

# 6 potentially damaging enterprise customer service myths demystified



Exceptional customer service is a key brand-building element in the brand management strategy toolkit to make brands attractive. In the ever-challenging task of integrating and aligning the marketing, brand and sales strategy,

marketing professionals and brand strategists must ensure to extend their strategic focus to customer service. Amidst the myriad marketing technology tools available to us, proper customer service is often left as an after-thought, which is only dealt with when a “customer issue” arises.

Aki Kalliatakis is the founder of [The Leadership Launchpad](#) and has been working in the world of customer service since 1989. An expert on customer service, he sat down with us to bust six myths about customer service and four reasons why these myths must be demystified.

What are the top six myths about customer service and delight?

## **1. Customer care and customer loyalty are “nice to haves.”**

After all, goes the logic, being nice to customers doesn't show a big ROI (return on investment.) Don't they just buy what they need, and if we supply it at the right price we should be okay? Nothing can be further from the truth.

There is ample evidence that taking care of customers has a

specific and measurable return. They come back, again and again, which has a number of implications: we spend less on marketing and sales to loyal customers, and don't have to focus as much on keeping rivals out, they tend to be far less price sensitive, the cost to serve them reduces as we get to know them better, they are more open to cross-sales and upgrades when they are happy, and they tend to be far more forgiving if things occasionally go wrong. In addition they are far more likely to refer and recommend the businesses, which they trust.

## **2. Unhappy customers don't do too much damage, especially if we contain it**

When you count the cost of replacing lost customers, the damage of a poor reputation as more customers use social media and traditional media to tell others about their experiences, the amount of effort and cost needed to deal with complaints and problems, including fixes, refunds and ex-gratia payments, the negative effect on morale of your staff, but the positive effect on your competitors' morale, and the loss of all the positive consequences mentioned in the point above, they cost is too high.

## **3. Satisfied customers will come back**

Unfortunately not true. In today's connected world where customers find it easier than ever before to make the right choices at the right prices, they need to feel tied to your organisation at the hip, or they will be lured away. There are many, many ways of creating loyalty and adding value for your customers, (see below.)

## **4. Creating a culture and infrastructure for customer loyalty is relatively easy**

It's not about a few kind words and a smile. There are at least 82 ways to add value for customers, to create better relationships, and to hook them into doing business only with

you. And the best news of all is that these are relatively cheap, and even free. Nevertheless, it's about something much deeper than training staff. It requires your business to make some dramatic changes to the very fabric of your company and its operations.

## **5. Loyalty is about loyalty programmes and rewards**

Absolutely untrue! These types of programmes are enormously expensive to plan, launch and implement, and have a very short-lived result. (Remove the incentives, and customers flock to other suppliers.) In addition, they are open to fraud, cheapen your brand, and you lose all advantages when your rivals imitate what you have done. And now the taxman is going to tax these, so your customers will demand more.

## **6. Customers love call centres**

Yeah, right! Just ask them. Managers love call centres because they are relatively cheap compared to the alternative of face-to-face contact. It has become a necessary and forced evil.

So why is it crucial that these myths be debunked?

### **1. The world around us has changed dramatically**

Today the customers make the rules. As Chris Anderson, Editor in Chief of Wired magazine, wrote: "... a company's brand is not what the company says it is, but what Google says it is. The new taskmasters are us. Word of mouth is now a public conversation, carried on in blog comments and customer reviews, exhaustively collated and measured. The ants have megaphones now."

**2. "We are living in the age of the never-satisfied customer."(Tom Peters)**

**3. Traditional marketing and sales don't work anymore**

Customers are bombarded with too much one-way communication, and are cynical and distrusting. Enough “Spray and Pray” – it doesn’t work. Only 14% of customers actually believe that what they see in adverts is true. Over 90% trust their colleagues, friends and even strangers on social media.

#### **4. Companies waste too much time on issues irrelevant to customers**

There is little or no understanding of what customers really want (and don’t want.) There is also too little understanding of what is special and unique about the company. And there is too much happening in the company that customers don’t care about.

Like any good urban tale, if these myths are not demystified it can live in our enterprises’ marketing ecosystems for a long time, causing damage to brands. Developing superior customer service as a competitive advantage is an imperative to strengthen the brand, which in turn improves sales.

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