

## **Burns' Business Builder –Getting the Basics Right First**

Last week, we examined the importance of an employee loyalty program.

This week we will examine the basics that must be in place before a formal customer loyalty program can be launched.

At the heart of customer loyalty is the issue of trust and dependability. That is, when customers call your business you give them what they want, at the right price and in the right timeframe. Your business can earn your customers' loyalty through exceptional service, dedication to understanding their needs, competitive pricing and a passion for exceeding their needs every time they do business with you.

No loyalty program will be effective unless you have the basics in place in your business. One of the first questions I ask in designing a loyalty program is this: what frustrates your customers the most about doing business with you?

To give you some insight into what those frustrations might be, consider the following survey conducted in North America of 1,000 customers across all industry types and customer segments. It asked one simple question: What are your top ten annoyances that you experience in dealing with companies?

1. There's no one there to serve them. This may include when they call your business they get voicemail immediately or when they come into your business everyone is too busy to serve them.
2. Telephone calls, faxes, emails and letters are not returned on a timely basis. That is, when they do communicate with your business, you treat them with ignore.
3. Customer deadlines are not met. Promises made to the customer to get back to them or to deliver the product that are missed can irreparably damage your relationship.
4. Team Members show no interest in serving the customer - it's just a job. This relates to the perceived indifference that customer's feel.
5. Team Members can't help and offer no alternative solutions to the customer problems. If your business isn't in the "customer solutions" business you may be selling the wrong product or service.
6. No one thanks the customer for doing business. This includes at the time of purchase or subsequently.
7. Customer telephone calls are screened. "May I tell him who is calling" may be a dealer killer.
8. Waiting in line, on the phone or any where. Customers do not expect to wait to do business with you.
9. Bureaucratic processes and red tape. This includes any credit checking processes that you require.
10. Desired merchandise out of stock, out of place or that is on order. Assuming that the product is a commodity, they will simply find your competitor that has it in stock.

Are any of these annoyances in existence in your business? If so, no loyalty program, no matter how craftily marketed, will help you recover.

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