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Sempact

Consultant Helps Businesses To Differentiate Service From Competitors

by Robin R. Mueller

In Spokane, Washington, a man asked a bank teller to validate his 50-cent parking ticket. The teller refused. Company policy dictated that simply cashing a check didn't qualify the customer for that service. The next day, the customer transferred his \$1 million account to another bank.

"That was the 'moment of truth,'" explains Fred Firestone, the president of Sempact™, a company offering consulting and seminars that impact bottom-line business results. "That bank had an opportunity to provide service beyond its core functions and didn't do it. They also paid the price."

Coined by Jan Carlzon, president of Scandinavian Airlines, a "moment of truth" is any interaction between a customer and company employee that leaves an impression of service received—positive or negative—with the customer.

Positively, a refrigerator repairman can finish a job by using a bottle of cleaner to wipe away his fingerprints. Negatively, a service person can slam down a box holding a new computer onto a table.

Surveys demonstrate that 68% of customers who stop doing business with a company leave because an employee treated them with indifference. They failed in their moments of truth.

Through highly-interactive, customized half-day or full-day workshops, Firestone helps participants 1) learn what customers value and want; 2) package these offerings so that a business gains an advantage over the competition and 3) effectively communicate these advantages to customers.

"For instance, one full service station dealer had his guys clean the back windshield—a unique service in his marketing area—but the

customers were unaware of it," Firestone recounts.

So the owner told his employees to press down on the back of the car as they cleaned the windshield. The customers turned around when they felt movement and—voilà!—recognized quality.

"Getting gas at a service station to make your car run is core—it's what you expect to get," explains Firestone. "Anything you do beyond the core differentiates you from the competition. That's what I call the periphery. The smaller the core, the more opportunity for service in the periphery."

Another service station owner handed out free helium balloons to children on Saturdays. "What a way to give parents a break as they run errands!" says Firestone. "And, guess what? The next Saturday the kids say, 'Let's go to the park...McDonald's...and that place with the balloons.'"

"It's very simple. People buy two things—a solution to a problem (like getting their cars to run) and a pleasurable experience."

The first bank that offered ATM service offered something in the periphery. Now that periphery has become core.

"To differentiate yourself in the marketplace demands a process of continuous improvement and change," says Firestone. "What stands out today won't confer a competitive advantage tomorrow. Because, if you're successful, you'll be copied."

Customer surveys are crucial in telling companies what "customers need and what your competition is or isn't giving them," says Firestone.

He points out that a customer survey itself becomes a positive "moment of truth." It shows your customers you care, while it allows you to

learn how they feel about current products and services, helps you to compare yourself to other suppliers and flags future needs.

Firestone is frustrated by a business that "make presumptions about what's most important to customers." Marriott surveyed their customers and staff, asking what was important at coffee breaks during conferences.

The staff listed pastries, food display, clean tablecloths and china cups. The customers overwhelmingly said lots of coffee with easy, quick refills and close access to many telephones.

In his seminars, Firestone first helps companies discern what their customers want. Next, they list current ways they're exceeding customers' expectations. Then he helps them to brainstorm customer-valued enhancements that can be enacted within two weeks, two months and long-term.

He also helps them to align new actions with a company's policies, vision and mission and to empower frontline employees "to make decisions so they can control and influence moments of truth."

"Our goal is bottom-line results—greater market share, more customers, increased sales per customer and/or enhanced profits," says Firestone.

Communication plans also play a part—"How can we press on the back of the car?"

Firestone began his career in special education, but returned to school to earn a law degree "to become more effective as a social change agent for people with disabilities."

While working as a staff attorney for the Illinois Guardianship and Advocacy Commission, Firestone experienced an "epiphany."

A resident in a maximum security mental health

facility wanted to refuse medication. Firestone immediately took “an adversarial, bring the establishment to its knees” stance to advocate for his client.

The state superintendent asked Firestone to meet with the facility superintendent. Firestone met a man who considered himself “the advocate of first resort” for his residents and was wholeheartedly on Firestone’s side.

“The facility had a great mission statement, but I didn’t perceive it. Every entity, whether it’s a government agency or Starbuck’s, lives and dies by people’s perceptions,” says Firestone passionately. “It’s so important to communicate who you are and what you stand for.”

After working for another seminar company for one and a half years, Firestone began Sempact in 1988.

He differentiated the Cystic Fibrosis Foundation Gateway Chapter when he served as executive director in 1997-98. He provided “periphery” publicity to participating corporations—placement of articles in publications, a well-known sportscaster and athlete in a television spot highlighting the company’s name, etc.

Between 1996 and 1998, Firestone also was a monthly guest as the consumer expert on KMOV-TV Morning News.

His clients comprise a long “A” list and include DuPont, Hewlett-Packard, Laclede Gas,

Southwestern Bell, 3M and the U.S. Postal Service.

“I really believe this—there is no such thing as a commodity,” says Firestone. “Whether your company is small, medium or large, you have the opportunity to add value to any product or service. Any business can differentiate from its competition by exceeding customers’ service expectations.”

“That happens during moments of truth—not in a mission statement, brochure or customer policy.”

Robin R. Mueller, president of Write Direction, writes newsletters, brochures, direct mail letters, proposals and more for diverse corporate clients.