

DARRELL HARDIDGE

Customer experience specialist

Darrell Hardidge is a customer experience specialist who has spent 20 years helping companies such as STIHL and Honda MPE (Motorcycles & Power Equipment) overhaul customer service measurement strategies and training. His company, Saguity, has completed more than 750,000 end-user interviews focused on defining what creates service excellence and the cultural foundations of a high performing team. He has designed a unique metric of client appreciation (called Appreciation Certified) which sets a business beyond the reaches of their competition that mainly measure client satisfaction with outdated systems. Hardidge told *Australian Automotive* how businesses must change to thrive in an ever-changing world.

Many businesses that do quality work struggle to find and retain customers. How can they increase business?

We do work in customer due diligence; when companies are looking to buy other companies, we assess the customer base. We phone the high value clients using the 80/20 rule, we call 100 clients from the big spenders down, and we ask them a range of questions. One of the key questions is, 'How likely is it that you will use this business in six months' time or next time you need these products or services?' What we look for is a high client experience score, which can only be achieved with great leadership and team culture. It is impossible to get a high loyalty score with a poor team. Some of your members see customers as an inconvenience, but I am yet to see any successful business without any customers. 'Customer experience' is the new currency, and they need to focus on it. If you don't act on this, your business will become redundant. If you're not remarkable, in a measurable way, you're not memorable. If you're not memorable, you have got to keep advertising to get the same people returning and to find new customers. If you are remarkable, they will return by themselves. The key to this can be summed up as 'different isn't always better, but better is always different'. So many people spend money trying to be different but give poor or average service. Providing the best possible service, in your area, will make you different.

How else can business owners attract more work?

One thing I say to business owners is imagine you need to sell your business and move to Queensland and open a new one. What would you do differently? What would you do to make the business successful as quickly as possible? What were the things that you used to do that worked well? You would be amazed at how many things people used to do to build their business but don't do any more: You'd be thinking, 'I've got no business, but I've got some quotes, I had better follow them up.' A panel beater

might say, 'I would go and talk to all the local mechanics, I'd have a chat to a few blokes, I would talk to the tow truck operator, I'll go to the spare parts shop, I'll run some ads, do some sponsorship. When somebody comes in the door, I am going to follow them up.' I ask, 'Why don't you do it now?' They reply, 'I'm too busy.' What I find surprising in the automotive trade is that anyone who is struggling will have someone around the corner, who is doing the same thing, but is flat out. They don't stop and think, 'Why are they doing really well in the same community as me?' It will be that the successful business person sees their customers as the number one asset of the business.

Can you give an example of great customer service in the auto industry?

When a lady I spoke to picked up her car, it had a bunch of flowers on the passenger seat with a note from the boss saying, 'Thank you so much for doing business with us.' The car was impeccable, they detailed it for her, but all she talked about was the bunch of flowers. I asked about the car, and she said the car was perfect, but she expected that. She didn't expect the flowers. Her husband had also been to the workshop and when he got in his car there were some car magazines on the seat with the same note. Again, the wife didn't tell me about the repair to his car, she told me about the magazines. If VACC members adopt this mindset they won't believe what will happen to their business. They must obsess over their customers. This is business 101, but it's not taught. The industry doesn't provide training in customer service, sales, and leadership but it's all critical. In the corporate world there is a lot of different types of training. If there's anything that the VACC should be doing with the younger generation coming into the market place, it is to teach them business.

That leads into your belief that 'customer satisfaction' is an outdated term; repairers should instead measure 'customer appreciation'

If a business owner says, 'You will be completely satisfied with our service,' my



first comment is, 'As opposed to what?' A 100 per cent satisfaction guarantee means you guarantee that what you invoiced for, you did. Appreciation is going above and beyond that. It's the difference between 'head connection' and 'heart connection'. In the automotive industry, a head connection for the customer is, 'It's fixed, it works, it's under warranty, it's on time, with a minimum amount of frustration and, I got what I paid for'. A heart connection is emotional, 'Wow, they called me up, they followed up, I actually get a genuine feeling that they care about me. They understood what I wanted, they communicated with me when they said they would, and they are delightful to deal with.' We have completed over half a million phone interviews over 10 years, covering different industries, and the top four reasons people are loyal to a business, why customers recommend them, is that they are friendly, helpful, understanding, and have knowledge and experience. People often say, 'Isn't being friendly and being helpful the same thing?' No, when you know how to measure them, they are completely different. For example, I could go into a panel shop, man the front counter and be very friendly, but I would be useless at being helpful. Other people can be very helpful, because they have 30 years of experience, but they are grumpy. Businesses can establish an immediate difference just by being friendly and helpful, and taking the time to understand the customers' needs. The customer needs their car fixed, but that's just the beginning. They also need convenience. If a lady is dropping a car off and she's got kids, the business needs to understand what works best for the customer. How can you fix her car in a way that gives her the minimum amount of fuss? That's what the customer will remember and what they will value, not that you fixed their car.

Quoting is often seen as a necessary evil. How can auto businesses improve their conversion rate?

So many businesses don't measure the conversion rates of their quotes. They keep pumping out quotes and think, 'If the customer doesn't call me back, they're the loser.' I think the business owner would be the loser by not following them up. Of those who do follow up, many of them give up after the second or third phone call but professionally following up, builds success. So much money is 'left on the table' because people don't follow up. If you are persistent, it will just pay



and pay and pay. The difference will be extraordinary. When you ask customers why they chose business A, B or C, they will often say that 'they were the only one that followed up on the quote, so I gave them the job.' How simple is that?

A lot of business owners are uncomfortable following up customers or say it is harassment.

A lot of this has to do with their mindset. People learn how to do their trade well, but they aren't taught business at trade school, and rarely from their employer during their apprenticeship. There is a belief that following up is hassling people but that is an unsubstantiated opinion. The great thing about this is that it's cheap to sort out – you hire someone to do it for you. Business owners say, 'I don't have the budget.' I reply, 'You have somebody spending a lot of time writing quotes, but you won't spend \$25-\$30 an hour for a part time person

to professionally call people?' Someone to say, 'Thanks so much for coming in the other day to have a chat to us, we really appreciate the opportunity to do business with you, is there anything we can help you with?' Some workshop owners refer to front counter people as 'unproductive staff' but that is a poor mindset because they are the ones who get the money in the door, they make sure your bills are paid on time, that you aren't getting ripped off by suppliers, and that your invoices are done. When they contact a prospective customer, the customer might say, 'I don't understand the quote', or ask, 'can you also fix this bit on my car', and then the customer service person just has to say, 'leave that with me, I will take care of it for you' and follow up. It might end up being another \$200 or \$500 and the customer will probably say 'book it in'. It's just crazy that someone can have employees out the back but nobody at the front-end taking care of business. The biggest

complaint to business, right across the country, and it's almost two to one, is communication. Hiring someone to communicate with customers won't cost, it will pay. So many business owners are pigheaded and stubborn around this, they just don't think about it, and some people who know they need help don't know how to recruit. They might get someone fresh out of school or Uni and find that it didn't work. But the business owner is the one who failed, not the young person they hired. However, it's astounding how easy this is to fix. In my business, I look for working mothers and I provide them the flexibility to start at 9.30am and finish at 2.30/3.00pm. They're very organised because they have a family with three or four kids to manage and many don't want to work full-time anymore. Lisa, who is my EA, was an executive assistant to a state politician but now Lisa wants to work part-time and is unbelievably fabulous in her role. Lisa requires flexibility to

support her family, and I enable her to do what she needs to do. I see emails coming through at 10.00pm at night. I trust that she will always manage it.

A low quote conversion rate can lead to a downward spiral; you don't follow up, so you don't win the job, so you start thinking that quoting is a waste of time.

That's right. They get despondent because they don't get the conversion rate, then they run short of business and take cheaper margins to win some work. They work like crazy but don't make any money. This is insane. If you do 20 quotes and win two it's a 10 per cent conversion rate but if you paid someone to follow up those quotes, and their conversion rate just went from two out of 20 to three out of 20, they have just grown the business by 50 percent. Paying someone \$200 to \$300 a week part-time could potentially generate hundreds of thousands of dollars. Conversion rate is everything. ■