



By Wayne Outlaw

Instinctively we all know that “how well” we serve a customer makes a difference in our businesses. Years ago we saw platitudes on sign and posters, such as “The Rules of Customer Service,” which quoted “Rule #1 – The customer is always right. Rule #2 – In the event the customer is wrong, see Rule #1.” These are humorous and anecdotal approaches to service, but they are not sufficient to build a business today.

Today’s customers, including those in the tree care industry, are much more demanding and more astute than ever before. The approach that the customer is always right falls short of a real approach to building your business by the way you serve customers. What is needed is a system designed to deliver the level and type of service that builds loyalty and increases retention.

To boost loyalty, the first question we need to ask is “What causes customers to be loyal?” A tree care company owner I talked with today said, “Customers really don’t know what proper pruning is. They just know how they feel after they receive a service from us.”

In short, many times only a trained professional can tell whether the tree is pruned properly or not. However, regardless of a customer’s level of knowledge or expertise about trees, he or she can determine how he or she feels about the service received. They may make evaluations about whether

it was done correctly more on how they felt afterward and was it as they expected rather than any professional expertise in tree care.

Regardless of what the customer uses to make distinctions, we know they make assessments, judgments, and evaluations that determine their level of satisfaction. There are various levels of customer satisfaction.

We all can recognize a dissatisfied customer when we see them during our normal work day and even in other businesses. They may be the ones complaining, but many times they may not be complaining. They may be unhappy but don’t tell anyone.

Every tree care company owner wants satisfied customers, but is that enough? Unfortunately a satisfied customer in today’s environment does not create loyalty.

The next level is unsatisfied. Possibly nothing happened to make this customer unhappy; and conversely nothing happened to make them happy. It was just a transaction and may be perceived as transparent. For example, a customer may have a tree trimmed, it is done as expected and nothing goes wrong. The customer has very little interaction and the tree appears to be trimmed properly. It is almost unnoticed.

The next level of satisfaction is satisfied. For example, the customer felt the trimming of the tree was done well, the employees the customer interacted with were personable and courteous, and any

debris was picked up and removed at the end of the job. It was a good experience, but not positively memorable.

The fourth level is very satisfied. Some may use the term completely satisfied or very satisfied. This level goes beyond just satisfaction to having the customer “feel very positive” with the entire interaction. The customer has very positive reactions and it is memorable. For example, a very satisfied customer may be one who receives a quick response to a difficult request, his or her interaction with everyone from the company is very personable and helpful, the job is done early and better than expected, all debris is not only removed and any other problems are taken care of before the customer is aware or experiences any inconvenience. The crew leader or person responsible may talk with the customer to review what was done, why it was done a specific way, answer any questions, and see if there is anything else that can be done for the customer.

Every tree care company owner wants satisfied customers, but is that enough? Unfortunately a satisfied customer in today’s environment does not create loyalty. Experience has shown that only customers who consider themselves “very satisfied” or “completely satisfied” can really be counted on to be loyal. Studies in various industries prove time and time again that simply being satisfied is not enough to create true customer loyalty. For example, at the height of what I called the “telecommunication wars,” AT&T found that only 3 percent of their very satisfied customers would change long distance companies even if they were called and offered a lower price. Thirty two percent of those who considered themselves satisfied changed to a different company. As you can see, “satisfied” is not enough to cause customer retention.

At Xerox, a company where I worked for a number of years, they found that six out of seven of their “very satisfied” customers would buy again from Xerox when the time came to make a purchase. Only

one out of seven who considered themselves “satisfied” would repurchase. In short, taking the time and effort to raise the satisfaction level from “satisfied” to “very satisfied” pays significant dividends. At Xerox, it meant going from a retention rate of 14.3 percent to a retention rate of 85.7 percent. In any business a boost of 71.4 percent, which Xerox got by increasing satisfaction level, in retaining customers is money in the bank. Opinion research in a survey of a variety of industries found that if someone considered himself or herself “very satisfied” or “completely satisfied” he or she was 42 percent more loyal than a “satisfied” customer. What would a significant increase in loyalty do to boost your business?

Since satisfaction level is so important, you are probably asking, “What do people use to measure, evaluate, or determine their satisfaction level?” Critical Service Factors are the elements that customers either consciously or unconsciously use to measure their satisfaction. In each industry and situation, there are predictable and definable Critical Service Factors. Many times the customer may not even be aware of what they consider Critical Service Factors and their importance to them; however, they are affecting their satisfaction level.

What determines someone’s satisfaction really rests on these series of factors that are fairly consistent with similar types of customers. These Critical Service Factors are the elements that customers use to measure their satisfaction. It’s important to note that, even without the awareness of the customer or the tree care company, these Critical Service Factors and how well expectations are met in each are having an effect on satisfaction level.

Each industry, and even type of customer in the industry, has his or her own Critical Service Factors. In office technology these factors may include frequency of breakdown, time required to repair, and even the amount of output produced before a repair is needed again. In other industries, such as distribution, Critical Service Factors include reliable on-time delivery, high order fill rate, easy order placement, accu-

Critical Service Factors:

- ▶ Prompt response to customer requests
 - ▶ Keeping commitments, especially appointments
 - ▶ Leaving the property in the same condition as before
 - ▶ Trimming and all debris removed after job
 - ▶ Showing care and concern for property
 - ▶ All furniture & items replaced after job
- ▶ Friendly, helpful staff
 - ▶ Keeping the customer informed
 - ▶ Professional appearance of staff
 - ▶ Being courteous and professional
 - ▶ Pleasant, knowledgeable and communicative
 - ▶ Accurate billing/payment credit

What are the factors your customers use to judge you?

rate invoicing, and responsiveness when there is a problem or product shortage.

In the tree care industry, Critical Service Factors may be ensuring all debris is removed, all furniture and personal items are replaced, personal appearance of staff, positive, professional communication, accurate billing and payment credit, prompt response to customer’s requests, and keeping commitments. (See Side Bar for sample Critical Service Factors.)

Critical Service Factors may vary somewhat by type of customer the tree care professional is serving. Even the importance of each factor can vary significantly. For example, a customer having work done at a luxury residence may be much more concerned about being kept informed and receiving positive, professional communication than a commercial customer who may not have direct contact with those who perform the work. But remember, even if the customer does not see those who perform the work, it is expected that they will

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be helpful, professional, and friendly. With some commercial customers it may not be as important as with residential customers since the decision maker doesn't have direct contact with those doing the work. However, if there is a problem and others complain, dissatisfaction will occur.

To deliver the level of service needed and, very importantly, to focus the company's resources on what's most important, the tree care company manager or owner must know not only what is important, but also the relative level of importance of each of the factors to their customers. Recently while doing a customer satisfaction survey for a client in a different industry, we uncovered that they just spent a significant amount for a system to make price changes and inventory management easier for their retail customers only to find that it ranked very low compared to "responsiveness when there is a problem." The client devoted significant resources to an area the customer did not feel was as important as others. Be sure to invest your time, energy and resources on what is most important.

Once you know the relative level of importance of each Critical Service Factor, you must know the customer's satisfaction level with each. Remember, simply being satisfied is not enough to create loyalty. It is important that satisfaction with the Critical Service Factors is consistently measured and the organization focuses its effort on improving. At the end of each job, it would be important to determine the customer's satisfaction level. It can be done with a simple card for the customer to provide feedback on, or it can be a more elaborate system where he or she logs on to a Web site to give more detailed feedback. To get a true measurement of the customer's reaction and satisfaction level it must provide the customer with the an easy way to respond anonymously.

Don't just treat each customer interaction as an isolated event. Compile information from each to create a "real time snapshot" of how customers are being served. As you work to improve the way customers are served, you can determine real progress by measuring changes in satisfaction levels with each Factor.

Steps to Building Customer Loyalty

- ▶ **Determine the Critical Service Factors**
- ▶ **Learn the relative importance of each Critical Service Factor by customer type**
- ▶ **Uncover the level of satisfaction with each Critical Service Factor by customer type**
- ▶ **Ensure the organization is staffed with service-oriented, competent employees**
- ▶ **Focus resources on building employees' needed service and communication skills**
- ▶ **Develop the necessary customer support systems to enable employees to serve well**
- ▶ **Measure improvements in each Critical Service Factor periodically**
- ▶ **Measure likelihood of customer recommending the company to others**
- ▶ **Track changes and measure against customer retention.**

Each time the customer sees or hears something from the tree care company, it is an opportunity to build the satisfaction level or reduce it. Customer "Touchpoints" occur when there is contact with the company. Typical ones are when the customer calls the company, a person visits to evaluate the job, an estimate is given, when the crew arrives to do the job, while work is occurring, when the job is completed, and even when the bill is sent and payment credited. An important "Touchpoint" can be created when someone contacts the customer by phone, mail or e-mail afterward to follow up and ensure the customer was completely happy.

It's important for Top Executives and owners of tree care companies to realize that simply having the desire to improve the level of service to build loyalty is not enough. To have any management direction carried out, or strategy implemented, the organization must have capable, talented staff who have been trained to serve the customer. Having a great culture of service begins with hiring those with the attitudes, values, and capabilities necessary to satisfy customers. Technical expertise in terms of tree care or pruning is important, but even if the job is done well, if the customer is unhappy about something that was left undone or the way they were treated, loyalty is eroded.

Once the right employee is in place, the company leaders have to continually communicate to everyone the importance of service. Beyond that, employees must be taught how to deliver a high level of service. Setting specific expectations for behavior and communication is one step in imparting employee service skills. Once the employee knows what is expected, he or she has to learn the communication skills necessary to serve the customer. Customer service skills are specific skills, just as sales skills can be learned, and must be perfected with use.

Employees must be rewarded for serving the customer. Management at all levels must have a practice of rewarding the behavior they want repeated.

If you want to build the loyalty of your customers and boost your business, it begins with an understanding of what your customers need or want and how well

you're delivering it. Don't assume technical expertise in tree care is enough. That's a given! The real key is not how well the trees are trimmed, but how the customer feels they were trimmed and that the entire experience with the company was great.

Take the time to develop an organization that creates a very satisfied customer. Very Satisfied customers recommend you to others. That is the true test of loyalty and predictability of retention. Building customer loyalty will boost your business.

Wayne Outlaw is author of "Winning the Value Battle: Selling Against a Cheaper Price to Improve Your Margins and Income" and "SMART STAFFING: How to Hire, Reward and Keep Top Employees for Your Growing Company." He has presented at TCI EXPO and consults with companies to improve and increase their results. He can be reached via wayne@outlawgroup.com. ☯

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