



**REPRODUCIBLE  
TRAINING LIBRARY**  
Customizable Soft-Skills Courseware

# What Customers Really Want



Instructor Guide

---

Copyright © 2008 by HRDQ

Published by HRDQ

Authorized distributor Dekon Business Solutions

Phone: 0040 734 350 525

Web: [www.dekon.biz](http://www.dekon.biz)

The Microsoft name, Word®, PowerPoint®, and Outlook® are the property of Microsoft Corporation.

Cover image copyright © 2013 by Yuri Arcurs. Used under license from Shutterstock.com.

The material in this publication is provided “as is.” HRDQ disclaims any warranties, expressed or implied, regarding its accuracy or reliability, and assumes no responsibility for errors or omissions. To the extent permissible by law, HRDQ accepts no liability for any injuries or damages caused by acting upon or using the content contained in this publication.

ISBN 978-1-58854-404-9

EN-02-MY-13

---

# Instructional design and learning philosophy

We are committed to providing the best core-skills content possible for Instructor-Led Training (ILT). The following principles are applied in the development of programs:

## Sound Instructional Design

All course content is developed using a variety of research techniques. These include:

- Brainstorming sessions with target audience
- Library research
- Online research
- Customer research (focus groups, surveys, etc.)
- Subject Matter Experts (SME)
- Interviews with trainers

Expert instructional designers create imaginative and innovative solutions for your training needs through the development of powerful instructional elements. These include:

- Learning objectives — effective tools for managing, monitoring and evaluating training
- Meaningfulness — connects the topic to the students' past, present, and future
- Appropriate organization of essential ideas — helps students focus on what they need to know in order to learn
- Modeling techniques — demonstrate to students how to act and solve problems
- Active application — the cornerstone to learning — helps students immediately apply what they have learned to a real-life situation
- Consistency — creates consistent instructions and design to help students learn and retain new information
- Accelerated learning techniques — create interactive, hands-on involvement to accommodate different learning styles

## Application of Adult Learning Styles

Adults learn best by incorporating their personal experiences with training and by applying what they learn to real-life situations. Our experienced instructional designers incorporate a variety of accelerated learning techniques, role-plays, simulations, discussions, and lectures within each course. This ensures that the learning will appeal to all learning styles and will be retained.

Please note: Only the pages highlighted in yellow below are those featured in this preview.

# Contents

Licensing agreement.....	iii
Instructional design and learning philosophy.....	v
Course timing.....	vi
Course objectives.....	xi

## Chapter One: What is Extraordinary Customer Service?

Defining extraordinary service.....	2
Who is your customer?.....	3
“Moments of truth”.....	4
Legends of service greatness.....	6
How to be legendary.....	8

## Chapter Two: Return on Service Investments

Lifetime value of a customer.....	10
Return on extraordinary service.....	11
What is the cost of poor service?.....	12
Word-of-mouth behavior.....	13
Why customers leave.....	14
Seven steps to resolving customer complaints.....	15

## Chapter Three: Setting Service Standards

Understanding strategic objectives.....	18
Building and exceeding service standards.....	19
Assessing the six categories of service for your area.....	20
Develop your own service standards.....	21

---

# Contents

## Chapter Four: Building Customer Rapport

Treat the customer as a unique person .....	24
Active listening .....	25
Combining words and tone of voice .....	26
Tone of voice.....	27
Match communication style .....	28

## Chapter Five: Influential Communication

Controlling the call.....	30
Inquiry/advocacy model.....	31
Saying “no” positively .....	34
Providing explanations .....	35

## Chapter Six: Keeping Cool When the Customer Is Hot

Five steps to remaining calm.....	38
How to calm an angry customer .....	42
Recovery strategies.....	43
Avoiding burnout .....	45
Principles of exceptional customer service .....	46

## Appendix

Call assessment rubric .....	48
Action plan .....	50
Course evaluation .....	51
Solutions for every training challenge.....	53

---

## Course objectives

Successful completion of this course will increase your knowledge and ability to:

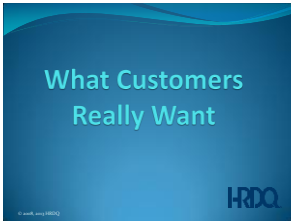
- ◇ Explore the concepts and benefits of extraordinary customer service
- ◇ Set extraordinary customer service standards for your area
- ◇ Identify ways of building customer rapport
- ◇ Improve your listening skills
- ◇ Take control of every call
- ◇ Say “no” in a positive way
- ◇ Remain calm when the customer is upset
- ◇ Cool down a hot customer
- ◇ Implement strategies to avoid burnout

PREVIEW

## Chapter One



# ***WHAT IS EXTRAORDINARY CUSTOMER SERVICE?***



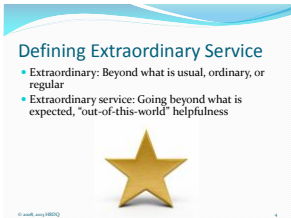
Extraordinary = Beyond what is usual, ordinary, regular or established; noteworthy, remarkable.

Response: it's memorable; you talk about it.

Outrageous response: "WOW! I need a cigarette."

Tom Peters

Service is a helpful activity, usefulness, teamwork, adding value or friendliness. "Service is what people add to the product."



Extraordinary service = Out-of-this-world helpfulness, usefulness, value, teamwork, or friendliness. Going beyond what is expected.

Customer responses:

- Returns repeatedly.
- Tells others.
- Pays more.
- Overlooks imperfections in the product.
- Promotes you/your product.

## Defining extraordinary service

In order to provide extraordinary service, you must know what *extraordinary* is. Once you can define and recognize it, you can begin your journey into extraordinary customer service.

What does extraordinary mean?

---

How do you respond to extraordinary?

---

Before you can provide extraordinary customer service, you must be able to define *service*. This will enable you to define *extraordinary service*. With this done, you're well on your way to providing it.

What is service?

---

What is extraordinary service?

---

How does the customer respond to extraordinary customer service?

---

---



# Lifetime value of a customer

The lifetime value of a customer is the total revenue they will bring to your organization across their entire relationship with you. This changes the way we view single transactions. These are not stand-alone events, but part of an ongoing marketing strategy.

Lifetime Value Table


A	B	C	D	E	F	G
Revenue per transaction	Transactions per year	Revenue per year	# of years with company	Customer lifetime revenue	Likelihood of great service keeping customer	The ROI of that single transaction would be:

## Instructions:

- ◇ In column A, estimate the amount of revenue a typical customer brings to your part of the organization per transaction.
- ◇ In column B, note the number of transactions per year.
- ◇ Multiply A by B for the typical revenue per year per customer for column C.
- ◇ In column D, note the number of years a customer is with your organization (the average in North America is 10 years).
- ◇ Multiply column C by D for the lifetime average revenue for that customer in column E.
- ◇ What is the percentage of great service retaining a customer for your organization? Fifty percent is a conservative estimate in column F. (So for every two customers, the equivalent of another customer is gained through retention.)
- ◇ To calculate the return on investment (ROI) of any single transaction, divide column E by column A and multiply by column F. This is your ROI stated as a percentage.

The return on the service investment is clear: Customer satisfaction leads to customer retention, which creates increased market share that relates to lowered costs and increased profitability.

**Lifetime Value of a Customer**  
The total revenue they will bring to your organization across their entire relationship with you.



**Lifetime Value Table**

A	B	C	D	E	F	G
Revenue/Transaction	Transactions/Year	Revenue/Year	# of years with company	Customer lifetime revenue	Likelihood of great service keeping customer	ROI of that single transaction
\$500	10	\$5,000	10	\$50,000	50%	$(\$50,000 \div \$500) \times 50\% = 5000\%$

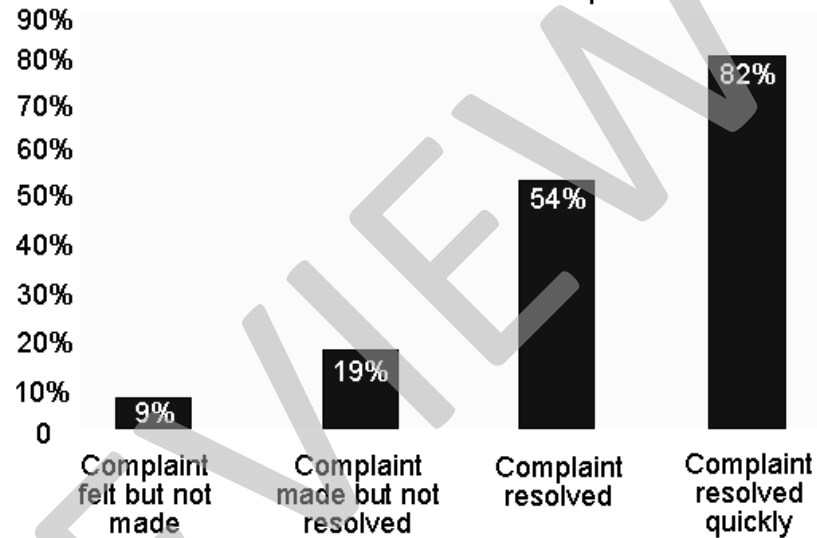
Ask the group to break into small groups and calculate the return on investment (ROI) for any single customer transaction after computing the lifetime value of the customer. You could take this a step further by asking them to multiply the lifetime value times eight to demonstrate what the revenue would be if eight of their acquaintances had become customers during that 10-year period as a result of word-of-mouth. Or, you could compute the negative cost of poor service should you desire.

# Why customers leave

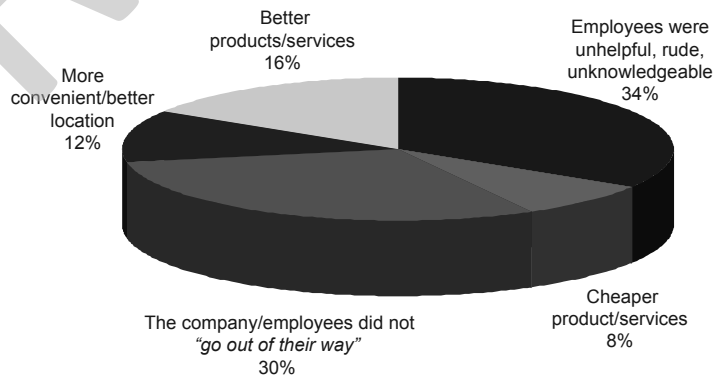
Customers take their business elsewhere for a variety of reasons. Understanding these reasons is an important first step to improving customer service.

## Cost of not resolving complaints

Likelihood that customers will repurchase



This pie chart is from a business-to-business survey for the paper and printing supplies industry. Point out why the emphasis is on service improvement and relationship improvement rather than on indifference.



## Building and exceeding service standards

In order to be effective, “extraordinary” customer service must be translated into every behavior and action that all employees understand. These “standards of excellence” are the minimum level of acceptable performance from any member or process at anytime.

- ◇ At SeaFirst Bank, “friendly” means:
  - Smile
  - Use customer’s name twice
  - Begin transaction within five minutes
  
- ◇ The Sonnenalp Resort in Vail has standardized “instant acknowledgement” by defining the doorman’s task of greeting every automobile curbside within seven seconds.

## How the customer defines service excellence

There are a variety of ways to look at customer expectations. The following has been adapted from University of Texas research. The customer requires six categories of fulfillment:

1. Reliability (consistency from all systems, processes, and people)
2. Responsiveness (to customer-initiated requests and complaints)
3. Speed (of everything)
4. Competence (skilled, knowledgeable)
5. Value (service-to-price ratio)
6. Friendliness (personable without intruding)

From the University of Texas, Dr. Robertson: We added “friendly.”



# Active listening

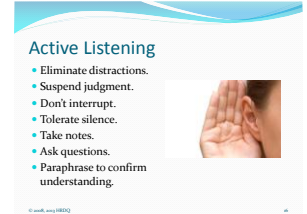
- ◇ Eliminate distractions
- ◇ Suspend judgment
- ◇ Do not interrupt
- ◇ Tolerate silence
- ◇ Take notes
- ◇ Ask questions
- ◇ Paraphrase to confirm understanding

## Assess your listening skills

For each question, place a check in the column that best represents the level of your listening skill.

	Seldom	Sometimes	Frequently
1. Do I listen for feelings, attitudes, and values as well as for facts?			
2. Do I listen for what is not said?			
3. Do I avoid being distracted?			
4. Do I avoid jumping to conclusions before the speaker is finished?			
5. Do I think of my response while the customer is speaking?			
6. Do I take notes and record pertinent information?			
7. Do I paraphrase the customer's statements to confirm understanding?			
8. Do I keep my attention on the customer even when he or she is difficult to follow?			
9. Do I keep my mouth shut and listen more than I speak?			
10. Do I show the customer I'm listening with appropriate words and responses?			

**Your goal: To answer every question "frequently"**



**Eliminate distractions:** discuss the difference between external (noise, the customer's accent, etc.) and internal (self-talk, other things on your mind, being tired, etc.).

**Do not interrupt:** show you are listening with phrases such as "uh huh, I see, yes," etc.

**Tolerate silence:** let slower speakers take their time getting their story out—it will save you time in the long run.

**Take notes:** tell the customer you are taking notes.


**Paraphrase:** this is not the same thing as repeating. Demonstrate the difference.

Influential communication is the ability to get customers to see your side while making certain they feel listened to.

Much of influential communication will likely involve educating the customer. In order to do that, employees must maintain control of the call while allowing opportunity for two-way discussion and feedback.

**Controlling the Call**

- Take ownership of the call.
- Avoid having the customer repeat information.
- Restate the problem back to the customer.
- Make your word "golden."




How do you make your word "golden"? By making promises only when you can keep them and not making any promises you can't keep.

You can also control the call by using appropriate questioning techniques. We've divided them into three general roles an employee assumes when dealing with customers. By using certain questions, you can steer the conversation in the direction you want.


**Friend**

- Act as host.
- Make customer feel comfortable.
- Do not make promises that cannot be kept.
- Use initially or when customer has experienced poor service.



**Detective**

- Solve problems.
- Be persistent.
- Use when the customer has a problem.



## Controlling the call

- ◇ Take ownership of the call
  - Exhibit credibility and confidence
  - Assure the customer you can help
- ◇ Avoid having the customer repeat information
  - Take notes
  - Ask questions
  - Verify pertinent information
  - Paraphrase and restate to confirm understanding
- ◇ Restate the problem back to the customer
  - Avoid blaming others
  - Focus on recapping: confirm and clarify
  - Control "looping"
- ◇ Make your word "golden"

## Use appropriate questioning techniques

### ***"Friend" questions***

- ◇ Elaborate on needs and wants
- ◇ Draw out feelings
- ◇ Reassure customer

### ***"Detective" questions***

- ◇ Obtain specific facts
- ◇ Guide conversation to particular focus
- ◇ Clear up generalizations

### ***"Teacher" questions***

- ◇ Interpret what you heard the customer say
- ◇ Clarify or expand on customer's comments
- ◇ Suggest course of action
- ◇ Paraphrase and restate to confirm understanding

# Inquiry/advocacy model

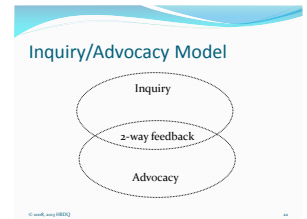
## *Inquiry*

- ◇ Listening to fully understand the other person's point of view and assumptions
- ◇ Asking questions to clarify
- ◇ Acknowledging the other person's thoughts and feelings
- ◇ Reflecting on other person's comments

## *Balancing inquiry and advocacy*

## *Advocacy*

- ◇ Openly sharing your assumptions, data, and conclusions
- ◇ Making your own reasoning explicit
- ◇ Calling for others to explore your views
- ◇ Building on comments made by others



A key skill for dealing with customers successfully is this: knowing when to listen (inquiry) and when to speak (advocacy). Influential communication is the result of balancing these two factors. In general, you'll use your inquiry skills first, and then move to an advocacy role. The next two pages provide tips and examples for each part of the model.

Nothing bugs a customer more than being told “no.” You’ll quickly lose your influence with a customer if you’re constantly negative. Complete this activity to see that almost anything can be phrased in a positive manner.

**Saying “No” Positively**

Positive Phrase	Negative Phrase
Here’s what I can do.	No.
I can...	I can’t.
We can...	We won’t.
Here’s how we handle that.	It’s not our policy.
(Joe) can help you.	That’s not my job.
Let’s fix this problem.	It’s not my fault.

**Saying “No” Positively (cont.)**

Positive Phrase	Negative Phrase
I understand your frustration.	Calm down.
Thanks for waiting, I’ll be right with you.	I’m busy right now.
Can I call you back at (time)?	Call me back later.
Let me find out.	I don’t know.
I apologize; I need to ask for your information again.	The computer lost your information.

There are many possible answers; we’ve listed one suggestion for each phrase. Practice this with brief role-playing after replacement phrases have been identified.

- Here’s what I can do.
- I can...
- We can...
- Here’s how we handle that.
- (Joe) can help you.
- Let’s fix this problem.
- I understand your frustration.
- Thanks for waiting; I’ll be right with you.
- Can I call you back?
- Let me find out.
- I apologize; I need to ask for your information again.
- The information I have is ...
- Let me review the guidelines with you.
- Let me explain that ...

## Saying “no” positively

*Instructions: Replace the phrase in the left column with a more positive phrase in the right column.*

Negative Phrase	Positive Replacement
1. No.	
2. I can’t.	
3. We won’t.	
4. It’s not our policy.	
5. That’s not my job.	
6. It’s not my fault.	
7. Calm down.	
8. I’m busy right now.	
9. Call me back later.	
10. I don’t know.	
11. The computer lost your information.	
12. You’re wrong.	
13. Read the policy.	
14. Most people know.	

---

## Five steps to remaining calm

Facing an angry, dissatisfied customer does not have to mean you lose your cool, too. The following tools can help you stay calm and handle the situation with grace.

- ◇ Breathe.
- ◇ Control adrenal responses.
- ◇ Change your self-talk.
- ◇ Put the situation in context.
- ◇ Move on from an angry customer.

### Breathe

Physicians indicate that breathing is good for one's health. When confronted, attacked, or feeling under pressure, most people catch their breath. At best, they breathe shallowly, which alters the pH of the blood and negatively affects the powers of reason. The next time you feel confronted by the customer, remember the key to breathing in is to breathe out first. So, breathe out.

During what situations do I tend to catch my breath or breathe shallowly?

---

---

What are the overall results of this practice?

---

---



#### Five Steps to Remaining Calm

1. Breathe.
2. Control adrenal responses.
3. Change your self-talk.
4. Put the situation in context.
5. Move on from an angry customer.





In the high-stress environment of trying to help people and solve their problems, it is important to communicate in a clear and simple manner. To do so, we need to remind ourselves of what the customer may be experiencing and to stay in complete, calm control ourselves.

Practice: The group will describe such emotions as:

- Frustration
- Anger
- Impatience

The customer's behavior will be:

- Rude
- Irritated
- Speaking quickly
- Customer will blame you

The employee's behavior and words should be:

- Slow
- Calm
- Sequential
- E.g., "I'm here to help you; I'm on your side but I need you to tell me again."
- E.g., "I'm here to help you if you will answer a few questions."

At the completion of the discussion, the focus should be on "CCC" or "Complete Calm Control" regardless of the situation.

## Put the situation in context

Try to imagine the situation from the customer's point of view:

- ◇ Anxious
- ◇ Hurried
- ◇ Afraid
- ◇ Transferred three times
- ◇ Double parked
- ◇ Tired from waiting

Remember, don't take it personally—take it professionally.

### Practice

*Instructions: Describe your typical customer's emotions and responses for each of the following scenarios. In a word or two, tell what you could do or say to stay in control of the situation.*

Scenario	Customer emotions	Customer response	Do/say to remain in control
Waited extensively on hold			
Transferred twice			
Was told "no" to a request			
Other:			
Other:			
Other:			

---

## How to calm an angry customer

An angry customer need not become a former customer. A skillful person can take the following steps to salvage a potentially disastrous encounter.

### 7 steps to cool down a hot customer:

1. Lock in
  - Engage the customer directly, giving them your full attention and solid eye contact.
2. Let them vent
  - If you interrupt, they will begin over and over and over ...
3. Empathize
  - They need to know that you “feel their pain.”
4. Match energy
  - They need to see and hear that you understand their level of frustration.
5. Restate emotion and content
  - Restate their issues—a summarized, sanitized version.
6. Problem solve
  - Agree on the problem.
  - Separate needs and wants.
  - Brainstorm options.
  - Agree on the solution.
  - Follow up on commitments.
7. Bail out
  - If these steps don’t cool your hot customer, or you feel yourself losing your cool, hand them off to a coworker or a manager or delay with a brief timeout.

# Recovery strategies

Recovery means returning to normal—to make whole. A good recovery strategy should leave the customer with a positive memory and a human touch.



## Four-step recovery strategy

- ◇ Apologize with empathy
  - Statements such as “I’m sorry” and “we’ll make it right” go a long way toward soothing upset customers.
- ◇ Fix the situation
  - “De-stack” the many issues that an angry customer mixes together so you can deal with the one or two critical situations and fix them.
- ◇ Go the extra mile
 

*Instructions: In small groups, identify the types of “extra mile” recoveries you have encountered in your own experiences. Note that the level of recovery should match the level of damage.*

Situation	Recovery

- ◇ Follow up
  - Follow up no later than 48 hours after resolving the problem. Follow-up can take the form of a one-on-one conversation, a phone call, e-mail, note, etc.

## What our Clients Say about the Reproducible Training Library

“I have used many of the *Reproducible Training* programs and I can't say enough good things about them. The content is easy to tailor—I've even combined programs to meet my clients' specific needs. Not only am I able to provide my clients with a professionally developed, customized program at a reasonable price, but I've saved myself a lot of time and frustration, too. I plan to buy more programs in the future. I highly recommend them!”

Rosemary C. Rulka, MS, SPHR  
President  
R.C. Rulka Consulting, LLC

“We chose the *Reproducible Training Library* for the open-source format and customizable materials. The programs are well structured and rich with content. Preparation to delivery was less than 2 hours, and the addition of our company themes make the materials look like they were designed in house.”

James T. Puett  
Manager, Leadership and Organizational Development  
Healthways Human Resources

## Delivering high-quality, customized training has never been simpler.

The *Reproducible Training Library* is your comprehensive source for soft-skills content that's downloadable, customizable, reproducible, and affordable. From communication and leadership to team building, negotiating, and more, our experts have done the development work for you. Whether you use the materials “right out of the box” or tailor the content to your needs—download to delivery takes just a few clicks.

### Features and Benefits

- *Instant Access:* Your program is available to you for immediate download.
- *Quality Content:* Top-notch development enables you to deliver a rich program.
- *Ability to Customize:* Make the program yours, or use it “right out of the box.”
- *Unlimited Use:* Reprint the materials as much as you like, as often as you like.

### Get Started Today!

### Have questions?

Contact us at 0040 734 350 525 or [office@dekon.biz](mailto:office@dekon.biz).