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Don't Settle for Satisfied Customers

Review by Chris Lauer

RAVING FANS

by Ken Blanchard and Sheldon Bowles

© 1993, William Morrow, \$22.95, 137 pages,
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Appropriately enough, magic reigns supreme in the pithy little business fable co-authors Ken Blanchard and Sheldon Bowles deliver in *Raving Fans*. Although there is nothing supernatural about the real profits and repeat business created by great customer service, there is something very magical about the way attracting highly motivated, long-term customers can turn a business from just another name in the Yellow Pages to a highly successful company. In *Raving Fans*, the authors describe how any forward-looking leader can turn three secret ingredients into a powerful formula for creating outstanding customer service.

Satisfied customers are just not good enough. For a company to be successful, it needs fans who are so excited about its products and services that they rave to everyone they know about the company's greatness. Helping managers and executives build the services and products that create this type of customer is why leadership gurus Blanchard and Bowles wrote *Raving Fans* back in 1993. Today, their story and the lessons it contains remain as relevant as they were more than a decade ago.

Like all great fables, *Raving Fans* introduces us to a sympathetic hero whose fate is about to change over the course of an exciting adventure. Our hero has no name

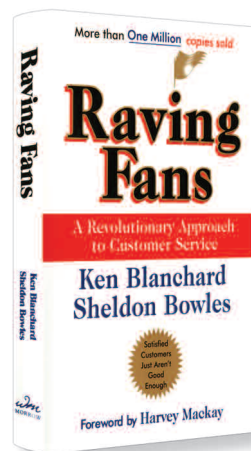
other than his new job title, the Area Manager, perhaps so every reader can put him- or herself in his shoes. The problem is, the protagonist has been hired at a company that turns over people in that position every eight months. Each of those previous people failed at the one thing the president of the company values: customer service. The Area Manager must tackle the sizable task of discovering the secret to great customer service or lose his new job.

Charlie the Fairy Godmother

Thankfully, just when he has entered the realm of perplexed panic, realizing he hardly knows a thing about great customer service, the Area Manager's fairy godmother enters the picture, appearing out of nowhere, ready to take him on a journey that will teach him everything he needs to know about the elusive customer service that will set him apart from his failed predecessors.

Forget what you've ever imagined a fairy godmother to be. This fairy godmother has no magic wand, no puffy dress, no twinkling glow. On the contrary, the fairy godmother advising the Area Manager is much different than those found in other fairy tales. This fairy godmother plays amazing golf, reads minds, predicts the weather and knows everything anyone could ever want to know about creating great customer service.

It's worth mentioning that this particular fairy godmother is a man named Charlie, and he only imparts his wisdom to those who are ready to hear his words about creating "raving fans." It seems that his celestial home



office is an equal opportunity employer, and Charlie was hired to fill its quota of men needed in its ranks of fairy godmothers.

Although the premise might sound preposterous, the principles that flow between the Area Manager and his counselor Charlie are vital for all managers. When Charlie shows our hero how to create fans so dedicated that they are willing to drive 40 miles out of their way just to spend their money, he is sharing timeless business wisdom that all modern leaders can put to use in their work.

Just as the fairy godmother in *Cinderella* acts as a mentor to her young protégée and protects her with magical powers, Charlie guides our hero through a journey to magical places where he discovers the power of total quality customer service. Along the path to his goal, the Area Manager meets a variety of successful businesspeople Charlie has mentored in the past.

Preventing Customer Flight

The starting point of our hero's journey is a company that is just treading water. The Area Manager's employer has customer service that really stinks. Nobody smiles. Employees are rude to customers. If a competitor ever steps up and does things better, customers will inevitably flock away in droves. But since everyone in the industry seems to be suffering from the same lack of inspired customer service, the company stays in business and customers hang around. The real problem for the company lurks in its future: Being no worse than its competition means that the company will be unprepared should its abused customers ever find the slightest reason to fly the coop.

The first lesson that Charlie imparts to our hero is that satisfied customers don't cut it. These are the customers that will take their business to a competitor in a heartbeat. The only way to prevent this kind of defection is to turn satisfied customers into "raving fans." Truly dedicated customers display the loyalty that keeps them around forever, and makes them brag about a business to others. They also bring their friends, families, neighbors and colleagues to that business's front door. These are the people that turn a company into a real success. Since customer service is really the bottom line for all companies, creating raving fans is an essential skill that they need to master to become booming businesses.

Charlie, the fairy godmother, has three magic secrets for creating raving fans, and through the course of the Area Manager's journey, Charlie imparts them one by one to our hero. In between their lessons, the two men play golf.

Make a Decision About What You Want

After playing their first 18 holes together, Charlie takes our hero to meet the first in a series of smart people who provide him with the insights he needs to turn Charlie's secrets into a working business model. The first person the two men visit is Leo Varley, the owner of Varley's Department Store.

In Varley's store, the Area Manager experiences exquisite customer service first hand. A greeter pins a carnation on him. A clerk finds him a book, which is out of stock at Varley's so she purchases it from a nearby store and wraps it for free. During his experience at the department store, the Area Manager notices that Varley's washroom is immaculate. He also discovers that Leo works from a desk right in the middle of the store where customers are encouraged to engage with him and ask him for anything they might need.

Leo offers the Area Manager the first secret of raving fan creation: Decide what you want to do. Although this seems simple, it is a crucial decision that every manager who wants to create great customer service must make. In other words, create a vision of what you want your business to offer to its customers. Take time to formulate a clear understanding of what your business looks like, down to the smallest detail, and imagine how you can satisfy your customers' needs. This exercise includes discovering how you will empower your employees to serve customers and what you will do differently from your competitors.

The next stop that Charlie and our hero make is at Sally's market, a grocery store that offers customers a variety of amenities that the Area Manager has never experienced before. There's valet parking, store advisers, a computerized shopping service, nutritional advice, rapid checkout, automated billing and free shoe shines to boot! These are the extras that show our hero what outstanding customer service can look like in a different retail setting.

Sally, the owner of the grocery store, explains that deciding what you want for your business also includes creating a "vision of perfection" that centers on the needs and desires of customers. She points out that this is part of the way she turned her struggling grocery store into a thriving success story. By carefully transforming her market into her fantasy of a perfect grocery store, step by step over time, she was able to attract the raving fans who make her extremely successful.

Find Out What Your Customers Really Want

Several days later, the Area Manager and Charlie go out for another drive. This time they meet Bill the plant manager. As a manufacturer with his finger on the pulse

of his customers' needs, Bill explains the second secret Charlie imparts to his students. This lesson takes the first secret of great customer service into the realm of reality even farther by injecting the manager's decisions with the desires of his or her customers: Discover what your customers really want. By asking important questions and listening closely to the answers that customers give, a manager is better able to adapt the vision of the company is his or her head with the reality of customer demand.

Bill describes how each customer will have his or her own focus, which might be incomplete, but can still provide a manager with valuable insights that can help the business fulfill desires. He also explains that some customers want much more than what the manager's original vision of the company entails. It is up to the manager to decide whether to incorporate that desire into his or her original vision, or to tell the customer to please look elsewhere for another company to fulfill that desire.

Fire Bad Customers

Herb Kelleher, the founder and former CEO of Southwest Airlines was famous for doing this on the rare occasion that he found a passenger who just could not be satisfied.

According to legend, a frequent flyer of the airline was constantly unsatisfied by everything Southwest did. She continually wrote letters to the airline complaining about the company's boarding policy, its lack of in-flight meals, the flight attendants' uniforms and the casual atmosphere during the airline's flights. When the employees in Southwest's Customer Relations Department were at a loss for what to do next, they sent the woman's letters to Kelleher.

Kelleher, who was CEO at the time, wrote back to the woman: "Dear Mrs. Crabapple, We will miss you. Love, Herb."

The authors of *Raving Fans* explain that sometimes a customer's vision for your business is so different from your vision that he or she simply does not fit into the picture. In other words, customer service is vastly important, but there are limitations. Those limitations define the business. When a customer falls outside of those parameters, it is more important for the company to bid farewell to that customer than it is to rearrange the original vision to accommodate somebody who is too hard to satisfy. Rather than waste money and resources fighting a losing battle, a better solution is to simply (yet politely, like Herb Kelleher) tell that person to take a hike.

On the other hand, when a good customer who loves

your company has some input that might be useful for your company, by all means take that information to heart. Adapting your original vision to accommodate the sharp focus of a valuable customer can help you improve your customer service immensely. Just decide how far you want to go outside the lines of your vision, and work hard to keep your business in line with its goals.

Never Take 'Fine' as an Answer

Two pieces of good advice that Bill imparts to our hero are 1) a customer's silence speaks volumes and 2) a mundane response like "fine" from a customer is not good news. Bill explains that if people don't care enough about your product or service to offer you any praise or feedback, or if they simply respond with "fine" when they are asked about their experience with your company, then you are not doing enough to keep them when a competitor offers them something a little better. Don't be lulled into complacency by quiet customers. Instead, listen harder for what they really feel, every day, Bill says. The best way to do this is to ask sincere questions and respond with sincere answers. These actions show customers that you are listening. People love to be heard, so this is a great way to turn them from merely satisfied customers to raving fans.

Next, the Area Manager goes to visit his fairy godmother for another golf outing. On the way there, he meets Dennis, a cab driver who not only quickly and smoothly takes him to his destination, but also provides the Area Manager with the greatest cab ride of his life. Dennis opens and closes his door for him. He offers him cold and hot beverages. He gives him a selection of radio stations. He has magazines and the day's newspaper available. His cab sparkles, and the interior is comfortable and perfectly clean. Dennis serves as yet another example of a customer service genius and the third secret of creating raving fans: Deliver the vision plus 1 percent.

Could Be Canada

To help his student understand more deeply what Dennis had showed him in practice, Charlie takes the Area Manager on a magic carpet ride to a place far, far away. Possibly, this place is in Canada. The reason why Canada is a good bet is because the next place the pair visits is a perfect example of a customer-friendly gasoline service station where attendants run to the car, pump it full of gas, check the engine, wash the windows and provide over-the-top service with a smile. Although the story's gas station business is fictional, it is easy to speculate about the origins of this part of *Raving Fans*.

It just so happens that Sheldon Bowles, the book's co-author, was once the president and CEO of Domo

Gasoline Corp. Bowles and his chairman, Canadian Senator Douglas Everett, were responsible for building that company into one of Canada's largest independent gasoline retailers. Domo was also famous for its full-serve Jump to the Pump® service, which sounds suspiciously like the gas station the Area Manager visits in *Raving Fans*.

At the imaginary gasoline retailer in the fable, the owner, Andrew, tells our hero what he means by “deliver” and “plus one.” Regarding the *deliver* part of the equation, the gas station owner explains that delivering on your customer promise is not an occasional thing. Success is built on consistency. He adds that a business that wins raving fans makes realistic promises and meets them every single time, often over-delivering on those promises.

Through continuous incremental improvement (“plus one”), a business gets better through steady growth. By improving just 1 percent of the business each week, Andrew points out, by the end of the year, the company is more than 50 percent better than it was at the beginning of the year. He calls this “The Rule of One Percent.” This simple rule goes a long way toward keeping a business moving forward without upsetting the passionate customers who already love the company as it is.

Consistency and Flexibility

While Andrew describes the final secret in the formula for raving fans, he brings up another important concept: Systems are needed to make incremental improvements

part of the structure of the business. He also points out that while systems help to keep a business humming along and growing, you must remember the importance of flexibility when it comes to encouraging employees to serve customers better. Rather than setting up strict

rules that create robotic employees, he suggests creating customer-centric systems that help employees make their own decisions based on their customers' immediate needs. The consistency created by systems allows a business to make incremental improvements that take it beyond the original vision on which it is built. Customer-centric flexibility makes the business human.

Through the insights of Leo, Sally, Dennis, Bill and Andrew, Charlie makes his message clear to our protagonist. Raving fans don't just arrive out of nowhere. They are created by the persistent and consistent efforts of inquisitive and visionary managers, like the Area Manager, who listen to their customers.

By describing the secrets that can take him and his company to the next level of customer service, Blanchard and Bowles offer all professionals the tools they need to start building a more customer-focused organization. Through the simplicity, relevance and genius of their clever characters and the compelling nature of the story in which they are introduced, the authors have created a timeless piece of business fiction that can help all managers attract raving fans to their businesses in the real world. ●

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The authors: Management guru Ken Blanchard is the co-author of the successful management guide *The One Minute Manager*®, which has sold millions of copies since he wrote it in 1981 with Dr. Spencer Johnson. Blanchard is also the author or co-author of an additional 23 books, including the best-sellers *Gung Ho!*, *High Five* (two more books he co-authored with Sheldon Bowles) and *Raving Fans*, which has sold more than 1 million copies to date. He is also the chairman of Blanchard Training and Development, a highly successful management consulting and training company.

Sheldon Bowles originally made a name for himself as a customer service genius when he founded and presided over Domo Gasoline Corp., a groundbreaking business that he turned into a \$75 million company through a variety of unique customer service initiatives. Today, he serves as president of Ode to Joy Limited, a successful diversified holding and management company.

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