



Powerful Marketing Minutes
50 Ways to Develop Market Leadership
in the 21st Century

Book Excerpt
Chapter 3

Creating Customer Satisfaction

I often advise senior management that most organisations today need to change from trying to win new customers to a focus on meeting and satisfying the needs of their current customer bases.

With this strategy, the aim is to achieve a high degree of customer **satisfaction** with the customers you already have in hand.

Good customer service is no longer good enough. As a matter of fact, I encourage each of you listening today to “fire” all of your customer service staff. That’s right, fire them. And then hire them back 15 minutes later as **customer satisfaction** staff.

I’m not playing a game of semantics with you. Customer service tends to be reactionary and process oriented. Customer service people are often measured on how many customer problems they can fix.

Customer satisfaction is both more anticipatory and pro-active. First, it seeks to ensure that the customer is fully satisfied, not merely mollified with a quick-fix solution or an apologetic reward.

Secondly, customer satisfaction is a mindset that seeks to anticipate future customer needs and therefore prevents the organisation from making future mistakes and errors.

Numerous research studies have shown that if you can reduce your attrition rate...that is the annualised rate of lost customers...by as little as five percentage points, you can increase your bottom-line profits by anywhere from 25% to 85%!

That’s right, just keeping more of the customers you have and preventing them from taking their business elsewhere, can have an immediate positive impact on your profits.

The single best way to keep customers from leaving? Completely satisfy their needs!

Then they'll have no need to look elsewhere for solutions to their problems or opportunities.

Key Point: *you can increase your bottom-line profits by as much as 85% just by reducing customer attrition.*

Discussion Topics: *what would it take to change the mind-set of your customer service people so that they became more pro-active and thought of themselves as customer satisfaction people?*

What would it take to change the mind-set of your management team so that they knew how to manage, motivate, and reward a customer satisfaction staff?

This Chapter is excerpted from Powerful Marketing Minutes by Steven Howard.

The Author

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He is a positioning specialist, whose 30-year marketing and sales career in Asia and Australia has covered a wide variety of fields, ranging from consumer electronics to publishing and from a national airline to personal financial products.

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