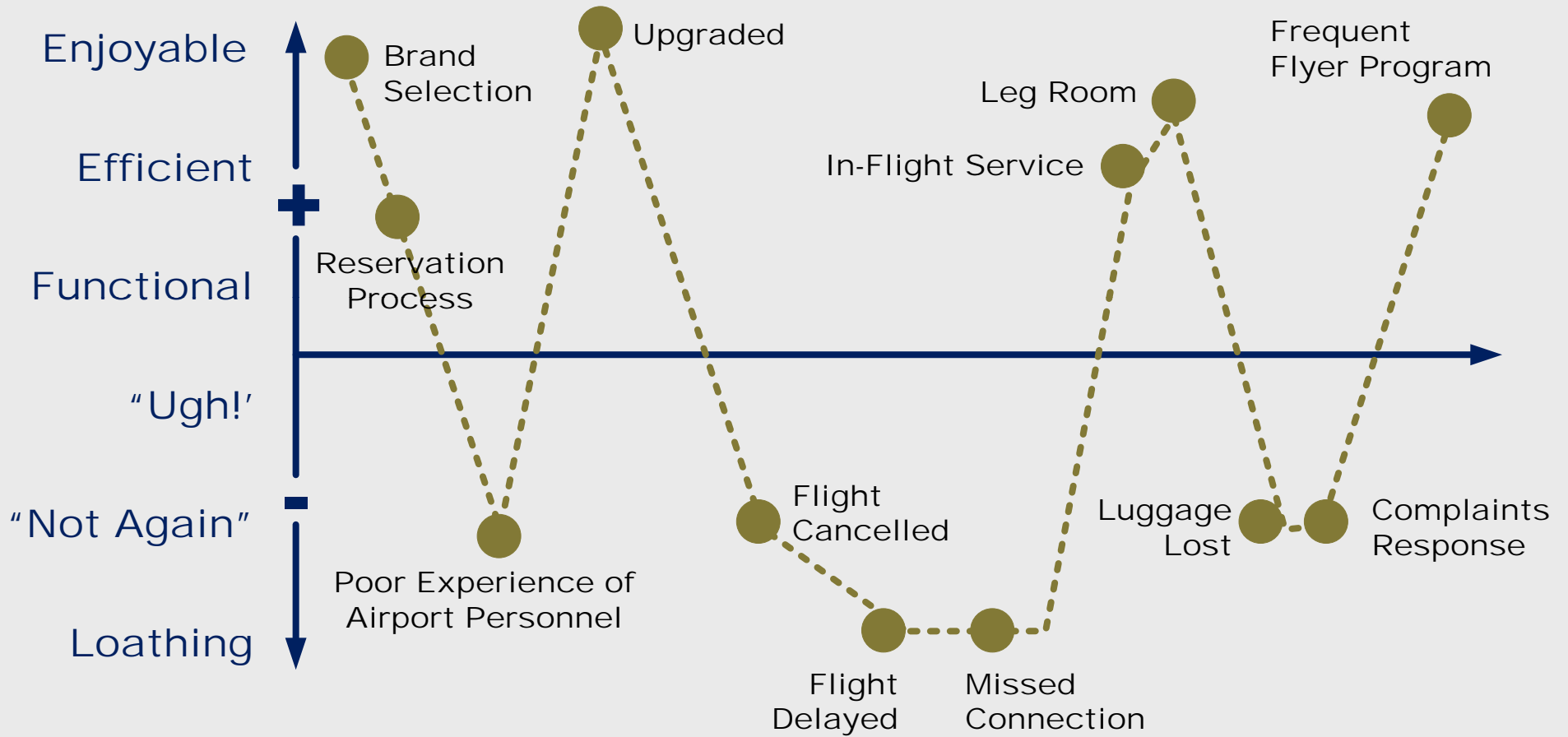
**or**

**Are You Creating  
Moments of Misery**

.....Only your customers can answer this for you.



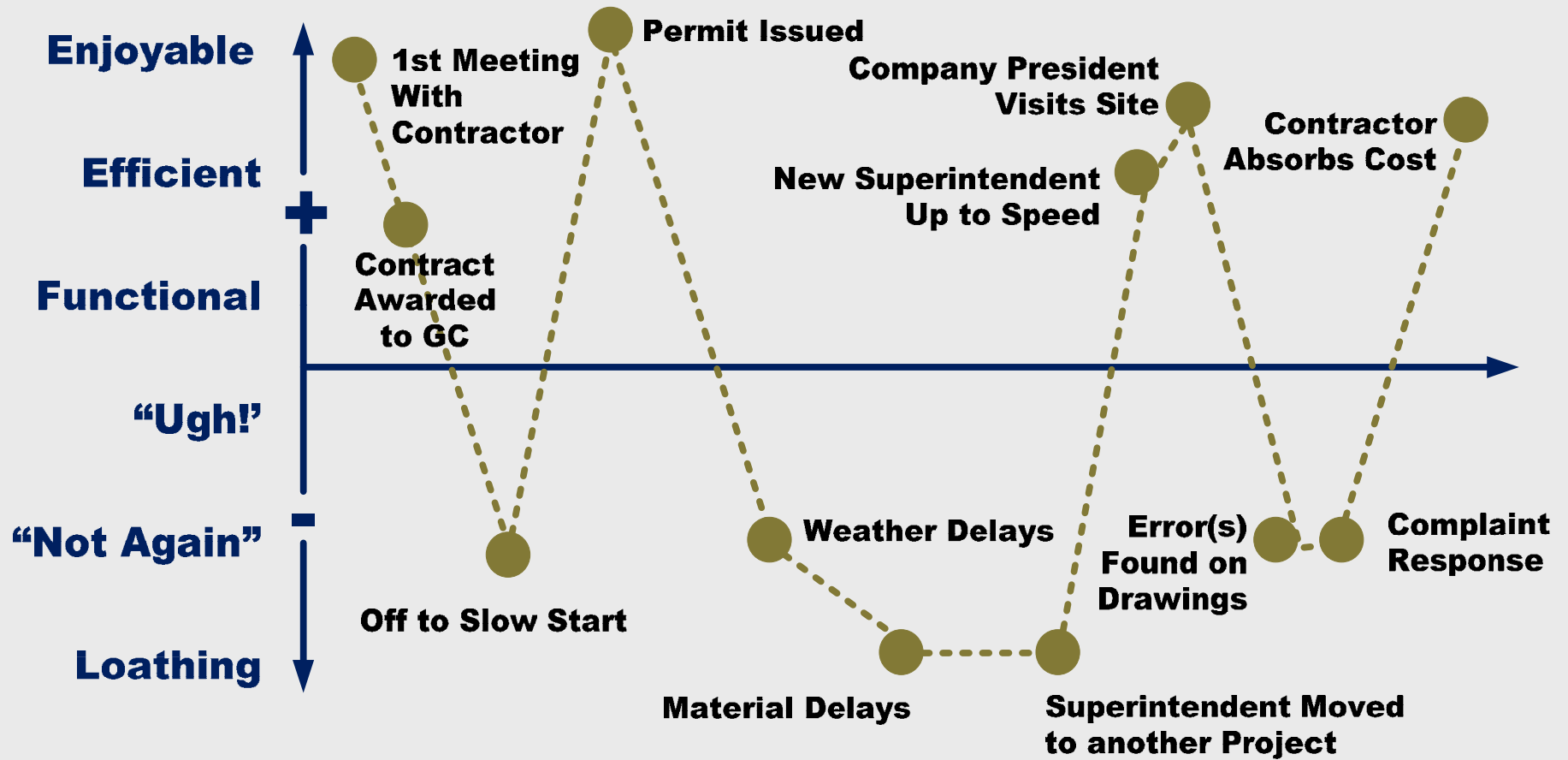
# Moments of Truth for Airline Customer



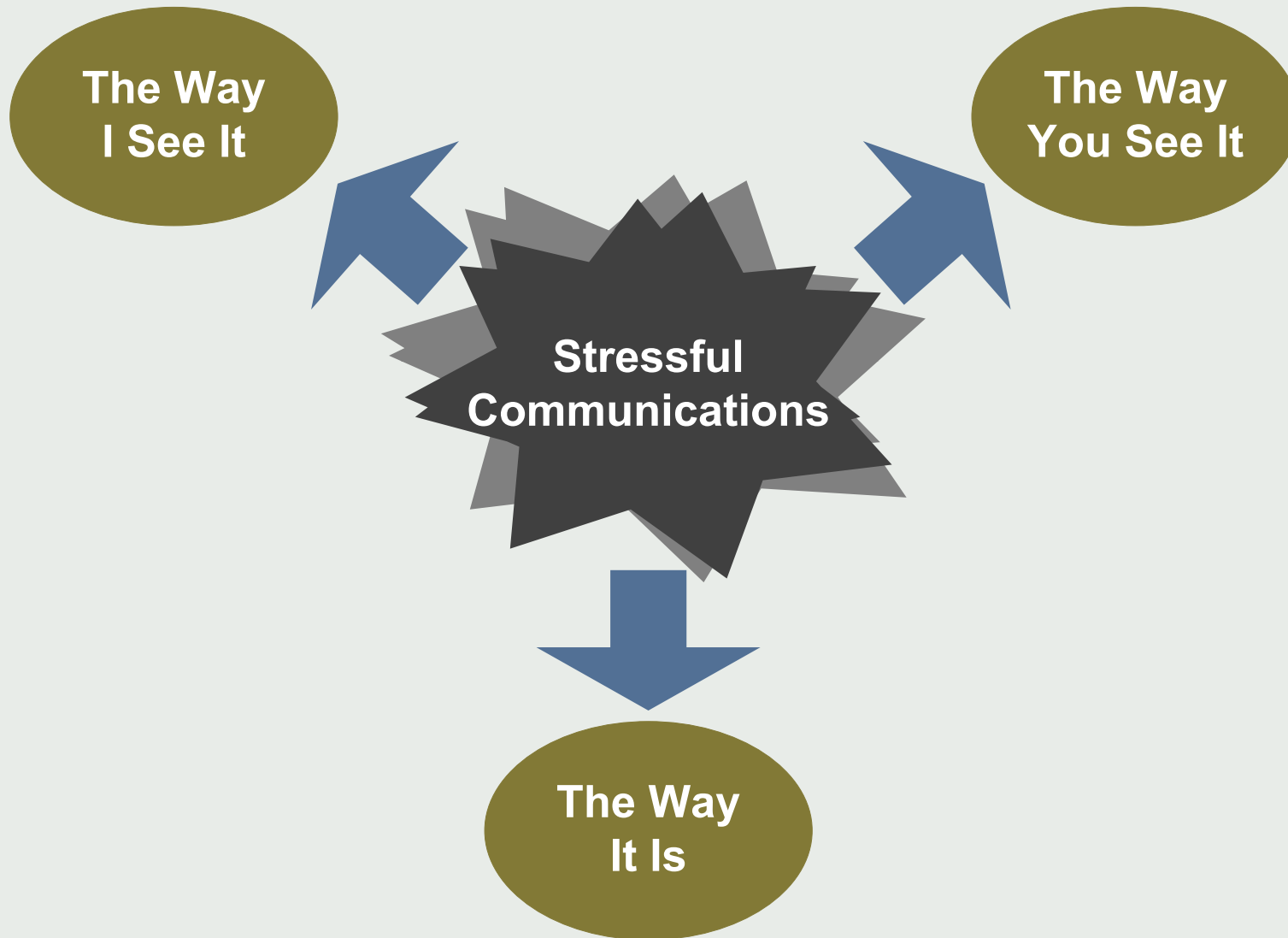
Source: Gartner (November 2007)



# Moments of Truth for Construction Services Client



# Communication is Key in Customer Service



# Importance of Words in Customer Service

Words to Avoid	Words to Use
<b>Cut-Off Options</b> You have to... You can't... It's not our policy... Why don't you... It's required, it's necessary	<b>Offer Options</b> Will you... I am (organization is) unable because... (explanation) What have you considered? It works well when...
<b>Make Judgments</b> Best Worst	<b>Make No Judgments</b> It works well when... It may not work well if...
<b>Create Uncertainty</b> I'll try	<b>Create Confidence</b> I'll do it, or I'll do this
<b>Shut Down Communication</b> What's your problem?	<b>Get Information</b> Can you tell me about the difficulty you're having
<b>Manipulate</b> Would you mind... I want (need) you to...	<b>Ask for What You Want</b> Will you...



# Importance of Feedback

1. Feedback tells us how we are doing—it is one of the primary ways we learn about ourselves—our strengths that others see in us, and also our limitations or weaknesses that could lead to improvement opportunities.
2. Feedback is a gift —employees need to be properly trained in the art of giving and receiving feedback so that the process is constructive and instructive.
3. “Listening Posts” can be established within a company and in the marketplace to gather critical information that is used to drive decision-making about matters impacting employees and customers.
4. If properly managed, those providing external feedback to a company can become “marketing champions”.
5. Feedback is a form of market research. It is also a key tool in measuring customer satisfaction.
6. Customer feedback is a valuable management tool and the most important driver for continuous improvement within a company.



# Ask Questions to Better Understand Customers

\*\*Ask more open-ended questions vs. closed-end questions

\*\*Use technique of drilling down at least 3 times to get at most important info

- Tell me what you will care about the most during the time we are working together? What else? Anything else?
- To help get us off on the right foot, what are your expectations of us?
- What can we do to assure that you have a positive experience?
- What are the things we do or don't do that makes it difficult for you to conduct business with us?
- What are some of the little things we do that annoy or frustrate you?
- What more can we do to make you feel more valued and important to us?
- Describe some of the things you liked or didn't like the last time you engaged the services of a contractor? Last time you engaged us?
- Whenever we are together, we always discuss the project—when can we set aside some time to get better acquainted.
- What services are your current contractors not providing?
- If you were to switch contractors, what would the new contractor have to bring to the table or process to convince you to switch?



## Key Points to Cover Today

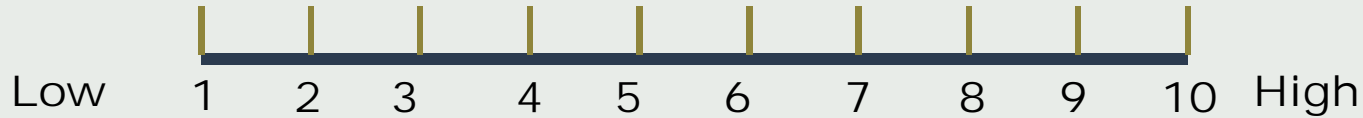
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3. **You won't know where to start your improvement efforts unless you assess your current level of customer service.**



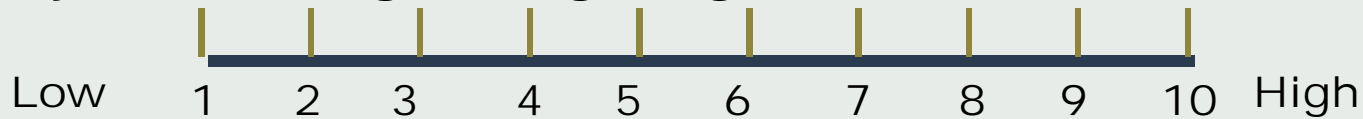
# Assessing Your Customer Service Quotient

## Our Culture

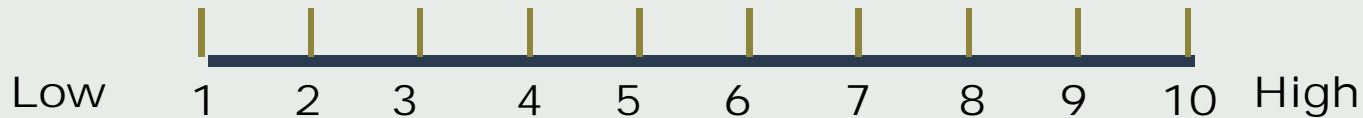
**1. We're committed to do whatever it takes to create satisfied customers.**



**2. We try to do the right things "right the first time."**



**3. Our owner provides the leadership philosophically and by example that customer service is important.**



**4. Serving our customer's needs takes priority over meeting our internal needs.**



# Assessing Your Customer Service Quotient

## Customer Alignment

**5. When we sell, we aim for a partnership approach.**



**6. In our collateral materials, we don't promise what we can't deliver.**



**7. We know the features and especially the benefits that are most important to our customers.**



**8. We design new products/services based on info provided by our customers.**



# Assessing Your Customer Service Quotient

## Error Reduction

**9. We review customer complaints and value receiving them.**



**10. We constantly ask our customers for feedback.**



**11. We regularly look for ways to eliminate errors.**



# Assessing Your Customer Service Quotient

## Using Customer Info

**12. We ask our customers what they expect and need from us.**



**13. We frequently interact with our customers.**



**14. The entire organization knows what is important to our customers.**



# Assessing Your Customer Service Quotient

## Customer Outreach

**15. We make it easy for our customers to deal with us.**



**16. We aim to resolve all customer complaints.**



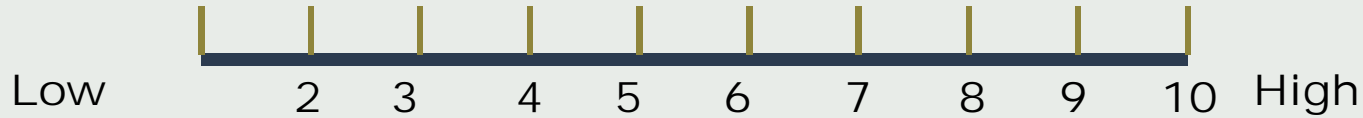
**17. We encourage “wowing the customers.”**



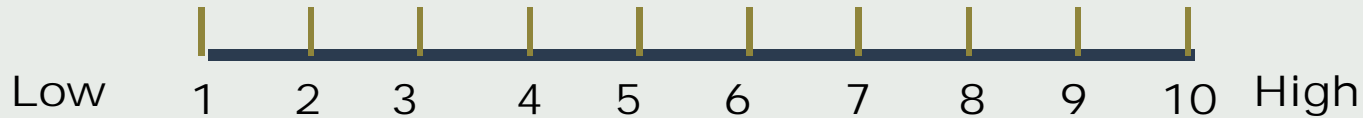
# Assessing Your Customer Service Quotient

## Qualified and Empowered Staff

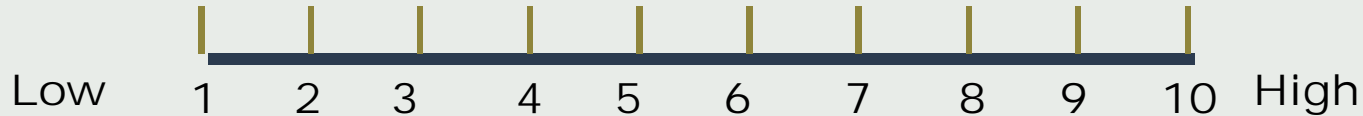
**18. Employees are respected and valued.**



**19. All employees have a good understanding of our products/services.**



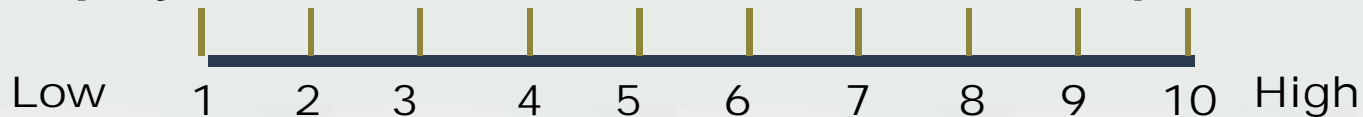
**20. All employees have the right tools and skills to perform their jobs well.**



**21. All employees are encouraged to resolve customer issues.**



**22. All employees feel that customer satisfaction is part of their job.**



# Assessing Your Customer Service Quotient

## Improving Products/Services and Processes

**23. We constantly work to improve our processes and services.**



**24. We benchmark with other groups to learn from their strengths and weaknesses.**



**25. When problems are identified, we quickly try to resolve them.**



# Assessing Your Customer Service Quotient

List three areas you need to improve:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Before you proceed, ask your customers for their perspective on the 25 statements included in this survey and compare your responses with their answers for any discrepancies.



## Key Points to Cover Today

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- 4. Recognizing challenges and removing obstacles/bottlenecks is key to making the necessary improvements in customer service.**



# Getting Past Our “Limiting Beliefs” About Customer Service

It has to do with people in a complaint department.

Why bother, it doesn't impact the bottom line.

It is someone else's job.

It is intangible, so it must be hard to manage or measure.

It only has to do with our paying customers.

It is demeaning to “serve” others.

What matters is the work we do and whether we're good at it.

It doesn't have an impact on new business efforts.

It doesn't have a place in our type of work.



# Why Good Companies Give Poor Service

1. Products/services are of inferior quality
2. Overpromise
3. Ignore real customer needs, requirements or preferences
4. Lack of training and education
5. Service performance process is not managed, measured or understood
6. Understaffed or improperly staffed in matching skills with responsibilities
7. No reward or recognition for service delivery
8. No agreed-upon definitions of good service or service excellence
9. No agreed-upon objectives or strategies for service delivery
10. No coordination or cooperation between departments, offices or people in different roles at a company



# Service Quality Organizational Gaps

<b>GAP 1.</b>	<b>What the customer wants vs. what management thinks the customer wants.</b>
<b>GAP 2.</b>	<b>What management thinks the customer wants vs. what management thinks is being delivered.</b>
<b>GAP 3.</b>	<b>What management thinks is being delivered vs. what is really delivered.</b>
<b>GAP 4.</b>	<b>What is really delivered vs. what management tells the customer is being delivered.</b>
<b>GAP 5.</b>	<b>What the customer expects to be delivered vs. what the customer thinks is delivered.</b>



# Obstacles/Bottlenecks to Delivering Excellent Service

- Unwritten ground rules
- Lots of talk and too little action
- Not considered a business priority
- Haven't realized impact on bottom line
- People are not rewarded nor do they have any incentive to deliver excellent customer service
- Competing business priorities
- Majority of those working in construction are highly task-oriented—ie. “just getting right to it and getting the work done”
- More project-focused instead of appreciating the “lifetime value of a client”



## Key Points to Cover Today

1. From the customer's perspective, it is all about their "experience" and customer service is a major contributor to the "quality" of this experience.
2. The degree to which you fully understand and satisfy your customers' needs and expectations will help differentiate your firm from others.
3. You won't know where to start your improvement efforts unless you take time to assess your current level of customer service.
4. Recognizing challenges and removing obstacles/bottlenecks is key to making the necessary improvements in customer service.
5. **Excellent customer service requires a more customer-focused mindset and putting in place a "service framework."**



# Becoming More Customer-Focused

- Think marketing, not selling (people do not want to be sold on something)
- Put yourself in the customer's shoes at all times
- Think about the customer's buying decision and how you can help them see the benefits of what your firm offers over other alternatives
- Clearly understand the customer's objectives and anything they will tell you about what is behind these objectives.
- Use "you," "your" and "we" more than "I" or "our" in conversations or writing—ie. refrain from saying "our project" when it is really "your project"
- Stay away from stilted, corporate or jargonal language—ie. use "church objectives" for the new building rather than "project objectives"
- Ask the customer "what is the most important thing to you in our working together?"
- Ask the customer for feedback if they are getting their needs and expectations met before, during and after your product or service is delivered
- Design your internal processes with the customer in mind
- Always ask "what is the impact of our decision on the customer?"



“CUSTOMERS ARE NOW INFLUENCED BY PEERS,  
NOT MARKETERS: THE CHALLENGE IS HOW YOU  
CREATE A NETWORK OF ADVOCATES FOR YOUR  
BUSINESS.....BY LISTENING TO OUR  
CUSTOMERS, THAT IS ACTUALLY THE MOST  
PERFECT FORM OF MARKETING  
YOU COULD HAVE.”

Mark Jarvis, Chief Marketing Officer, Dell



# A Framework For Great Service

Nurture  
Service  
Leadership

Build a  
Service Quality  
Information System

Create a

- Service Strategy
- Service Reliability
- Service Measures
- Service Recovery
- Service Fairness

Implement the  
Service Strategy  
Through Structure

Implement the  
Service Strategy  
Through Technology

Implement the  
Service Strategy  
Through People



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4. Recognizing challenges and removing obstacles/bottlenecks is key to making the necessary improvements in customer service.
5. Excellent customer service requires a more customer-focused mindset and putting in place a "service framework."
6. **High-performing companies who excel in service provide contractors with proven strategies and best practices to raise the level of customer service.**



# Proven Strategies and Best Practices to Achieve Excellent Customer Service



Pay attention to the little things that can make or break customer satisfaction.

Set up a customer advisory panel or focus group.

Identify what constitutes superior customer satisfaction for each of your customers.

Use numbers and facts to prove service quality matters.

Know what infuriates your customers--what are their "hot buttons."

Involve customers in creative thinking and brainstorming sessions.

Find new ways to make it easier for customers to reach you.

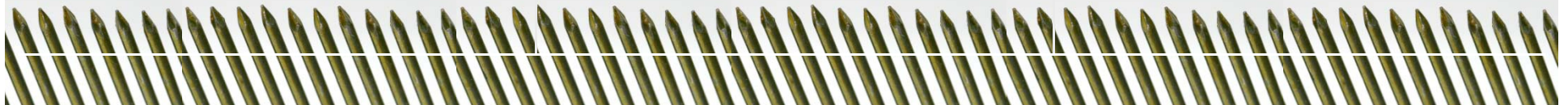
Consciously create and build a stronger customer service culture.

Calculate the lifetime value of each client to appreciate their real worth to you.

Collect feedback before, during and after a project.

Redesign internal operating procedures and practices to better support and encourage customer satisfaction.

Train employees on the human side as well as the business side of customer interactions.



# Proven Strategies and Best Practices to Achieve Excellent Customer Service



Set up measures for service quality delivery.

Seek ongoing customer collaboration and involvement.

Commit to a new “value-added” feature every year based on customer feedback.

Identify and manage your “moments of truth.”

Empower employees to act on their own in serving the best interest of customers.

Set zero customer defection goals by balancing technical quality with service quality.

Ask open-ended questions to learn what is really important to customers.

Underpromise and overdeliver.

Use customer requirements to develop service standards.

Promote service success stories within the company.

Use information technology and electronic data exchange to speed up links with customers.

Practice prevention—focus 10 times more energy on preventing problems early than on correcting later.



# Proven Strategies and Best Practices to Achieve Excellent Customer Service



Develop and implement customer retention strategies for customers.

Improve the “bundle of benefits” customers buy from you.

Document in customer files a profile of their service expectations, preferences and needs as well as project-related information.

Identify and eliminate barriers to service excellence.

Put a service recovery process in place when there are problems or complaints.

Use face-to-face meetings with customers to solicit their input about what is important

Remove the “static” from your communications.

Incorporate a service quality plan in your business and marketing plan.

Identify and manage unrealistic expectations to reduce customer dissatisfaction.

Have more one-on-one conversations with customers to learn more about them.

Adopt a marketing and service quality mindset throughout the organization.

Ask vs. telling



# Proven Strategies and Best Practices to Achieve Excellent Customer Service



Use personal interactions to identify customer expectations and preferences.

Focus first on exceeding expectations especially for top 20% “best customers.”

Set up “listening posts” to gather customer feedback.

Bring customers into business planning and strategy sessions.

Benchmark with top service providers in or out of the construction industry to pick up new service strategies that really work.

Conduct ongoing customer research and analyze for continuous improvement opportunities.

Agree on a common definition of customer service and train for desired behaviors.

Enhance skills in effective communication, listening and feedback.

Make it easy for customers to complain.

Circulate customer feedback so everyone benefits.

Senior executives find new ways to lead by example.

Reward and recognize “service heroes.”



# Proven Strategies and Best Practices to Achieve Excellent Customer Service



Determine what your real commitment to great service is—find out what is lip service and what is real.

Develop recognition programs where all employees can acknowledge each other for internal service.

Set specific high goals for service.

Measure the percentage of customers who are repeat and the number of true referrals you receive from them.

Develop a clear message about internal customer service and disseminate it throughout your company.

Conduct ongoing customer research and analyze for continuous improvement opportunities.

Decide how you can use speed and flexibility to deliver better service than your competitors.

Develop a plan to uncover the 96% of complaints that are never made by customers.

Make it easy for customers to complain.

Ask employees what they want from their jobs.

Measure customer satisfaction.

Reward and recognize “service heroes.”



# Proven Strategies and Best Practices to Achieve Excellent Customer Service



Find ways to make the customer's life easier.

Manage the customer's complexity by learning all about them and their unique challenges so they will be less likely to leave and start the learning curve all over again.

Set goals higher than customer satisfaction—strive for client loyalty.

Be responsive to specific customer needs.

Identify your customers' hot buttons and pet peeves.

Ask customers lots of open-ended questions.

Take on the customer's problems.

Spend time trying to uncover your customers' unspoken or hidden expectations.

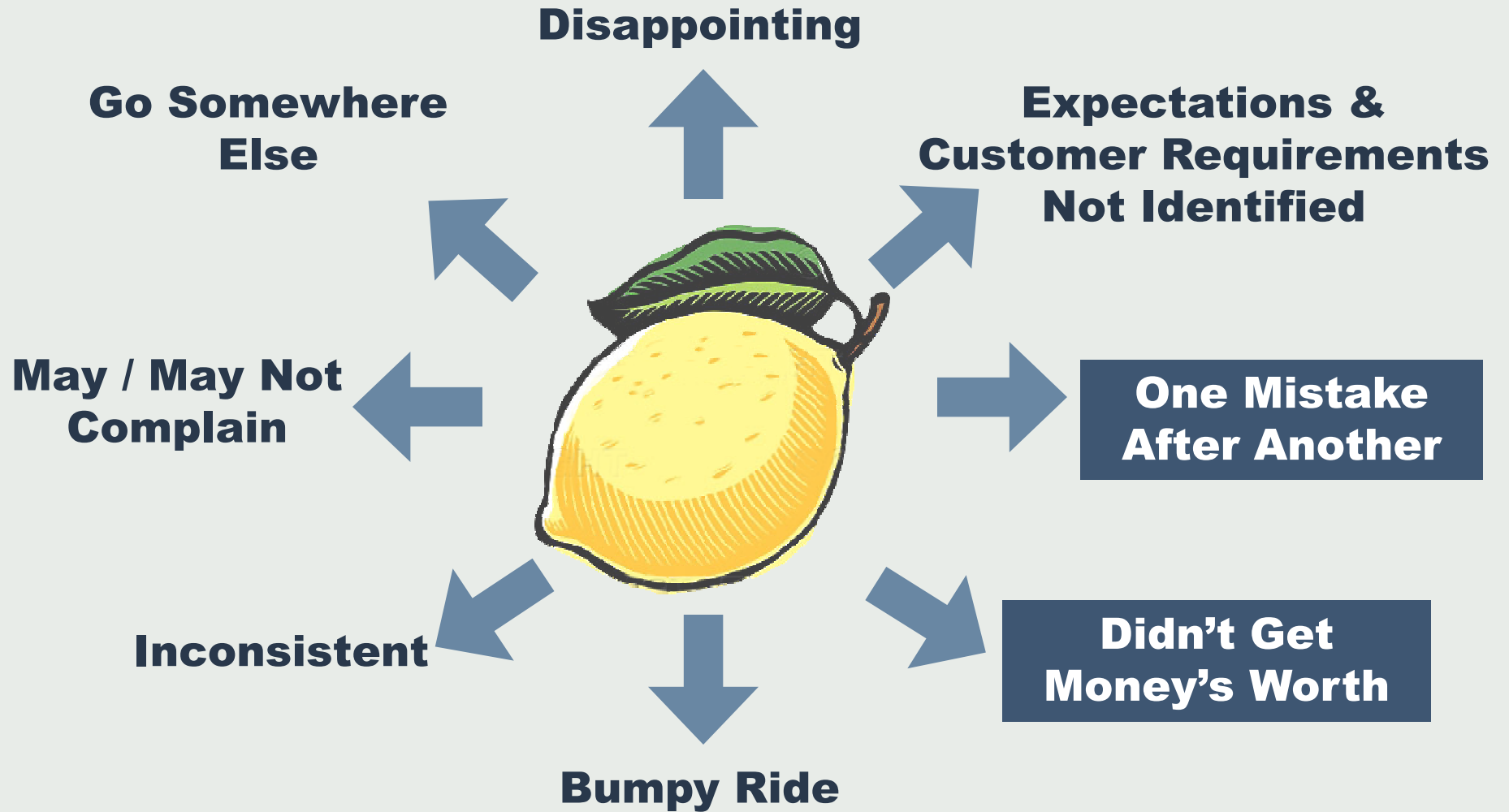
Become more customer-focused in everything you do—put yourself in your customer's shoes and see things through their eyes.

Empower the customer through knowledge.

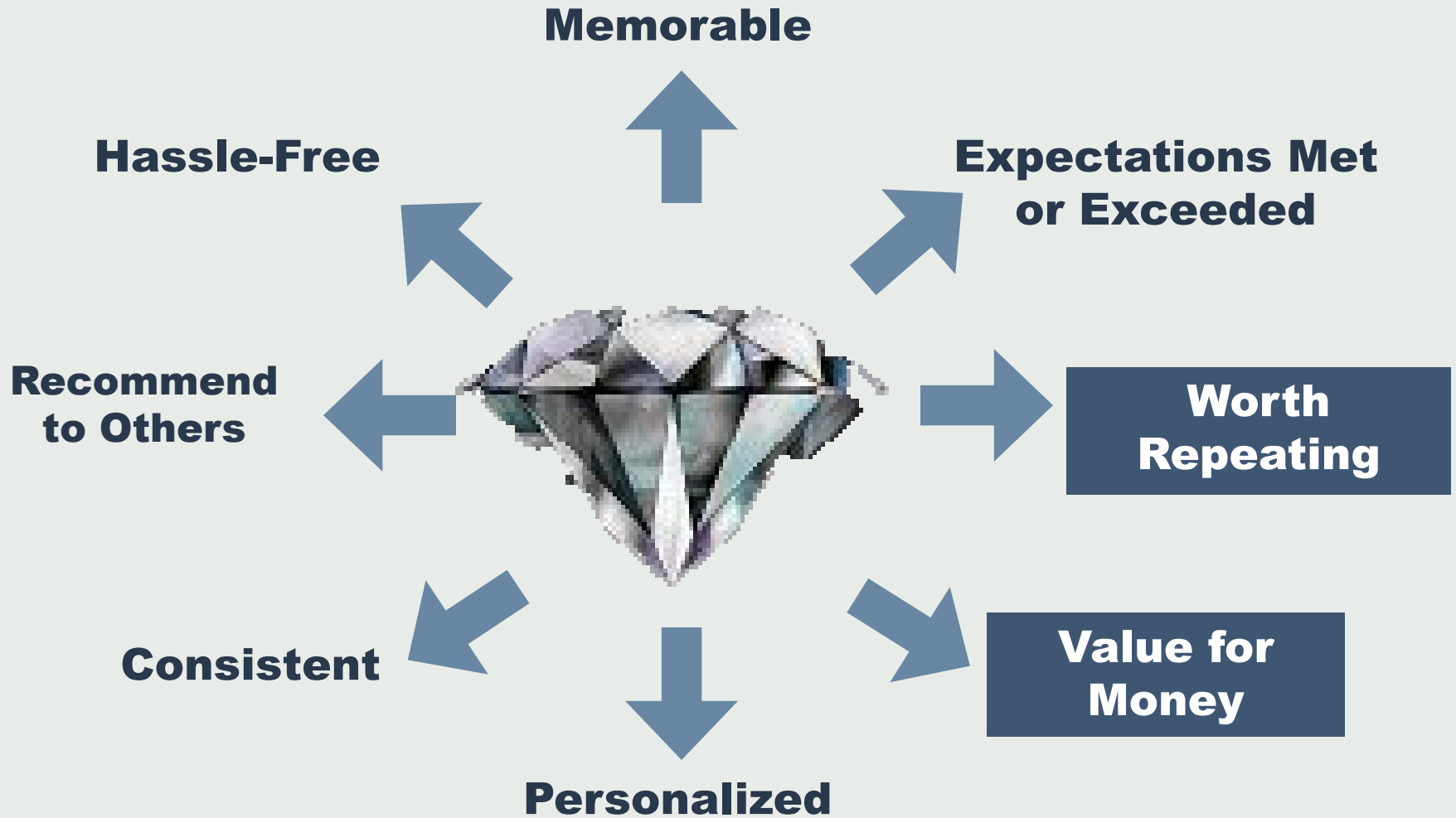
Create smooth hand-offs.



# To Sum Up.....A Poor Experience



# To Sum Up.....A Good Experience



## **If you only remember 12 things...**

### **High-Performing Companies Who Consistently Achieve Excellent Customer Service**

1. Focus on satisfying internal customers as much as external customers
2. Define customer service based on what it means to their customers
3. Know it is all about enhancing the customer's "experience"
4. Pay attention just as much to service quality as they do technical quality
5. Know what their customers want and expect and then deliver it
6. Perform as promised and eliminate irritants—make it easy to complain
7. Recover remarkably when service gaps or breakdowns occur
8. Involve everyone in the improvement process including customers
9. Identify and manage "moments of truth" striving for "moments of magic"
10. Use customer feedback to measure customer service performance
11. Keep the customer front and center in everything they do
12. Put a "service framework" in place to insure desired results



“THERE IS ONLY ONE BOSS—THE CUSTOMER.

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AND HE OR SHE CAN FIRE EVERYBODY IN THE COMPANY  
FROM THE CHAIRMAN ON DOWN,  
BY SPENDING HIS OF HER MONEY  
SOMEWHERE ELSE.”

Sam Walton



## For More Reading on Customer Service

*The Loyalty Effect: The Hidden Force Behind Growth, Profits and Lasting Value.* Frederick F. Reichheld, Harvard Business School Press: Boston, MA, 1996.

*Delivering Knock Your Socks Off Service.* Chip R. Bell and Ron Zemke, AMACOM Books: New York, 1991.

*Customers.com.* Patricia B. Seyhold, Random House: New York, 1998.

*The One to One Future: Building Relationships One Customer at a Time.* Don Peppers and Martha Rogers, PhD., Doubleday: New York, 1993.

*Delivering Quality Service: Balancing Customer Perceptions and Expectations.* Valarie A. Zeithaml, A. Parasuraman and Leonard L. Berry, The Free Press: New York, 1990.

*Moments of Truth: New Strategies for Today's Customer – Driven Economy.* Jan Carlson-President of Scandinavian Airlines, Harper & Row Publishers: New York, 1987.

*The Pursuit of Wow!* Tom Peters, Vintage Books: New York, 1994.

*Managing to Keep the Customer: How to Achieve and Maintain Superior Customer Service Throughout the Organization.* Robert L. Desatnick, Jossey Bass: San Francisco, 1988.

*The Customer Driven Company: Moving from Talk to Action.* Richard C. Whitely, Addison-Wesley Publishing Co., 1991.

*Managing the Customer Experience.* Shaun Smith & Joe Wheeler, Prentice Hall, 2002.

*The Ultimate Question.* Fred Reichheld, Bain & Company, 2006.





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**Trudy is owner of Petty and Associates, a Dallas-based management consulting firm founded in 1989. Delivers consulting, training, facilitation and coaching services to a diverse clientele including Fortune 500 companies, mid-size and smaller businesses, non-profit groups and professional associations.**

**Since 1994, she has worked primarily with companies in the design and commercial construction industry including engagements with several AGC of America Chapters and the Executive Leadership Council (ELC). Prior to starting her own business, she held senior level positions in a variety of corporate, higher education and non-profit work settings.**

**Facilitated over two hundred construction industry forums with owners, architects, engineers, general contractors, subcontractors, suppliers and service providers. Conducted personal interviews and teambuilding sessions with these same groups, all providing unique insight into everyone's respective expectations for a positive customer experience. Brings extensive work experience and practical applications to her consulting practice, speaking engagements, seminars, and published articles most often as a ghost writer for industry leaders.**

**Work products include development of quality assurance plans, marketing and business plans, strategic plans, communication audits, marketing collaterals, RFP responses, award submittals, customer satisfaction surveys, and customer service audits. Often works behind-the-scenes supporting company leaders and staff in implementing various initiatives to insure quality, measurable results.**

**Frequent presenter to groups including ASPE, AIC, SMPS, QUOIN-AGC Chapter, Women's Business Council Southwest-ACE (architects, contractors, engineers), Master Builders of Iowa, NEWH, and National Association of Home Builders. Topics cover marketing, business development, customer service, building customer relationships, enhancing the customer's experience, strategic thinking, high-performing teams, and high-performing leadership.**

**Trained facilitator in total quality management and licensed instructor of nationally acclaimed Problem Solving & Decision Making course (PSDM).**

**Completed Graduate Marketing Program at Southern Methodist University and graduate work in "service management" at The University of Texas at Austin where she also completed an undergraduate degree. Received Masters degree in guidance and counseling from The University of Kansas.**

**To learn more, call 214.341.1713 or email [trudy@pettyandassociates.com](mailto:trudy@pettyandassociates.com).**

