

Experience This! Show Podcast
Hosts: Joey Coleman & Dan Gingiss
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Episode 88: Ignoring, Chatting, and Returning!

Dan: Welcome to Experience This.

Joey: Where you'll find inspiring examples of customer experience, great stories of customer service and tips on how to make your customers love you even more.

Dan: Always upbeat and definitely entertaining. Customer attention expert, Joey Coleman.

Joey: And social media expert, Dan Gingiss, serve as your hosts for a weekly dose of positive customer experience. Don't hold onto your headphones. It's time to experience this.

Dan: Get ready for another episode of the Experience This show.

Joey: Join us as we discuss how to make your customers go away, the exploding popularity of live chat, and how one retailer offers returns made easy, just not the one which advertises it.

Dan: Ignoring, chatting, and returning. Oh my.

Joey: We're excited to give you an overview of an important book you should know about, as well as share some of our favorite passages as part of our next book report.

Dan: I am super excited about today's book report because I've been following this guy's work for a long time. Micah Solomon is known as the customer service turnaround expert and he works as a customer service and customer experience consultant to some of the best companies in the world. In fact, on the back of his new book is a quote from the co-founder and Emeritus chairman of a little company called Ritz Carlton.

Joey: Oh, I've heard of them actually.

Dan: I thought you might. Who says that Micah is "his go-to expert on exceptional customer service and building a customer focused culture." Micah's new book which just came out is called Ignore Your Customers and They'll Go Away. The simple playbook for delivering the ultimate customer service experience. We're thrilled at Micah, recorded some exclusive audio for us.

Joey: Oh la la, exclusive audio.

Dan: You can only hear it here on the Experience This show folks. Here's Micah talking about his new book.

Micah Solomon: Hello, my name is Micah Solomon. I'm the author of a new book called Ignore Your Customers and They'll Go Away. The simple playbook for delivering the ultimate customer service experience. Let me tell you real briefly who I am, what I do. I'm a customer service turnaround expert, which means I spend my time consulting, speaking and training for a variety of quite fabulous companies across many industries. I help them transform their customer service, their customer experience, their company culture, and ultimately their bottom line results.

Micah Solomon: I've included as much of that experience and insight as I could into my new book because even today, so many companies miss the mark when it comes to delivering exceptional customer service. I provide my readers with a practical step by step guide to crafting a customer service experience and a customer focused culture that can transform the performance and the brand reputation of just about any business, large or small or medium and sustainably improve the bottom line.

Micah Solomon: I've included case studies and stories and interviews that I personally assembled from some of today's best known, most beloved customer focused companies like Cleveland Clinic, USA Insurance, Ritz Carlton hotel company, Nordstrom, as well as some newer names that are doing fantastic job as well, like Dry Bar and Mod Pizza.

Micah Solomon: I share the language to use and avoid when talking to customers, how to recruit, hire, onboard, train and inspire the best employees, the ones that you really want in your customer facing positions. I talk about how to win over complainers and even talk about mystery shopping yourself to discover how your company is actually treating customers. I really look forward to sharing this book with you. Thank you.

Joey: Ooh, I love me some good exclusive audio, Dan. Thanks for that. Micah. Solomon hints to his readers that the payoff for reading the book will be three fold. Number one, you'll retain a higher proportion of your existing customers. Number two, you'll increase per customer spending, and number three, you'll attract new customers and you'll do it all in a way that is almost entirely immune to being knocked off by your competitors.

Dan: Which is why we say that customer experience is the last true differentiator.

Joey: The ultimate differentiator.

Dan: So I also like this book because it is actually pretty funny, which I applaud Solomon for it because that in itself is unexpected from a business book. So I want to share my favorite passage and our listeners probably know by now that I love words and language so this part stuck out to me immediately.

Dan: Micah talks about a system for customer friendly language. And I'm quoting here, "when I undertake a customer service initiative, I typically develop for my client company a simple system, really just a phrasebook of words and phrases to avoid when interacting with customers. Each one paired with a preferable alternative or alternatives." And then he goes into a bunch of examples that I want to share with you because I thought they were really interesting.

Dan: For example, he says instead of saying, "please hold," a customer service agent should say, "may I please place you on a brief hold," because it's important that customers who are calling know that they have a choice whether to be put on hold or not.

Joey: Wait, we have a choice. Like I never feel like I have a choice in those scenarios. Right.

Dan: You don't, but generally speaking, when somebody asks you, "can I put you on hold?" You say, "yes."

Joey: Right. Exactly.

Dan: So but it's interesting, because ...

Joey: But by making it feel like a choice, we feel better about the fact that we're being put on hold.

Dan: Yes. We've changed the whole psychology of the engagement. He then says don't refer to elderly people as young lady or young man. It is insensitive and particularly insulting. And I have to add that there are two of these that actually really annoy the heck out of me. One of them happened to me just yesterday and I don't know if this just happens to short bald guys or not. Maybe as a tall, wonderfully haired gentlemen, you don't get this. But when somebody in a service industry refers to me as boss, I find that incredibly insulting. And unless I'm actually their boss, in which case then, then I'm okay with that.

Joey: Then you're okay being called boss.

Dan: And I also don't like when people refer to groups of adults as kids, you know, like, Hey kids, you know, or whatever. I find that to be insulting as well. And so I

get what he's saying with the elderly. And then the last thing is don't say are we ready to order now or how are we doing today? If you mean you say you, not we. Don't talk to adults as if they're toddlers. So same theme there, but I definitely related to that.

Joey: Words matter. I love it. You know, my favorite passage from the book is from a section called the power of wow, and I quote, "a wow experience is when service goes beyond fulfilling basic customer expectations and does so in a creative, unexpected way. By creating a wow experience, you give rise to a story in the mind of your customer. Since humans tend to think and remember in terms of stories, the wow approach is one of the most effective ways to build lasting connections with customers. These wow stories have a good likelihood of living on in memory, encouraging customers to not only return, but to share their memories of the experience with friends, family, and coworkers, and through social media to the world."

Joey: What I love about this quote is it's so true and we've talked about this on the show many, many times. In fact, while Dan and I were riding in an Uber to the recording studio this morning to record this episode, we were talking with our driver and he mentioned that he was a musician and talked about a company called Sweetwater.

Joey: Now, Sweetwater sells gear for musicians, instruments, cables, etcetera. And he was relating this story about how he bought a cable, just a simple connector cable, and was shocked when the folks at Sweetwater called him a few days later to make sure that he received it, to check in on how it worked, to make sure everything was good and he's like, it was just a cable. What I love about that is they created a wow moment by calling when it was unexpected that they would call for something that was really a small purchase. They made a customer for life.

Dan: And of course what he told us is now anytime he wants to order any musical equipment or supplies, he goes to Sweetwater.

Joey: Exactly. And I imagine, and we actually asked him about this, have you ever told this story before? And he said, well, I've told this story a ton to all the musicians I know. Folks, the best word of mouth marketing and advertising that you can buy doesn't actually cost you money. It just costs you thoughtfulness. You have to pay attention and reach out and create those kinds of wow moments that will get your customers talking.

Joey: So interestingly enough, speaking of Sweetwater, before we recorded this segment, we were talking to our amazing sound engineer, Taylor, and he shared with us a unique story about Sweetwater and the fact that they're famous in the industry with musicians.

Taylor: Yeah. It's almost like a running joke at times of how personalized and how insistent their followup customer services, because not only do they call to follow up after you've made a purchase to check on how you liked it, it's the same person every time. You have one dedicated, I think they call it sales engineer, who's always the one who calls you.

Taylor: So for the last probably decade, anytime I've ever bought anything on Sweetwater Sound, I get a call from Fort Wayne, Indiana, and it's Nick Church from Sweetwater Sound, just checking in Taylor to see how you like that guitar strap you bought. And I'm like, it's a guitar strap. It's great. I love it. Nick. Thanks man.

Joey: What I love is that Nick has his wicked Aussie accent, but he lives in Indiana. Absolutely. Fantastic. So yeah, when you create these wow moments, people talk about it.

Dan: Shout out to you Nick Church.

Joey: But enough about my favorite passage. Let's go to Micah Solomon and his favorite passage from the book.

Micah Solomon: Unfortunately, the focus and attentiveness that are common when a business has only a few customers tend to slide when the customer roster begins to balloon. Employees stop signing their thank you notes by hand. Managers busy themselves with paperwork in their office hideaways rather than coming out into the open to greet even a long time or a VIP customer, and they're certainly nowhere to be found if a customer conflict ever erupts and needs smoothing over.

Micah Solomon: Jackie and Joanne, the quirky, charismatic telephone operators who knew the name and backstory of every customer who called in are edged into retirement and replaced. Although in reality, they're irreplaceable with low paid rookies or a voice mail system. Is such lowering of standards inevitable? Decidedly not.

Micah Solomon: If you stubbornly stick to your guns, the mantra you'll need for this is, if you would have done it for your first customer, you'll find a way to keep doing it for your 10,000, without rushing, without cutting corners, and without doing anything that would make a customer feel less than fully valued by your business.

Micah Solomon: Remember, you need to never stop believing in the importance of the individual customer. Don't fall into the trap of thinking there's an infinite supply of new customers out there for the taking. If only your marketing and sales departments would do their jobs. Tell yourself instead that not only are customers a limited commodity, there's actually no such thing as customers in the plural. Rather, there's just one customer, the one who's being served right now.

Dan: Great stuff, as always, from customer service, turnaround expert Micah Solomon. Get his book on Amazon or wherever books are sold, and if you want to do a solid here at Experience This, use the link in the show notes at www.experiencethisshow.com and I believe we'll receive an affiliate fee of a what, like 3 cents Joey?

Joey: I think it's two, Dan.

Dan: Is that your 2 cents Joey?

Joey: Yeah. I'll keep that 2 cents.

Dan: I see what you did there.

Joey: There are so many great customer experience articles to read, but who has the time. We summarize them and offer clear takeaways you can implement starting tomorrow. Enjoy this segment of CX press where we read the articles so you don't need to.

Dan: This week's CX press is actually not an article but a new report out from Comm 100, a digital customer conversation platform. Each year, Comm 100 looks at millions of live chat sessions across its platform to get a sense for customer satisfaction and they tally up the results in a great report that we'll link to in the show notes at www.experiencethisshow.com.

Dan: This year's report found that the overall satisfaction rate for live chat was flat at 83%. According to the report, "while customer expectations are as high as ever, unfortunately it seems that service quality is stagnating. The plateau in customer satisfaction from 2018 to 19 should inspire action, not complacency in 2020 as it is still behind the peak achieved in 2015. Since many factors influence customer satisfaction, wait time, resolution time, professionalism, accessibility, product or service issues, staff turnover, etcetera, organizations should be conducting regular audits of the entire customer life cycle to identify what's getting in the way of progress."

Dan: Comm 100 Vice President of Marketing, Jeff Epstein, was kind enough to record some of his thoughts on this year's report, including one of the big surprises to surface. Let's take a listen.

Jeff Epstein: Looking back at 2019 live chat data for more than 56 million chats worldwide, there were plenty of surprises to be found plus some not so surprising patterns that continue from previous years. Let's get to it, starting with the surprises.

Jeff Epstein: So are larger organizations really just customer service mills staffed by disengaged and poorly trained agents. It turns out this is a myth of epic proportions. According to our data, customer service teams have 50 or more agents lead the pack with an average customer satisfaction score of 88%, four to

six points higher than any other team size, but there's more to this story. This cohort also had the lowest average number of chats per agent and the highest use of canned messages among all groups. This cohort also had the most people waiting in line to chat, although they made up for it with the third lowest average wait time of just over 40 seconds.

Jeff Epstein: Now this tells me that despite the total volume of visitors and chats they're dealing with, teams of 50 or more agents are totally exploding the myth that the big guys can't get it right. They clearly have a thing or two they can teach smaller teams about managing check capacity, appropriate use of automation, and keeping wait times reasonable.

Jeff Epstein: Speaking of automation, both the use of AI powered chat bots and their effectiveness enjoyed substantial gains in 2019. Our chat bots went from handling about 26% of chats from start to finish to handling more than 68% without the need for human intervention, earning an average satisfaction rate of 87.6%. That's more than four points higher than the total average rating across the board. I'm personally not surprised, but I'm betting you are.

Jeff Epstein: Less of a surprise is the continued growth in mobile chats which accounted for more than 74% of all chats on our system in 2019. Last year, about 50% of chats were mobile devices. I don't think anyone needs any more evidence that ours is a mobile first smartphone led world, but there it is.

Jeff Epstein: And finally, co-browsing works people. With an average CSAT score of 88.7% compared to 83% overall. No surprise, right? Co-browsing is highly personal, highly secure and clearly highly effective at resolving customer queries.

Jeff Epstein: There you have it. Some of the surprises and affirmations from Comm 100s 2020 live chat benchmark report. Get the full story and your complete copy at www.comm100.com.

Joey: There were definitely some other interesting findings in this year's live chat study that we wanted to talk about as well. For example, chat duration averaged just under 12 minutes, which is 2% longer than a year ago, so people are spending more time chatting, which is really fascinating when you think about it. Nearly 60% of Comm100s live chat customers use canned messages. Chats per agent per month range from 597 at companies with more than 50 agents to a whopping 2,137 chats per agent per month for companies with 11 to 25 agents. Nearly three quarters of all live chats in 2019 or more than 42 million chats were on mobile devices, a massive increase of 82% over the year before. And those co-browsing sessions that Jeff mentioned, this is where the agent can see the same screen as the customer. Those more than doubled from 2018. The good news for customers is that sessions are much shorter. A third of the time of a standard chat and average satisfaction is higher at nearly 89%.

Dan: I also found it interesting that only 2% of chats were proactive, meaning the agent reached out first. Kate Chapman, who you might remember we featured back in episode 34 for her article on blockchain technology is the learning and development manager at Comm100. On proactive chats, she noted, "brands have to strike a delicate balance when it comes to proactive chat invitations. In this case, at issue are the opposing forces of eagerness and helpfulness. Being too proactive can come across as intrusive, but reaching out at just the right moment can save a customer from a frustrating experience."

Joey: I think this is the online equivalent of when you walk into the store and the second your foot crosses the threshold the, you know, store clerk is like, how can I help you? What can I help you find today? Right? Let us breathe a little, let us ease into it, but you also don't want to go to the other side of the game where you're standing there looking for someone looking for help. In an online environment, they have the opportunity to jump in and be proactive as well.

Joey: We'd also be remiss if we didn't talk about chat bots and artificial intelligence or AI. Jeff mentioned that chat bots handled 68.9% of their chats from start to finish, up nearly three X from what they did in 2018. They also earned an average satisfaction rate of 87.58% which amazingly is nearly two points higher than the satisfaction rate with human led interactions. Folks, the robots are better at this than the people. Not surprisingly though, unresolved bot chats that get transferred to a human agent scored lower because the customer didn't get the answer they needed from the bot.

Dan: So what can we learn from this report? First off, live chat is a very significant customer service channel that can often be overlooked compared to its legacy cousins, telephone and email or the seemingly sexier social media. This is a channel that is almost universally offered among companies and one that customers appear to really appreciate.

Dan: Secondly, the competition is getting better at live chat, which means that if it isn't already a big focus in your company, it should be. And third, a mobile focus with an appropriate amount of artificial intelligence is absolutely key to success.

Dan: As Jeff mentioned, you can go to www.comm100.com. That's C-O-M-M one zero zero dot com, under the resources tab to download a copy of your report and we'll include that link in our show notes as well at www.experiencethisshow.com.

Joey: Dan, do you remember what you were doing last year on May 6th?

Dan: Ah, that's an easy one. I was a speaker at Avtex Engage 2019.

Joey: Awesome! Do you know what our listeners should be doing this year on June 21st?

Dan: That's another easy one, Joey. They should be checking in at the registration desk at Avtex Engage 2020.

Joey: Exactly! Now Dan, you and I get a chance to go to a lot of CX conferences, and let's be candid, often they're one of two things, either a technology user conference where they just put the word "CX" in the title to make everyone feel better about themselves...

Dan: It is trendy!

Joey: It is trendy! Or, it's a whole series of sales pitches for a tech firm or a consulting firm and they call it a customer experience conference to make you feel better about yourself or maybe to make them feel better about themselves, I'm not exactly sure.

Dan: I'm not a big fan of the sales pitch from the stage. But no, what I remember about Engage 2019 was that first of all it was in my hometown of Chicago, so that was really fun. They had a great venue, a great stage, and it was a lot of fun. They had a different kind of content because it was really customer experience all of the time. It was everything CX.

Joey: I love it! And while this year's event is not going to be in Chicago, it's going to be in Orlando, Florida at the fantastic Walt Disneyworld Resort. I mean this is going to be a fantastic experience for everybody there. It's a great event. Folks, there are so many opportunities for you to attend events, to attend conferences, but so often when you do, you just don't get the value. We know that you're going to get the value at this event. Why? Because, Dan's been there before. So, go to www.avtexengage.com. That's w-w-w-dot-a-v-t-e-x-engage-dot-com.

Dan: Hey, Joey, can I tell them the best part?

Joey: Tell them the best part.

Dan: If they use the secret code.

Joey: The secret code. Shhh... don't tell anybody.

Dan: Don't tell anybody.

Joey: It's only for listeners of Experience This!

Dan: Please, no tweeting.

Joey: Don't worry, I won't tweet it either.

Dan: Use the code: `experiencethis10` and you will save 10% off your ticket price. Hope to see you in Orlando, Florida in sunny Walt Disneyworld, in June.

Joey: We love telling stories and sharing key insights you can implement or avoid based on our experiences. Can you believe that this just happened?

Dan: So I had several returns to make after the holiday season and I thought it was fascinating to observe how different the return policies were at different retailers. Now two in particular stood out to me, Amazon and Kohl's. And it's particularly interesting since as our astute listeners know, Amazon and Kohl's have partnered up to allow returns of Amazon merchandise at Kohl's stores.

Dan: But today I want to talk about their return process independently, as I had to return both Amazon and Kohl's items recently.

Joey: So wait, let me make sure I understand this. You had items from Amazon to return and you had items from Kohl's to return and they both allow, well, at least Kohls allows returns from Amazon at their stores.

Dan: Yes. It's a little confusing, but that's kind of, we're getting to the point here.

Joey: I love it.

Dan: So in full disclosure, we don't usually mention brands that are missing the boat in customer experience, but I can confidently say that I'm a customer of both of these brands and this story is meant to help listeners do better at their own companies.

Joey: So Dan, I know Amazon has many different ways to return a product. Sometimes they offer you the ability to print a label at home. Sometimes you can drop it off at a UPS store, but they also offer this ability to return the item directly to a Kohl's retail store location. The only question is whether they pay for shipping or you do.

Dan: Yes, and I've always found that a little bit confusing. I think it has something to do with the choice that you make when you explain to them why you're returning the product. But of course some people have learned you can just change the choice.

Joey: You can change the choice and change the impact.

Dan: But in any event, in this particular return, I got a new choice. I was able to bring the products to the nearest UPS store, which happens to be about 90 seconds from my house and not have to print a label or even put them in a box.

Joey: Wait, so all you had to do is take the item you want to return, go to the UPS store and that's it. No printing of label, no boxing, no taping, no nothing.

Dan: Just handed the item to the nice gentleman at the UPS store. I handed it to him and showed him a QR code that Amazon had sent me on my phone. It was literally the easiest and fastest return I've ever made. Probably 15 seconds.

Joey: Wow, that's impressive. Particularly because I was at a UPS store recently and they had a section on the counter that somebody had handwritten Amazon returns where people could drop their boxes off and there were people standing in line waiting to put their returns in those places because it didn't look like it could be real. It was kind of one of these things where it's like, well wait, don't have to hand it in to someone. I just drop it here and then I'm done. And there was a lot of confusion, which now thank you for the insight, Dan, I understand what the confusion was all about.

Dan: Well, speaking of confusion, I then drove over to Kohls.

Joey: I love it.

Dan: And that's only because of what happened online first. So I bought an item that actually didn't function. It was defective. It stopped working.

Joey: Just broken out of the box?

Dan: Well, it worked for about 30 seconds and then like stopped working. Okay. So the thing didn't work and I wanted to return it. Now I went to the return section on Kohl's website and I learned that Kohl's strongly prefers that you return their items to their store, even if you order them online. In fact, they have a strict policy of not paying for return shipping no matter what.

Dan: So naturally, I didn't think that I should be paying for return shipping given that the product wasn't working. So I picked up and drove to Kohl's. Now as it turns out, I actually had to return something from Kohl's and something from Amazon because of course this other Amazon item didn't get that special UPS treatment. I don't know why.

Joey: Folks, are you tracking along? This is so exciting.

Dan: So the first thing I noticed at Kohl's were signs that said returns made easy.

Joey: Oh, you know buddy, I always get nervous. I always get nervous when somebody touts how easy things are that it might not live up to it.

Dan: Well, you know from both my keynotes and my book how much I like signs and how they contribute to the customer experience. So needless to say, with a sign like that, my expectations were high, that this would be an easy return experience.

Joey: Oh no, he's setting us up folks. Do you sense the foreshadowing? I can feel it.

Dan: Well, maybe I shouldn't have done this, but I actually took a picture of that sign along with the more than 25 people standing in line waiting to return their items.

Joey: Anything but easy. Oh no. And it's like if they wouldn't have said easy, it wouldn't have been that bad of a deal. It wouldn't have made a photo. It wouldn't have made it into the show. But because you said slash promised it was going to be easy, not so good.

Dan: Exactly. So I finally get to the front of the line. I don't remember exactly how long it took, but it certainly seemed like an eternity. And then I realized that I could not return both the Kohl's item and the Amazon item to the same cashier. I actually had to stand in a separate line to return the Amazon item.

Joey: Oh my goodness. You know, I was afraid of this. When this, I've never, I've returned items from Amazon. I've returned items from Kohls. I've never done both in the same trip and I was getting nervous. I mean, I can somewhat understand because undoubtedly they have different return processing fees and it's, you know, they're different brands, but it shouldn't be the customer's problem, like the customer shouldn't feel the impact of those differences.

Dan: Exactly. So they did make it my problem and hence we're talking about it here on the show. So what can we learn from these two experiences, one at the UPS store and one at Kohl's.

Dan: Number one, don't promise something is easy if your process is not easy.

Joey: It's pretty simple folks. Let's think about the words we use and choose them wisely.

Dan: Number two, no matter how easy it is, think of ways to make it easier. It used to be that you had to wait for a company to send you a return label via snail mail. Then it became easier once companies allowed you to print that label at home. And now Amazon has taken it another step forward by not even requiring a label at all.

Dan: Number three. If the return is involuntary, meaning the product is defective or damaged or broken, you should do everything in your power to get a working item in the customer's hands as soon as possible and make the return or exchange process exceedingly easy. Remember, it's not the customer's fault that the item is damaged or not working. It's a different story from I just don't like this and want to return it.

Dan: And finally, make all of your policies customer centric instead of company centric.

Joey: Wow. Thanks for joining us for another episode of Experience This.

Dan: We know there are tons of podcasts to listen to, magazines and books to read, reality TV to watch. We don't take for granted that you've decided to spend some quality time listening to the two of us.

Joey: We hope you enjoyed our discussions and if you do, we'd love to hear about it. Come on over to experiencethisshow.com and let us know what segments you enjoyed, what new segments you'd like to hear. This show is all about experience and we want you to be part of the Experience This show.

Dan: Thanks again for your time and we'll see you next week for more ...

Joey: Experience.

Dan: This.