BUSINESS FORUM

Good Service Is Good Business

by Deborah Gabriel

Building contractors and tradespeople see themselves primarily as craftspeople — product providers rather than service providers. But today's consumers take quality and craftsmanship for granted. As the balance of dollars spent in the construction industry shifts from new construction to renovation and repair, consumers increasingly see the construction industry as a service industry.

According to a survey published in *Remodeling* magazine, customers dissatisfied with their contractor were bothered most by three things: failure to follow through on promises and make corrections promptly, failure to finish the project on time, and lack of promptness in returning phone calls. Surprisingly, quality of work trailed these three service-related items.

Making your business more customer oriented pays off. Satisfied customers generate repeat business and referrals. Think about all the

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different jobs just one homeowner will contract for over several years. The list includes reroofing, replacing floor coverings, patching plaster or drywall, repairing fire or water damage, upgrading siding and windows, adding decks and family rooms, doing kitchen and bathroom renovations, and on and on. If your customers are asking you back to do more work, they are less likely to be price shopping with your competitors. It is also far less costly in time and marketing effort to work for past clients than to drum up business from new ones.

Bad News Travels Fast

Marketing experts agree that referrals are the best source of advertising. Referrals are twice as effective as commercial advertising. Statistics cited in the Technical Assistance Research Programs and the Journal of Consumer

Research show that consumers are generally more influenced by negative information than positive when deciding to buy. For example, if you have ten dissatisfied customers, six of them will not complain to you, but will complain to an average of ten other people — friends, relatives, coworkers, anyone who will listen. On the other hand, customers who are thrilled with your company and the work you do will only talk to an average of four people about it, confirming the old adage that bad word travels faster and farther — than good.

What Your Customers Expect

What is good customer service and who defines it? Although you, your employees, and your competitors all have some say in the matter, the bottom line is that good customer service is whatever the customer says it is. How they evaluate service depends on what their expectations are. Good customer service is a matter of perception, and the customer's perception will not always coincide with your own. The best way to find out what a client's expectations are is to ask, and to listen carefully to the answer.

The *Remodeling* survey asked homeowners to list the things that mattered most to them when dealing with their contractor. They said a contractor should:

- start work when promised
- use quality materials
- complete the project at the estimated cost
- have courteous employees
- respect neighboring property and grounds
- respect client's property and grounds
- perform quality work
- be available and responsive

We Have Seen The Enemy

If the favorite topic of on-site conversation is complaints about the owners, you're off to a bad start. The customer is not the enemy, you are. The first thing you must do is adopt attitudes and behavior that show you value your customers as your company's most important asset. Here are some concrete ways to improve customer relations:

 Schedule regular meetings with your customers and ask them what you can do to make them more comfortable. Then implement their suggestions immediately. Remember, you are in business to *solve* problems, not to create them.

- Be available. Let the customer know the best time of day to reach you, then make sure you're there.
- Make it clear to your employees, subcontractors, and delivery people that customer satisfaction is a company priority.
- Respect the "house rules."
 Smoking in the house, for example, is a big issue for many homeowners these days. A strict no-smoking policy will keep your customers happy and protect you from liability for cigarette burns or fires. Employees who smoke outdoors must make sure that all butts are contained and carried off site, not strewn all over the yard.
- When a customer becomes difficult, encourage open discussion among the crew to explore specific methods of handling problems. Arrange for you and your employees to attend seminars to improve your people-handling skills. Most community colleges and SBA centers offer courses at little or no cost.
- Use the good manners your parents taught you. Politeness and simple courtesies go a long way. Watch your language, too.
- Image is a big part of your customer's perception of you.
 Enforce dress and clean vehicle codes. You may not need uniforms, but people like to see company T-shirts.
- Clean the job site daily, and don't throw foodstuffs in with construction debris. Respect both your customer's property and their neighbors'.
- Get the job done on time.
 Untimely completion is among the top customer complaints.
- Finally, don't hire people only for their technical skills. Look for good "people" skills as well. Check with past employers and quiz applicants during the hiring interview about how they would handle specific situations. What would they do, for example, if a customer complains about mud tracked on the carpet? Ideally, employees should apologize for and immediately correct these kinds of problems. Make sure your employees understand that they

have the authority to deal with service-oriented customer requests, and that you expect them to exercise it.

Reality Test

Once you have implemented these service-oriented behaviors, you need to check on their effectiveness. A couple of weeks after finishing a job, try to get your customers to comment on your work and your company. We send a simple letter that comes right out and asks them what they thought:

"In our constant effort to improve the quality of service and product that we deliver our customers, we would greatly appreciate it if, at your convenience, you would take a few minutes to tell us what you liked most about the job we performed for you, and also what areas you think could be improved."

Use an open-ended request like this because the point is not to have your customers confirm your preconceived notion of what good service is, but to find out what they think it is. We include a

Value your customers as your company's most important asset.

coupon for a discount on future work in exchange for returning the questionnaire. This not only helps us get it back, but it keeps us on their list for future work.

If your customers are anything like ours, the responses you'll get will range from compliments on how neat and courteous your crews are, to complaints about squashed azaleas in the flower bed. But they will all help you tailor your service to your customers' expectations. The feedback you get will point up your company's strengths and will help you identify undesirable patterns of behavior. Then you can develop strategies to change or eliminate them. If you discover, for example, that your plumber always leaves a trail of mud on the floor, that a delivery truck consistently ruts up the lawn, or that dust protection is inadequate, you can take specific action to correct these problems. If warnings and penalty systems don't work, replace uncooperative employees, subcontractors, and suppliers with others who respect what you're trying to do.

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