Preface

This is the second edition of Service Failure: The Real Reasons Employees Struggle with Customer Service and What You Can Do About It. It has a new title, updated research, and an improved focus on helping readers unravel the mysteries of getting customer service employees to be their best.

The original book was published in 2012 and went out of print in 2016. It was my first as an author, and it provided valuable and unexpected customer service lessons that I've since applied to other books I've written, including The Service Culture Handbook and Customer Service Tip of the Week.

One lesson was the title itself.

I wrote the book to help customer service leaders solve a vexing challenge: helping their employees to consistently deliver outstanding service. I imagined a title like Service Failure would instantly resonate with those leaders, and to a large extent, it did. The book sold reasonably well over the four years it was in print and received many positive reviews.

Yet I overlooked something pretty big—my primary customer. Service Failure taught me that the most important customer for a business book is an influencer who shares the book with others. It might be someone who recommends the book to a colleague or uses it to start a book club at work. Or it could be a leader who buys multiple copies and hands them out to their team so everyone can read it and work on the concepts together.

I soon heard the same feedback again and again: "It's a great read, but there's no way I'm giving someone a book called Service Failure!"
The title that I thought was so catchy actually hurt sales! The experience reminded me that, in customer service, we can't fall too in love with our own ideas. We have to realize that our customers may view things differently, and we need to understand them as best as we can if we want to serve them successfully.

Which brings me to another lesson.

The original book was literally a service failure. It had a binding problem that caused the pages to fall out as soon as the reader got to page 12!

I discovered the issue when I received my author's copies from the publisher about six weeks before the official publication date. I quickly alerted my editor, but by then, defective books had already been shipped to retailers. The publisher reprinted the books it still had on hand but decided not to recall the books that had already been distributed. I distinctly remember my publisher saying, "Do you know how much that would cost?!" when he defended the decision not to be more proactive.

The publisher did agree to replace damaged books at no cost if readers contacted the publisher's customer service team directly, but that required the reader to be aware of the offer. So I shared the news as best as I could via my blog, through social media, and with friends and family. My mother-in-law was one of the first people to contact the publisher in an attempt to get a defective book replaced, and she promptly got the run-around from a misinformed customer service representative.

A reader might try to return the book to Amazon or Barnes & Noble, but there was a good chance the replacement book would also be defective. I once ordered ten copies of *Service Failure* from Amazon, and five out of ten were damaged. Amazon promptly sent a replacement
order, and three of the five replacements were also defective! These types of repeated problems were a sad irony that made the service failure even worse.

The situation left me feeling powerless and angry. I know many people decided it just wasn't worth their time to fix the problem. Meanwhile, it was my name, not the publisher's, on the front of the book. I'm sure that created a negative impression for some readers, even though I had no control over the book's printing or distribution.

The experience helped me empathize with what frontline customer service employees go through every day. These employees usually aren't the ones who make defective products, fail to deliver services, or intentionally decide to skimp on quality in an effort to save money. Often under-empowered and under-appreciated, these professionals face their customers' anger and try to make amends.

*Getting Service Right* represents a second chance to get it right. The new title is more positive, the book-binding issue has been resolved, and I've added new research and insights I discovered after completing the first edition.

It's often said we never get a second chance to make a first impression. While that's true, we can try to recover from a service failure. And we can learn from each experience, so we can make a great first impression with the next customer we serve. So whether you read the original book and had the pages fall out, or you are discovering this book for the first time, I hope this edition is helpful to you.

It's incredibly important to learn from our experiences and—as you'll see in the introduction—learning from experience is what this book is really all about.
**Introduction**

The man walked into a clothing store and spent a few minutes searching for khaki pants, without any luck. He finally spotted an employee and approached him to ask for assistance.

"Excuse me," he said. "Do you carry Dockers?"

The sales associate, looking like a deer caught in the headlights, gazed around the immediate area and then stammered, "I don't know."

"You don't know, huh?" the customer responded. He turned and walked out of the store without waiting for a reply.

Does this sound familiar? We all experience poor customer service far too often. Many employees don't seem to care about helping their customers. Even those that do make an effort frequently miss obvious opportunities to provide better service.

It's easy to think of customer service as a matter of common sense. The sales associate clearly should have known more about the products the store was selling. And if he encountered a question he couldn't answer, he should have found another employee who could provide a knowledgeable response. Instead, he did neither. The customer walked out the door, and the store lost out on whatever money the customer had intended to spend.

This leads to an important question: why *didn't* the sales associate provide better customer service? To learn the answer, you would need the employee's version of the story.

It was the sales associate's first day on the job. He was 16 and had never worked before, so he was nervous. His supervisor had given him a brief tour of the men's department where he'd be working that day, before leaving him alone as she went on her 15-minute break. The sales associate had no training, no experience, and hadn't even met his coworkers. He felt totally
unprepared and desperately hoped he wouldn't encounter any customers until his supervisor
returned from her break and continued his training.

A moment later, the customer approached and asked whether the store carried Dockers.

The sales associate had no idea whether the store carried this product line. He looked
around in hopes of finding the appropriate section, but had no luck. He also thought about asking
someone for help, but he had no idea which of the people milling around the store actually
worked there. As the customer impatiently stared at him, he unconsciously stammered, "I don't
know." The response had been the customer's angry retreat.

You may have guessed by now that the 16-year-old sales associate was me. Even I knew
what I should have done in that moment, but there were stronger forces at play that inhibited my
performance. My lack of training made it impossible to answer the customer's question on the
spot. Fear and embarrassment robbed me of the confidence I needed to act decisively to find the
right answer by searching the department for Dockers or trying to find a coworker. With no
experience to guide me, my instincts weren't sharp enough to prevent me from stammering, "I
don't know," when that was exactly what I was thinking. The customer's impatience ensured that
I didn't get a second chance.

My story is far from unique. We all know that offering outstanding customer service can
mean the difference between growing your business or watching potential sales quite literally
walk out your door. Yet many organizations consistently find it a challenge to get employees to
serve their customers at the highest level.

There have been plenty of books written about what employees ought to do to provide
exceptional service. Getting Service Right examines the hidden obstacles that make it difficult
for employees to actually do so. This book offers insights and guidance on overcoming these obstacles, drawing upon real stories, scientific research, and my own experiences from over 25 years as a customer service representative, trainer, manager, and consultant.

Here are just a few things you'll learn:

• How customers are to blame for nearly a third of poor service experiences.
• Why your employees might be motivated to deliver bad service.
• Why employees may not think customer service is their primary job.
• How natural instincts can cause an employee to stop listening to a customer.
• What situations can cause employees to give up on serving customers entirely.

The benefits of overcoming these challenges are enormous. Companies can develop a reputation for outstanding customer service that translates into better customer retention, increased business through referrals, and improved profitability. Service quality can easily serve as a differentiator in today's highly competitive markets.

Customer service leaders can become more effective at guiding their team's performance. In many cases, you may find that the suggestions in this book are counterintuitive or are the opposite of commonly accepted "wisdom." Knowing what really causes employees to deliver good or bad service is a key insight to apply when developing policies, writing procedures, training employees, or even making hiring decisions that will ultimately lead to better results.

Customer service employees can also gain from learning what motivates their own actions. I still recall how terrible I felt when my first customer left the store due to my poor service. Examining the reasons why I acted the way I did helped me learn how to do a better job the next time.
Getting Service Right is organized into three parts. In Part I, "Understanding Obstacles to Outstanding Customer Service," we examine why customer service doesn't always come naturally for employees and how this can lead to poor service and, ultimately, hurt a company's bottom line. In Part II, "Overcoming Obstacles to Outstanding Customer Service," we identify and explore ten obstacles that stand in the way of outstanding service, reveal insights into why each one is an issue, and share strategies to surmount them. In Part III, "Putting Lessons into Action," we provide practical steps for implementing these lessons in your own organization.

Throughout the book, you'll find real-life examples from well-known companies, frontline employees, and my own experiences. Common service failures are dissected to understand why they happen and, more important, what can be done to prevent them. Best practices from companies famous for exceptional service are also analyzed to provide insight into how they've overcome some of these challenges.

One last word of caution as you read on. You may find yourself thinking, "There's no excuse for that behavior!" as you read some of the examples of particularly poor customer service. Of course you'd be right, but keep in mind, these stories are nonetheless true. My goal in sharing these stories is to get to the heart of why they happen. As you'll learn in Chapter 1, even inexplicably rude service may have an explanation. And once you have the explanation, you have the insight necessary to ensure it doesn't happen again. Judging by the state of customer service today, that will put you several steps ahead of the competition.
Part I: Understanding Obstacles to Outstanding Customer Service
Chapter 1

Customer Service Doesn't Come Naturally

Hidden Obstacles to Serving Customers

The cashier at the fast food restaurant scowled as I handed him my payment. He looked at the $5.00 bill I'd given him, glanced at the $4.05 displayed on his register, and then looked back at me asking, "Don't you have a nickel?"

"Sorry," I replied. "All I have is that $5.00 bill."

The cashier heaved a tremendous sigh, looked me in the eye, and said, "I hate people like you."

I stood in stunned silence while he counted out my change from his cash drawer and slammed the coins on the counter. "There," he said. "Now you have some cents!"

I was speechless and embarrassed. This unprovoked verbal attack was uncalled for in any setting, never mind a customer service situation. Until this moment, I never thought any employee would need to have this explained to them.

His boss was standing right behind him, yelling at employees to work faster, so it was clearly pointless to complain. However, the story soon became a favorite in my customer service training classes. Some people accused me of fabricating it since the episode was so outrageous. Others chimed in with their own stories about terrible customer service at the same restaurant.

The situation continued to bother me even as I told the story again and again. It was such an obvious example of "what not to do" that I couldn't understand the cashier's actions. What would cause a frontline employee to respond so inappropriately?
Years later, it finally hit me. Though I still didn't feel the cashier was right, I think I now understand what was behind his emotional eruption.

If you've ever been a cashier, you know what a hassle it is when you run out of change. Everything comes to a grinding halt. You wait at the register while your manager goes to the safe in the office, retrieves the change, and returns. While the manager is gone, you stand awkwardly at the register, not quite knowing what to say while the customer in front of you and the other customers in line are impatiently waiting. When the coins finally arrive, you have to break them free of their plastic wrappers and pour them into your cash drawer before you can finally give your customer their change.

Now imagine you run out of change during the lunchtime rush at this fast food place. The restaurant is crowded with customers. All the registers are open, and there's a line at least five deep at each one. The drive-through line snakes around the corner of the building, and the parking lot is full. The supervisor is clearly stressed out and frantically rushes around the kitchen, barking orders at employees, and putting everyone on edge.

This particular supervisor is likely to get even more upset if they have to stop what they're doing to get change from the office. Meanwhile, there are five impatient, hungry customers in the cashier's line who are already aggravated by the wait. Waiting a few minutes more while an angry boss fetches change from the safe is only going to make matters worse.

If you take all this into account, you can imagine that counting out 95 cents might have put this particular cashier one step closer to a bad situation he very much wanted to avoid.

I could also tell this cashier didn't like his job. I've trained thousands of frontline customer service employees over the years and often encounter people like him who are angry
and frustrated. They tell me how they get paid next to nothing to deal with poor treatment from customers, coworkers, and their boss. And since they perceive that customers are the cause of most of their problems at work, many of them say their customers are the most difficult people to deal with.

This understanding made me wonder about other situations where customer service is inexplicably poor. We've all encountered employees who are unfriendly, downright rude, or ignore us completely. Some are poor listeners and don't seem to understand what we need, no matter how we explain it. Others are unresponsive and fail to return phone calls and emails or even follow through on something they promised to do. Many seem like they couldn't care less about taking care of our needs. And it's not just an isolated incident—it seems like we encounter these experiences every day!

A mentor once told me that most people inherently want to do a good job. He explained that when someone isn't doing their job well, it can take some investigation to find the root cause of their poor performance. So I started to search for hidden obstacles that prevented people from providing outstanding service.

My research revealed one very surprising truth: humans are not naturally good at customer service!

We have the potential to deliver amazing service, and some of us are better at it than others, but every person has significant obstacles to overcome. Difficult bosses, processes and procedures that don't work, and difficult customers can all get in the way. Even our own attitudes and emotions can sometimes make it hard to be great at customer service.
The biggest obstacle of all may be overconfidence. Many companies, leaders, and employees simply underestimate what's required to deliver outstanding customer service.

In this chapter, we'll look at two of the factors that hold organizations back: the challenge of consistency and a disconnect between the way companies and customers rate service quality.

**The Service Consistency Challenge**

Throughout my more than 25 years in customer service, I've repeatedly heard people refer to customer service as a matter of common sense. This belief belies the fact that good customer service can be maddeningly difficult to achieve with any consistency.

Companies within the same industry often provide very different levels of service. Southwest Airlines and United Airlines represent opposite ends of the customer service spectrum. According to the 2018 American Customer Satisfaction Index (ACSI), Southwest earned an 80 point customer satisfaction rating, the highest among the major airlines in the United States. United, on the other hand, was the third worst, with a 67 point rating.¹

On the surface, it seems easy to understand why these two airlines are so different. Southwest is known for their fun-loving employees and has had books written about its exceptional service. United's customer service claim to fame is the infamous 2017 incident where a passenger named David Dao was physically dragged off a plane by airport security to make room for a United crew member who needed to get to Louisville.² The dragging incident, which made national headlines, was just one of a long list of viral customer service failures for the airline.

The problem with industry ratings is that they're averages, not absolutes. You're not guaranteed a great experience the next time you fly Southwest, and it's unlikely you'll be
physically dragged off the plane the next time you fly United. Many disgruntled passengers have
taken to calling Southwest "Southworst," and United has a loyal following of dedicated
passengers who can't imagine flying with any other carrier. In other words, an average rating
doesn't necessarily equate to your rating.

Stores within the same company may also be miles apart in their dedication to customers
and offer very different levels of service. The Yelp ratings for the five Starbucks locations closest
to my home range from two-and-a-half to four stars (out of five). The location with four stars has
limited seating and a tiny parking lot that's often blocked by cars in the drive-through line, but
the store's consistently friendly employees somehow overcome the location's physical
limitations. Meanwhile, a nearby store with a three-star rating is much larger with more seating
and parking, but the employees don't seem quite as friendly.

Customer service can even vary widely within the same store or department. My favorite
Starbucks location has a three-and-a-half-star rating on Yelp, with individual reviews ranging
from one to five stars. I'd give it a solid four stars, but I'm only one of thousands of customers.
Two recent one-star reviews complained of extremely slow service, while a recent five-star
reviewer gushed about the fast service they received.³

Companies, stores, and individual employees can also change. In 2013, T-Mobile had the
lowest rated customer service for wireless phone carriers on the ACSI, with a score of 68. Five
years later, T-Mobile led Verizon, AT&T, and Sprint, with a score of 76.⁴ Service at the bagel
shop in my neighborhood improved dramatically a few years ago when a new store manager was
brought in. A server at a local restaurant I go to was very unfriendly the first time he waited on
my table, but now is very friendly and even comes over to my table to say "Hi" when I'm seated in another section.

It's tempting to look at customer service as a matter of common sense, but "common sense" really means "the way I personally see it." There is no one right way to serve every customer. Companies, stores, and individual employees aren't always good or always bad when it comes to service.

Customer service is ultimately based on human-to-human relationships, and human beings are infinitely variable.

The service consistency challenge has to be met head-on if you want to deliver outstanding service. Companies must develop service strategies that meet the needs of a wide range of customers and invest in the right tools and training for their employees. Customer service leaders need to encourage good performance while accepting that employees can learn from occasional mistakes. Employees must develop the flexibility to adapt their approach to each person they serve.

**The Customer Service Disconnect**

In September 2016, the Wells Fargo website touted the company's customer-centric culture. There was even a quote from then-CEO John Stumpf that touted the organization's commitment to customers:

"Everything we do is built on trust. It doesn't happen with one transaction, in one day on the job or in one quarter. It's earned relationship by relationship."

That statement couldn't have been farther from the truth. That same month, the Consumer Financial Protection Bureau announced it was assessing Wells Fargo $185 million in fines for
opening more than two million phony bank accounts and credit cards in the names of unsuspecting customers. The phony accounts were opened by thousands of employees who were pushed by their managers to meet unrealistic sales targets, and more than 5,300 employees were ultimately fired.5

Stumpf continued to promote the idea that Wells Fargo was customer-focused even when he announced the staggering news to the company. In his statement to employees, he said, "Our entire culture is centered on doing what is right for our customers."6 Here was a large company facing massive fines for consumer fraud, and the CEO could not bring himself to admit that the way it treated customers was a product of the win-at-all-costs culture his aggressive strategies helped create.

The Wells Fargo example may seem extreme, but it's not uncommon. A 2017 study from the consulting firm Capgemini Group found that 56 percent of companies experienced a disconnect, wherein executives felt their company was customer-centric, but customers did not agree.7

For instance, the shipping company DHL ran an advertising campaign throughout 2008 highlighting its commitment to customer service. Television commercials featured various ways that DHL went above and beyond for its customers. Each closed with an emphatic tagline: "We're putting service back in the shipping business."

DHL's advertising department apparently forgot to check with the rest of the company, because its customers didn't agree. Customer service ratings continued to trail FedEx and UPS, DHL's closest competitors, and in November 2008, DHL announced it was pulling out of the domestic express delivery business in the United States.8
It can be difficult for executives to acknowledge a service issue in the business they manage. Gemma Leigh Roberts, a chartered psychologist, performance coach, and founder of the Career Compass Club, suggests the customer service disconnect is something many leaders unconsciously do to protect their egos.

"As an executive, you're dealing with the pressure of ensuring the business is performing effectively, and that can be directly related to how you view yourself. Challenging your perception of business performance (which you are responsible for leading) can lead to you challenging your own performance, which can be painful for your ego and damaging for your confidence. In this scenario, sometimes executives choose not to acknowledge facts or consider them irrelevant, which is a self-protection strategy. It's often not a conscious process, rather something our brains work on in the background, without our conscious knowledge."

Some executives are interested in using customer feedback to gain a better understanding of their customers. These leaders must still be careful to ensure that the way customer feedback is gathered and presented doesn't create blind spots. The data can sometimes convince executives their company is doing well while masking signs of customer dissatisfaction.

Customer service surveys are an example of potentially misleading data. As discussed earlier in this chapter, survey scores represent the average of many experiences. These averages can hide pockets of upset customers if there are enough happy customers to bring up the overall score.

The Gallup Organization published a study in 2006 that examined a telecommunications company with an 88 percent customer satisfaction rating. As with the other examples described here, this rating was the average for the company's entire call center. Things got interesting when
Gallup looked at the scores of individual employees. It discovered that customers who dealt with the worst 10 percent of the reps had a negative experience nearly 60 percent of the time. These reps were creating more problems than they solved.\(^9\)

An executive managing this call center may be tempted to view the 88 percent satisfaction rating as a sign of success. However, relying solely on the aggregate survey results masks a potentially large problem. The average rating means nothing to the unhappy customers on the phone with one of the bottom 10 percent reps.

Survey scores are also subject to manipulation. Many customer service surveys contain intentionally misleading questions designed to elicit higher scores. Employees in many industries routinely engage in survey begging, a practice where employees directly ask customers for a high survey score in return for some benefit to the customer.

Customer complaints are another source of feedback that's easily misunderstood. It's estimated that only 5 percent of upset customers share their feedback directly with a company manager or executive. This makes it tempting for a manager who hasn't received any complaints to assume that customers are generally satisfied.\(^10\)

Managers who do receive complaints don't always recognize them as a sign of a larger problem. It's tempting to write off a complaint as a one-time occurrence, even though many other customers might feel the same way. Some managers even get defensive, attributing criticism to unreasonable customers rather than poor service.

Roberts suggests subtle cognitive biases can cause leaders to quickly dismiss customer complaints and negative feedback.
"Our brains process huge amounts of data a second, and in order to do this without being overwhelmed, we need to be able to sort data and information to make decisions quickly. Our brains have the amazing capacity to do this through creating effective shortcuts, but sometimes this process lets us down, and we have to challenge our view of the situation. If an executive is used to thinking of a customer situation in a positive light, they may keep searching for evidence to support this rather than challenge their assumptions and see the new factual evidence in front of them."

Individual customer service representatives tend to overrate their abilities just as often as executives do. In a series of experiments, David Dunning and Justin Kruger discovered that the less someone knows about a topic, the more they tend to overrate their knowledge. Dunning and Kruger discovered that only people in the top quartile in terms of knowledge typically avoid overrating themselves.11

I've run a similar experiment many times with consistent results. I ask a room full of customer service reps to rate the customer service they personally deliver on a scale of 1–5, with 5 being best. Next, I ask the reps to look around the room and assign a rating to the entire team. On average, the reps rate themselves a 4 while rating the team a 3. The math doesn't add up—and it shows that most reps believe they're better than their peers.

Some customer service employees have a difficult time seeing where their own actions fall short, even when it's obvious to everyone else. The night before I was scheduled to deliver customer service training to employees of an airport parking operation, I did a secret shopping test at several of their parking lots. My goal was to see how well the cashiers followed the company's basic service procedures, such as greeting customers, smiling, making eye contact,
explaining the parking charge, and thanking customers. The results weren't promising: four out of five cashiers failed to adhere to any of the service standards.

The next day, I started the class by introducing myself and explaining that I had conducted a secret shopping test the night before. The cashiers I had shopped were all in the class, but none of them remembered my driving through their lane to pay for my parking. Everyone seemed surprised and even angry that four cashiers had done so poorly.

I didn't share the names of the individual cashiers I had shopped, because I didn't want to publicly embarrass anyone. However, many of the participants pressed me to reveal their identities. Some of the most vocal participants clamoring for the cashiers' identities to be revealed were the four cashiers themselves! They were so confident in their own abilities that it never occurred to them that they might have been one of the employees who did poorly. One of the four cashiers actually stood up and demanded accountability: "Who was it?! Who made us look bad?"

This disconnect reveals how hard it can be for company leaders and frontline employees to realize they have room for improvement. Corporate management, removed from their customers by layers of personnel and automated systems, will fail to take action as long as they believe everything is okay. Meanwhile, frontline employees may blame service shortcomings on dumb decisions by management, unreasonable customers, or both, while failing altogether to see where their own efforts do not measure up.

You have to be willing to get real if you want to deliver great customer service.

**Natural Obstacles to Service Greatness**
As mentioned at the start of this chapter, inertia may be the biggest reason why companies don't provide better customer service. If you don't think there's a problem, why should you do anything about it? However, employees in organizations that truly want to improve service levels still face significant challenges.

Sometimes the solutions to these challenges are right in front of us.

Think back to the cashier at the fast food restaurant. The cashier's fear of his manager's intimidating style, his dislike for the job itself, and his general disdain for his customers overrode any understanding of what was and was not appropriate to say to a customer who had the temerity to require 95 cents in change. As you'll learn in Chapter 10, emotions tend to overpower logic.

These factors don't excuse the cashier's behavior, which was completely out of line, but they do provide insight into how you can make sure that your employees will never say, "I hate people like you!" to any of your customers.

This book examines natural barriers to outstanding service and provides suggestions for navigating over, around, or through them. You'll read some cautionary tales illustrating how our natural instincts can often push us to do the wrong thing. And you'll learn about companies, departments, and individuals that have overcome these challenges to delivering consistently amazing results.

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These were the ratings on www.yelp.com for the five Starbucks stores closest to my home as of August 22, 2018. As with many customer service ratings, the ratings may go up or down over time as more customer reviews are added.


