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## Customer service and selling

Customer service and sales skills are important factors in any successful retail business. When your customer wins, you can't lose!

### What is customer service?

Everyone has a different idea of what customer service means to them. To one customer it could mean greeting them by their name and a warm smile, to another it could mean keeping them up to date with new products and services. In other words, providing people with what they want, when they want it!

The important thing to remember about customer service is that each customer will have a different perception of what customer service means to them, and if you want to provide good customer service you will need to know the needs of the customer and how to fulfil those needs.

### The importance of customer service

Customer service makes your business grow in three ways. It will increase the:

1. Number of customers through favorable word of mouth advertising.
2. Dollar amount each customer spends per transaction.
3. Frequency and number of times your customers shop with you.

Research indicates that it costs between six and eight times as much to attract a new customer as it does to keep an existing customer. Did you know that 68% of customers DON'T come back because of poor service and the perceived indifference of staff and management?

Businesses which prioritise quality customer service can generate higher profits and achieve greater market share. Customers will generally pay more for superior customer service.

*Tip: Use this fact sheet as a starting point to review your customer service and selling skills.*

### Considering the customer

Meeting customer needs leads to important benefits for your business and it is important to:

- Know what it is your customers consider to be good customer service.
- Take the time to find out what the expectations of customers are.
- Follow up on both positive and negative feedback you have received.
- Ensure that the concept of customer service is integrated with all other aspects of your business, such as the processes you use.
- Continuously look for ways to improve the level of customer service delivered.

## The 'moment of truth'

A 'moment of truth' occurs when a customer first comes into contact with a business and forms an initial impression of its service. A single visit to a store presents many 'moments of truth' and together they determine a customer's overall impression of service. In your own business it may be beneficial to take the time to consider:

- Where and when the 'moments of truth' occur.
- What form they take.
- How well they are currently being handled.
- How they can be improved upon.

Having established your 'moments of truth' you will be in a position to create some WOW!

## The 'WOW' factor

Merely satisfying customer expectations is no longer a sufficient guarantee of success. Your aim must be to exceed your customer's expectations and have them say 'Wow'.

This information is provided as a guide only. Each business is different and will need to have its individual needs assessed. The Queensland government, its Ministers, officers, employees or agents do not accept responsibility in respect to this information or any consequence of relying on it.

Have you ever had occasion to be 'bowled over' by a business or its service? When a customer receives service beyond their expectations, their response is often 'WOW!'. It's usually something simple - something that makes a customer feel rather special - but once it happens, your customers become valuable advocates for your business.

They tell their family and friends (creating more customers for you) and they return more often. Your only remaining challenge is to maintain your 'WOW' factor.

## Customer service excellence

Establishing a quality customer service program in your business requires commitment from all. You need to think it, plan it, develop it, provide it, launch it, sustain it, encourage it and finally, be thankful for it! After all, it is paying your wages and those of your employees.

To deliver exceptional customer service requires two key elements working well together:

- 1. People:** Those who serve your customers need to communicate the fact that they are there to help, and that they enjoy what they are doing. Developing personalised relationships by treating customers as individuals, listening to comments, complaints and requests all add up to a great service attitude. Importantly, thanking customers ensures that they feel valued, important and needed. A loyal customer is one of your most valuable assets.



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**2. Systems:** Your systems comprise processes, equipment and activities that are designed to assist your staff in satisfying customers' needs and wants, efficiently and effectively. Examples may include:

- A point-of-sale system that places customer orders.
- Using a database to run a customer rewards program.
- Recording and recalling individual details such as birthdays.
- Calling customers for post-sale feedback.

## The selling process

Customer service involves having staff who have good communication skills and are well trained in the process of selling. It also requires you to show leadership by personally providing customer service excellence at all times. If you don't, how can you expect others to?

Remember that ensuring the customer returns is the task of everyone in your business. Thanking the customer, and promoting a positive, helpful and friendly environment will ensure the customer leaves with a great impression. A happy customer will return often and is likely to spend more.

## Keys to successful selling

1. Acknowledge customers: Greet them and approach them in a way that is natural and fits the individual situation.
2. Listen carefully and ask questions: Establish what the customer needs. You can then evaluate the best product for their use and needs.
3. Know your products: This is essential. Know where everything is located, brand names, place of manufacture and price. The more you know, the more confidence you will build in the customer.
4. Recognise product features - turn these features into benefits - what will they do for the customer?
5. Overcome any objections: Listen to what the customer is objecting about (often price, merchandise or time). Confirm the validity of each concern - offer a solution.
6. Close the sale: The amount of time to close a sale is often very short. Research suggests that in some instances it may be as short as three seconds. Therefore, timing is imperative. Ask for the sale - for example, "Shall I wrap it for you?", or "Will you pay cash or credit?"
7. Present add-ons: The ideal time to sell an extra item is usually after you have confirmed or closed the sale of the original item. Add-on sales provide a sense of customer service - for example, "Would you like batteries as well?"

## Further information

The following fact sheets provide further information on these issues:

- Business growth tips
- Increase your sales
- Selling tips