

Experience This! Show Podcast
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Episode 97

Discover the Power of Making Customer Experience Effortless

Joey Coleman: Welcome to Experience This.

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

Joey Coleman: ... and social media expert Dan Gingiss serve as your hosts for a weekly dose of positive customer experience. So hold onto your headphones. It's time to Experience This.

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

Joey Coleman: Join us as we discuss how Amazon approaches customer service.

Dan Gingiss: A nefarious attempt to silence customers, and the unique challenges of replacing a mattress. Servicing, calling and relaxing. Oh my.

[Dissecting the Experience] Amazon's 6 Tenets

Dan Gingiss: Sometimes a remarkable experience deserves deeper investigation. We dive into the nitty gritty of customer interactions and dissect how and why they happen. Join us while we're dissecting the experience.

Dan Gingiss: Like you Joey, I know people who know people. So when an anonymous Amazon employee offered up access to an internal sign at Amazon headquarters talking about the company's six customer service tenets, I clearly paid attention. And I wrote about this for Forbes, but I also thought it would make a great dissecting the experience segment here on the Experience This show, because so many companies are talking about how to be more like Amazon. And I think these six customer service tenets provide a glimpse into the culture at Amazon and what makes them such an impressive company.

Joey Coleman: Now, as a reminder, folks, your goal shouldn't be to be more like Amazon, because Amazon is always going to be the best Amazon out there. But what

you can do is use these ideas as inspiration for your company and how to improve your own customer service.

Dan Gingiss: Okay, so without further ado, here are the six customer service tenets that are displayed at Amazon's headquarters.

Dan Gingiss: The first one is relentlessly advocate for customers. Now, I love this because it's saying that the employees have to be on the customer's side. It's realizing that without customers, we don't have a business. The customers are not the enemy. The customers are the people that keep our business rolling, and relentlessly advocating that for them, I think is a great intentional use of language. Relentlessly means, never ending, never dropping the ball for the customer. And advocating means, focusing on making sure that the customers are getting the best deal, the best experience. And if that is the only thing that's on this sign, I'd be impressed with this company.

Joey Coleman: I agree Dan. Number two, trust our customers and rely on associates to use good judgment. Folks, that's not that complex. We should be more trusting of both our customers and our employees. People at their core are good. People at their core know how to do this stuff. Yet all too often, we lay our policy on policy, or we anticipate that there's going to be fraud and nefarious behavior and so we won't do nice things for people. When you trust your customers, they trust you back. Okay? When you trust your employees to use their good judgment and give them the freedom to do that, they will use their good judgment. And since happy employees create happy customers, and happy end customers create happy employees. The effect of trusting your customers and relying on your associates to use good judgment has a ripple that goes through your entire organization.

Dan Gingiss: Number three is anticipate customer needs and treat their time and attention as sacred. Now I think this one gets broken down into two parts. The anticipate the customer needs is really interesting because, Amazon is able to take an educated guess about why somebody is contacting them. For instance, if you just placed an order recently, it's likely that you might be calling about that order. Joey, you shared a while back about an experience that you had downloading a video where they anticipated that your download speed was low and that you didn't have a good experience and they refunded you without even asking. Anticipating customer needs is so critical because it makes people feel like you understand them and that you're looking out for them.

Dan Gingiss: The treat your time and attention as sacred is also really cool because, let's face it, a lot of companies abuse our time. A lot of companies make us wait on hold for a long time or they don't answer our email or social media posts, and they force us to jump through all sorts of hoops to make a claim or get our refund or cancel an account. But Amazon knows that people don't want to have to do that,

and they know that by treating their customers well and valuing their time, they're going to create even more loyalty.

Joey Coleman: Amazon customer service tenet number four, deliver personalized, peculiar experiences that customers love. Did that word peculiar surprise you? See, everyone's trying to be personalized these days, but Amazon has proven time and time again that it's not for everyone. By being just a little bit peculiar, Amazon in its products become so much more memorable. For example, Amazon is hidden all of these interesting things that you can tell Alexa to do, right? It's in-home speaker system. Try asking Alexa to beatbox for example, and you'll have an interesting experience. You might have also noticed the word love, and might be thinking, well, I'm not sure how to get people to actually love a business. Well, the way you get them to love your business is to love on them. To treat them as individuals. To deliver those type of personalized interactions that they can't help but talk about.

Dan Gingiss: Number five, make it simple to detect and systematically escalate problems. One of the things I love about this one is that it's operational in nature and we often overlook operations as contributors to customer experience. But in fact, when the operations fail is usually when people have customer experience problems. I love that they use the word simple, because making the customer service agent's job easier helps them to value a customer's time and provide a better interaction. And escalating problems is absolutely critical because if you can't quickly escalate problems, that leads to potential outages or major public relations issues when things really get out of hand. We've all heard about different companies whose entire systems go down, and this becomes a really big PR nightmare. Whereas being able to escalate the first problem that came in through a single customer, may have prevented the bigger problem from happening later.

Joey Coleman: And the final customer service tenet used by Amazon to create remarkable interactions for their customers, number six, eliminate customer effort through this sequential and systematic approach. Defect elimination, self-service, automation, and support from an expert associate. I love this. Amazon doesn't want to reduce customer effort, they want to eliminate it. And they set out a four-step process for doing that. Defect elimination. Let's make sure that all of our products have zero defects and that they work right out of the box and people are feeling good. Self-service. Let's empower our customers, have the opportunity to take care of themselves. Automation, let's make everything convenient. Make things come to the customer before they even realize they need them. Try to systematize and structure things wherever possible to make it easy. And last but not least, support from an expert associate. Not the lowest paid employee in the organization. Not somebody who's just in a call center, dialing it in, doing their job. But they want their associates to be seen internally

and externally as experts. The more they can do this, the happier their customers are. And this sequential and approach makes so much sense.

Dan Gingiss: So, when people ask why Amazon is winning in so many different industries, it's because they create an effortless experience for their customers. And these six customer tenants explain why. The main takeaway here is that why your goal shouldn't be to out-Amazon Amazon, you can definitely take inspiration for how Amazon does things to make your own company more successful.

[CX Press] When Your Call Matters

Joey Coleman: 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 Gingiss: When consumers are dealing with having to return gifts and other unwanted purchases, that often requires the dreaded call to customer service. We all know the common recorded message, "Please hold, your call is very important to us." But new research out of the University of Minnesota and the University of Southern California, finds that actually your call might not be that important.

Joey Coleman: What you talking about Willis?

Dan Gingiss: That's the topic of today's CX Press article aptly titled, Your Call is Important to Us. Not really, because many companies try to wait you out, study shows. And I'd be remiss if I didn't credit one of our most loyal listeners. Thanks dad ...

Joey Coleman: Aw, Mr. Gingiss. Whoo-hoo.

Dan Gingiss: ... for pointing out this article to me in the Chicago Tribune, although it was originally published by Jackie Crosby in the Minneapolis Star Tribune. The researchers tried to take an academic view of customer frustration when trying to return merchandise. They found that companies quote, "Deliberately employ inefficient multi-step processes, hoping that you will give up so they can avoid giving you a replacement or refund." Joey, are you still there?

Joey Coleman: I am Dan, but I am seething right now. I can't decide whether I want to pick my chin up off the floor or whether I want to race out and find these people. This is insane. I can't believe this behavior. And yet, in some ways I'm not surprised by this behavior.

Dan Gingiss: Yes. It almost seems like it should be an April fool's joke, but alas it isn't. The researchers actually developed a mathematical model they called unit hassle cost.

Joey Coleman: Of course it's called the unit hassle cost. I love it.

Dan Gingiss: Sounds right. Sounds right. It's related to David Hasslecosts. Sorry guys. Anyway, unit hassle cost is the level of annoyance or frustration a person experiences when being inconvenienced. And what they found was that customers with less severe complaints, often find the hassle of escalating the complaint or remaining on hold, just isn't worth it. So if a company can estimate the hassle cost, perhaps with artificial intelligence, they can exploit it.

Joey Coleman: Oh my gosh. Folks, I'm getting riled. Seriously, because you know who else does this, insurance companies. Insurance companies are notorious, I'm going back to my days as a lawyer, for denying claims without even reading the claim. I had a situation one time where my little brother, who at the time was four, closed a pocket knife on his hand and sliced his hand very badly. I was practicing law. He was covered by my dad's health insurance and the claim got denied. And it got denied, and when I called in to ask them about it, the agent actually said, "Oh yeah, I see where it wasn't reviewed, it was just denied." And I'm like, "Wait a second, what?" And he goes, "But I'm denying it again. This should have been worker's comp." And I was like, "He's four." And there was dead silence on the other end. And they're like, "Okay, we'll cover the claim." And I'm thinking to myself, if I hadn't pushed, if I hadn't asked, the insurance that we paid for wouldn't have been applied to an injury that is exactly why you have insurance.

Joey Coleman: It's the same way when you have a complaint with a brand and you call in, they're now thinking about just delaying the amount of time you're on the call to get you to give up. This isn't crazy.

Dan Gingiss: Well, let's roll it back a little bit. The whole reason why the customer service department exists in a company is because something in the customer experience has gone wrong, causing the customer to need to contact.

Joey Coleman: Exactly. Customer service is reactive, right? It's dealing with problems and helping answer questions.

Dan Gingiss: Exactly, so that's why it even exists in the first place. But now if you have companies that are trying to essentially exploit the idea of a customer calling when they have a problem and trying to take advantage of them, again, it's almost like a double whammy. And I think what is really perplexing about the math here, I tried to look at this subjectively, because after all this was an academic endeavor here. But the idea of guessing the short-term gain of not having to refund an order, and comparing that to the long term loss of bad word

of mouth and customers defecting to the competition, I just don't see how the math works. It's like you're saving a few pennies today, but costing yourself tons of dollars down the road.

Joey Coleman: When did we decide that there would be math? I was told there would be no math. Here's the crazy thing. So much of this has become numbers-driven that we're missing the point. When you tell someone that you love them, do you ask them to quantify what the amount is? Well, do you love me more than yesterday? Or is it a little less or is it a 0.7 today and hopefully a 0.9 tomorrow? We need to stop bringing math to the conversation of customer experience. Now I get that we need to have ROI. I get that organizations are making investments and they're trying to figure out how to maximize their dollars, but your point, Dan, short-term maximization of dollars and revenues and profits often results in long-term destruction of customer value, of customer loyalty, and of the overall experience.

Joey Coleman: Folks, if you work in a business, if you're one of our listeners and you work in a business where they have talked about unit hassle costs, number one, please let us know. Number two, tell us the name of your brand because I don't even want to do businesses with brands that are evaluating the unit hassle costs.

Dan Gingiss: And number three, run away quickly.

Joey Coleman: Oh my gosh.

Dan Gingiss: I agree. The fact that a company would even think of this means that something is broken at the core. But I would suggest to our listeners that there may be places in your customer journey where this is happening inadvertently, not on purpose, right? Is that we do create hassle for customers all over the place and we may not be trying to do it, but what's happening is we're not eliminating the hassle. So the reverse of this, and the reason why people love Amazon so much and why so many other companies are going out of business in the age of Amazon, is that they're not even identifying the hassle or pain points that they are currently creating, and looking to eliminate them.

Dan Gingiss: Obviously, if you've gone over the ethical line of trying to create hassle, that's a completely different story and that's where I want you to run away. But the truth is, most companies create some sort of hassle for their customers and eliminating them is a great way to keep people happy and loyal.

Joey Coleman: Less friction equals happier customers. Less hassle equals happier customers. Folks, you know where these friction points exist in your business. It's not one of those things where we need to quickly go out and survey all of our customers to find out where the problems are. Give me any gathering of employees from any organization, and I can guarantee that they'll be able to point out where the organization needs to improve. And one key area to look at is, where are you

forcing your customers to do things, because either that's the way we've always had them do it. Or that's what the form requires. Or that's what our system and policy dictates. If any of those phrases are coming out of your mouth, there's an opportunity for improvement right there.

Dan Gingiss: So instead of telling your customer, "Please hold, your call is very important to us," try to eliminate the call in the first place by fixing the thing that caused it.

[Listener Stories] The Mattress

Joey Coleman: You listen to us, now we want to listen to you. By visiting our website and sharing your remarkable customer experiences with us, we can share them with a broader audience. Now sit back and enjoy our listener stories.

Dan Gingiss: Two episodes ago, we featured a listener story from Carol [Klegg 00:17:48], a marketing consultant at Travel Like a Local Today. Carol shared a story about ecommerce company Wayfair, and how they responded to a bed that was damaged in transit.

Dan Gingiss: Well, with most every bed comes a mattress. And it turned out that Carol had another great experience there. Let's hear again directly from Carol.

Carol: Dan, this is Carol again from Retreats to Lisbon on Twitter and coming to you with my reason for adding the mattress company [Avia 00:18:16], and I'm probably not pronouncing that correctly, to my list that I want to make of wonderful customer experience. Bought this mattress online, hesitantly read plenty of reviews. Mattress arrived. Unpacked it, expecting it to be softer than it is and it's like, oh my goodness, this is a king size mattress. And yes, I know they have a hundred day return policy, but what on earth is that going to look like? And this is going to be more effort than it's worth to return it. And, just trying to think of all different ways. I thought, well, you know what? A phone call is a good place to start.

Carol: And so I called their number. Easy to get hold of. Answered the phone straight away. Listened to my discussion. All I wanted to know is what the process was if I do decide to return this mattress, and the options were awesome. The first one was, you can donate it. And the second one was, we will send somebody to pick up the mattress, wrap it up, take it away. And no cost, no charge for that. And we will send you your replacement mattress ahead of that time. And I was like, wow, this is just amazing. It's like the solution, boom, done. Given to me and yes, so now I have the option, I have my a hundred days to try out the mattress knowing that I'm backed by this awesome customer service from this company and that I can take my time and make sure that, do I need to return it? And then

know that I don't need my husband home. I don't need any help. That somebody will be coming here to just take care of it all for me. So, another company whose customer service and customer experience rocks.

Dan Gingiss: This story actually reminds me quite a bit of the story that Carol told about Wayfair earlier this season. They both have something in common, making things easy on the customer. The Harvard Business Review found that the number one most important factor in a customer's loyalty is reducing customer effort. And that's exactly what both Wayfair and this mattress company have done.

Joey Coleman: Yeah, I think at the end of the day what's interesting is, so often as businesses, we fail to recognize the extreme effort that our customers have to go through to interact with us. And wherever possible, reducing that effort has an inverse relationship to their increase in happiness. What I mean by that is, for each notch of effort that you can bring it down, my happiness of doing business with you will go up.

Dan Gingiss: Yeah, I want to point something else out about her comment here. So she's talking about this mattress company that has a hundred-day return policy and clearly that is a marketing angle. It's also a benefit of doing business with the company. But, what was interesting was, that that wasn't clear to her. She said, "What on earth is that going to look like? And is this going to be more effort than it's worth to return it?" So yeah, you could have a thousand-day return policy, but if it's a pain in the neck to to return it, then that doesn't have much value to me. Plus, and I've wondered this as well, once somebody sleeps on a mattress and then you return it, what happens next?

Joey Coleman: Ooh, I actually know the answer to this one Dan. Most of the mattress companies that have these type of policies, will then donate the mattress to a local homeless shelter.

Dan Gingiss: That's awesome.

Joey Coleman: So they put it back into use as opposed to turning it around and selling it to another customer.

Dan Gingiss: Excellent. Excellent. But my point there is that, this company has a nice feature in its hundred-day return policy, but it isn't communicating it effectively enough. And so, as we just got done talking about, one of the things that is clear here is that Carol had to call in the first place, right? Because, the whole transaction was causing her nervousness before she made the purchase, so she felt that she had to call and talk to somebody about it. And to me, if I were advising this company, that's one of the first things I would look at is, why did Carol even have to call?

Joey Coleman: Absolutely. And I think it brings us back to the topic we talked about earlier in this season of the explainer video. This could be a great example where a company could have an explainer video that says, "Here's how we handle if you want to send the mattress back. This is what we've done to make it easy, to make it convenient for you." Lots of times, organizations have really customer-centric and customer-focused policies that are written about or presented in a way that the customer doesn't realize it's in their best interest. And so I think there's always an opportunity, it's why it's great to have new employees or new customers and get their honest feedback, because they haven't bought into the way you operate. They haven't gotten use to the way you operate. And so they still have a little bit of that wonderment or surprise or uncertainty about your business operations, and that gives you the opportunity to identify places where you could be more clear or more focused in your messaging.

Dan Gingiss: Yeah, I think a great example of this is when I was in the credit card industry. All the research showed that customers hate doing math. So when you talk about rewards programs, there's actually not a huge difference to most customers between 1% back, one and a half percent back, 2% back, 3% back, because they can't do the math anyway-

Joey Coleman: Right.

Dan Gingiss: ... and they don't want to do the math.

Joey Coleman: Right.

Dan Gingiss: They conceptually understand that 2%'s better than 1%, but they're not going through the calculations in their head to understand how much better. So it doesn't have the impact that reflects the cost or the investment in doubling the rewards.

Joey Coleman: Well, and let's look at the basics. 1% back versus 2% back. The average customer is going to look at that and go, "Well that's just a single percent higher," instead of saying, "That's twice as much." We see this show up in the investment world with fees, right? Your mutual fund fee. The difference between 1% and 2% is dramatic over the lifetime of the investment. So I agree with you. Wherever we can eliminate the math, that also helps eliminate the friction.

Dan Gingiss: So we want to thank again, Carol Klegg, for sharing her listener story.

Joey Coleman: Carol's like the super-listener. Carol, you're a rockstar. We love the fact that not only you tell this story, but then you came back with the follow-up story about the first story you submitted.

Dan Gingiss: And I can speak for Joey in saying that, "Carol, we do hope that after all of this, you are having a peaceful night's sleep on your new bed and your new mattress." And remember to our other listeners, that you too can share a story for use in a future episode. Just go to our website at www.experiencethisshow.com. Go to the contact section, and click on start recording, and you can leave us a digital voicemail with your experience that we will use in a future episode.

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

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

Joey Coleman: ... Experience ...

Dan Gingiss: ... This.