

The Auto Dealer's Original Fixed Operations Resource

Vol. 8, No.2- March / April 2011

Fixed ps

**CSI and CRM:
The Missing
Pieces In
Customer
Retention**

Five Little Things That Make Customers Leave

First Service Visit Retention

I Won't Complain -- I Just Won't Come Back

I Won't Complain to You -- I Just Won't Come Back

For Every Customer Who Speaks, 26 Others Remain Silent

By Susan DeSantis

It's a well-known fact and common knowledge that a business cannot survive without customers. In today's competitive marketplace, customers now have more control and are truly in the "driver's seat" when it comes to their customer service experience and how that experience will direct and dictate their purchasing and servicing needs.

With highly visible, aggressive and consistent competition, customers will not hesitate to abandon your dealership over poor service. Successful dealerships have realized this fact and continue to adopt and embrace customer satisfaction as a sustainable, competitive advantage.

How can you make customer satisfaction your competitive advantage?

INTEGRATION: Optimize exposure for a greater experience.

- 55% of people are willing to recommend a company due to outstanding service -- more so than product or price.

Customer service used to be controlled exclusively by companies with customers having little impact or say in the service process. Increasingly today, the customer now controls the kind of service they would like to receive either by switching organizations, or communicating their experiences through more social channels.

With the growth of communications channels such as blogs, forums and social media, poor customer

experiences can be communicated to the world within seconds. Social media channels need closer integration with your marketing and customer experience strategy. It can no longer be looked at as a separate channel. Social media needs to be blended in with other traditional and online customer engagement strategies.

Keeping your ear close to the ground can provide your dealership with great insight into what your customers really think. This knowledge will allow you to segment and tailor messages to your most profitable customers, stopping them from defecting to your competitors while giving you the knowledge you need to improve your customer satisfaction levels.

Integrate your communications strategy to engage your customers in their own experiences. Use resources to incorporate the right messaging at the right time through the right channels to target your customer communications.

INFORMATION: Intelligence with information.

- 82% of survey respondents stopped doing business with an organization due to a poor customer service experience.

A business -- any business -- cannot be successful and profitable in the long run unless it considers the importance of collecting and incorporating customer feedback regarding the products and services it provides. You will never know how well your dealership is doing

or what opportunities there are unless you obtain feedback from the people you serve. Make sure you get feedback on a regular basis -- and then do something about it.

Encourage your Service Advisors and your Service Managers to spend less time in their offices or in front of their computers and spend more time interacting with your customers to find out what they are really saying. Create a dedicated role to manage the customer service feedback initiative to demonstrate to both your associates and customers that, first, they are heard, and, second, that their voices and opinions are important.

This may not seem too important, but a clearly defined customer service policy is going to save you a lot of time and effort in the long run. If a customer has a problem, what should they do? If the first option you provide them doesn't work, then what do they do? If they are not satisfied with any aspect of your customer service, who should they tell? What path or process should they follow?

There's nothing more annoying for a customer than being passed from person to person, or not knowing whom to turn to. Make sure your customer service policy is apparent and available to your customers. Providing resources to make sure customers know exactly what to do at each stage of their inquiry should be of importance to every dealership's Service Department.

True content from customer feedback can be one of the most powerful resources available to any organization. Providing a clear service feedback policy procedure and a clear escalation path for your customers can not only prevent exaggerated or negative feedback, it can provide you with greater insight into factual Service-related issues requiring attention.

INSPECTION: Inspect what you expect.

- Research shows that acquiring a new customer can cost between 5 and 6 times more than keeping an existing one.

As important as it is to set expectations for your personnel, it's just as important to make sure that your expectations are being met. With the high cost of acquiring new customers, you cannot ignore the actions and activities of your personnel in charge of providing the customer service experience to your existing customers.

“82% of survey respondents stopped doing business with an organization due to a poor customer service experience.”

It's impossible for business owners or their managers to engage in every customer interaction. Technology, however, can help. Utilization of call monitoring and call evaluation tools or services to help you manage how your personnel are assisting customer requests can be easily implemented providing effective review and response to customer issues or inquiries.

Use the data you collect. Reinforce the positive experiences and address the negative. Make sure that those that contribute to your investment in quality service know that you are addressing any concerns.

Checking the results of action

against expectation shows managers what their strengths are, where they need to improve and where they lack knowledge or information. Hold your Service Department professionals accountable for the service they provide your customers and they will continue to increase their performance levels, essentially increasing customer retention.

INITIATIVE: If you don't take care of your customers, someone else will.

The quest for customer loyalty can be one of the most frequently sought-after business objectives. Customer loyalty is more than the sum of the parts of value in terms of price, features, quality and service. It's about the entire customer experience that drives growth and profitability.

As important as new customer acquisition is, customer retention and loyalty

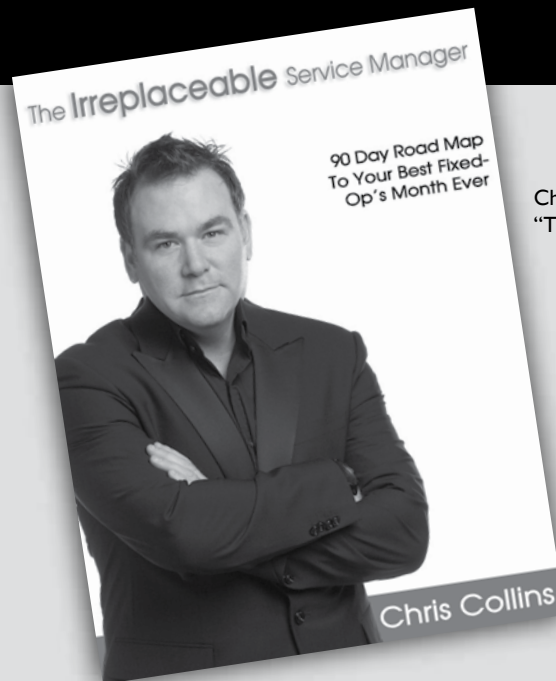
are just as important and vital to business success. And they are integral to increasing your customer profitability. Increasing customer retention by just one or two percent can have a dramatic impact on the overall profitability of your dealership. In order to achieve this, you must understand the importance of customer satisfaction and how it affects customer loyalty.

Long-term customers lead to repeat business, more referrals, lower costs and increased revenue. Your customers want to be satisfied. Make them your competitive advantage.



Susan DeSantis is the Marketing Manager for Who's Calling, Inc. Who's Calling helps dealerships succeed with a suite of online and offline call measurement, monitoring and multi-channel communication solutions designed to build sales, increase repetitive revenue and gain higher margins while reducing dealer marketing costs.

Must Read Book Of 2011



Chris Collins releases his new book "The Irreplaceable Service Manager"

Order On-Line at
www.chriscollinsinc.com

Enter the \$25,000 Service Manager Challenge