6 mindsets to lead a high-performing service team

# SER MIN

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The less we see employees and customers as separate, the more our service will inspire.

The less we see ourselves as separate from others, the more we will want to serve.

# Preface

The right service mindset is the foundation of sustainable success in service. This book was driven by my curiosity and desire to find Australia's unsung heroes: organisations who lead by example in the service space. From the Melbourne Cricket Ground to Bendigo Bank, I discovered that these businesses display six service mindsets which have fuelled their achievements. And, if you adopt these six mindsets, service can be simple.

When this book was first published in 2018 under the title *Creating a Customer Service Mindset*, it touched a nerve for many business leaders and appeared frequently on Australian business-book bestseller lists.

The book gave CEOs and general managers a strong starting point for shifting the mindsets of their workforce; they found it useful to imagine what service needed to look like in order for their businesses to excel in the 21st century.

- Human resource and business department leaders found that the various case studies, provided from multiple industries, offered practical insights into how other organisations were slowly shifting the dial in service.
- Individual frontline leaders told me that the reflection questions and activities were highly effective in getting their teams quickly aligned to a service mindset.

The book has been used in various contexts: business-tobusiness relationships, small business, large organisations, and by entrepreneurs seeking inspiration for themselves. The common thread in the feedback I've received has been that *Creating a Customer Service Mindset* provides invaluable information about building sustainable and dynamic businesses founded on great customer service.

The response has been so overwhelming, in fact, that I was prompted to expand the conversation and share more of my learnings in a three-book series. *Creating a Customer Service Mindset*, under its new name *Service Mindset*, becomes the first book in this series.

The second book in the series, published in early 2020, is *Service Habits*. Mindset and habits work hand-in-hand to embed behaviours that strengthen the relationships with those you serve. *Service Habits* tunes into the behaviours of service, exploring 27 habits for employees at all levels to learn and practice, offering an abundance of activities and techniques. Get your mindset and habits right, and you'll develop a *Service Culture* – the subject and title of the third book in the series.

*Service Mindset*, however, is where great service kicks off. This book will help you expand your consciousness and learn how to lead service in your teams, to achieve better results.

In service to you,

Jaqs X jaquiescammell.com

### Foreword

Having a customer service mindset is essential for any organisation committed to improving and creating a sustainable operation. This book provides practical and profound insights into the processes and procedures that can help transform your organisation.

Customer service is the foundation on which great organisations are created. Customer service unites all employees to a common purpose focused around serving the customer. It propels the organisation to be driven by the market and provides the incentive to seek continual improvement and reinvention. But it is difficult. Few organisations have the discipline and commitment to embark on this journey and to use the voice of the customer as the driver of change. This is a journey that never ends – as you are continually driven to change and improve as customers' needs change. It requires you to become a truly learning organisation.

It starts with creating a customer service culture. A culture that is defined by values and behaviours that put the customer at the centre of how you act and make decisions. It requires you to define the behaviours that are required to delight the customer and create customer advocates for your organisation. This must include policies, procedures and processes that enable every employee to make the right decision for the customer.

Creating a customer service mindset requires a disciplined approach that must be implemented right across the organisation, and this book provides excellent examples of how a few Australian companies have approached this challenge.

Cultural change is essential – but you must also use the voice of the customer to drive product design, process improvement, quality improvement – all elements of your organisation. This is hard work, but it is essential to make your customer service transformation sustainable.

Service Mindset is unique in that it provides useful implementation suggestions that will allow any organisation to make quick progress.

Building trust in your organisation is difficult, but one of the important elements of establishing trust is customer service. Customer service forces you to confront the truth of how customers perceive you if you are willing to listen and hopefully take action.

I recommend this book as an important contribution to any leader wanting to build an exciting and dynamic organisation founded on great customer service.

David Thodey Chair CSIRO and Jobs NSW and former CEO of Telstra and IBM ANZ

# About the author

Jaquie Scammell is passionate about people and relationships. This is the heart of everything she teaches, and it's everything that superior customer service relies on.

She has spent most of her career living at the intersection of employee and customer, observing how the two relate; whether working on the shopfront floor of McDonald's when she was 16, to now as a sought-after speaker, facilitator and coach working with some of the largest global workforces in retail, banking and hospitality, as well as major airports, stadiums and events – from Wembley Stadium in the UK to the Australian Open Grand Slam in Melbourne.

Jaquie has managed and advised small workforces and large – the latter including those with over 9,500 staff, interacting with millions of fans on a daily basis. But no matter the size of the business, or how many customers they converse with, her observations and her message remain the same: you must create more meaningful relationships to increase your customer connection.

As you are about to read in this book, Jaquie's approach to transform your customer service culture, to decrease complaints and increase compliments, is much simpler and more human than better processes and procedures.

The mistake many organisations make is approaching customer service like it's an automated process, like we're robots in a factory machine. While, sure, organisations must have steps of service and systems in place, the real way you increase loyalty is through your frontline service leaders, the people who impact your customer service staff, who impact your customers every day.

When she's not researching these types of relationships, Jaquie practises mindfulness, yoga and other things that help her be a good human in any way she serves in life.

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# **Acknowledgements**

Given that gratitude is one of my character strengths, I could write a whole book on acknowledgements. However, I have narrowed this list down to the handful of people who truly inspired me, supported me and persevered with me during the creation of this book.

Matt Church and Peter Cook who created the incredible community, *Thought Leaders Business School* are first on my list. Thank you for giving me access to the tools and support network to make this book a reality.

The team at Qualtrics kick started the research for this book. They trusted me enough to open their client base up and introduce me to some brilliant organisations in Australia to interview. From this opportunity I met my Unsung Heroes who gave me their precious time and trusted me to come into their inner circle and explore what they do in their customer service space: Jason Bradshaw from Volkswagen Group Australia; James Heath and Andrew Cass from Australian Unity; Ian Jackman, Julie Dillon, Haylee Doering from Bendigo Bank; Cathy Jones from Healthscope; Adam Summerville from Emirates Leisure Retail Australia; and Rob Lorimer from CSIRO (although not an unsung hero in this book their interview was a valuable contribution to this book).

Kelly Irving was the voice of reality throughout the book writing journey. She guided me through with tough love, encouraged me to dig deeper, to set and meet my writing deadlines and get me to write my best work. Thanks to my publisher, Lesley Williams at Major Street, who placed trust in me to deliver a product she would be proud to sell.

Niki Flood has been an incredible support throughout the whole journey. She has been the perfect planner, diary manager, comforter and doer, which has allowed me to focus on the things that are important.

I also benefited from several conversations with Zara and Troy from Humour Australia, Oscar Trimboli and Dermot Crowley.

My Greek Angel, Costa Kouros, has supported me on this journey and on the greater journey of life. He has given me the space, pep talks and words of wisdom at times when I was jaded, exhausted and grumpy. Above all, he has had more belief in me than I have had in myself at times. He is one of the most service-minded human beings I have ever had the pleasure of knowing.

Finally, my father, who has shown me much in life, and yet the most profound impact he has had on me is showing me what it means to really serve. I will share his story and the impact it has had on many lives in my next book.

# PART I HOW TO SERVE

n this age of digital transformation and technology, many argue we are more connected than ever before. In business, especially, artificial intelligence (AI), automation and the rise of robots has improved speed, efficiencies and processes beyond our wildest imaginations.

But at what cost?

Employees now provide products and services to consumers without ever having a face-to-face conversation. Customers type questions or issues into live chat feeds on websites, Facebook Messenger and other online conduits. We see more and more people in stores with headphones on, sending a strict message to service staff that they are not to be disturbed.

Our desire for speed and convenience is compromising our customers' greatest and basic needs as humans: care, kindness and one-on-one attention.

#### Service is simple.

Yet we have made it overly complicated. We have created complex systems and internal processes that, while designed to help our teams, often stop us from delivering the service we know our customers crave.

Like many other leaders and companies, you have probably tried – and failed – many times to operationalise your customer service culture. The reason? You have forgotten that human beings are unpredictable creatures and customer service is anything but routine and automatic. Customer service is a privilege and those employees who interact with your customers on a day-to-day basis have the power to positively impact someone's life, not to mention your brand. Yet a lot of the time, especially in Australia, those interactions are negative.

Mediocre customer service is at an all-time high in Australia. Over one-third of customers surveyed in CPM Australia and the ACRS Omnibus Tracker's *The State of Customer Service in Australia Report* (see the resources at the back of this book for details) stopped shopping at a company in the year spanning July 2016 to June 2017 due to a poor customer service experience, and this number looks set to increase.

What can we do about this?

As you'll soon see, it is possible to have fast and meaningful customer service – and the solution is more innate than you may think.

When it comes to winning the hearts and minds of your customers, it's the behaviours of your frontline employees that influence your whole organisation's performance and results.

How customers *feel* when they interact with your employees and frontline staff determines how they *feel* about your company itself. This is what determines whether they will be a one-click wonder or a customer for life.

Procedures and steps of service may be great for robots and androids, but it's the ways in which your service staff act and the emotional connection they create with your customers that will determine your ultimate success.

These behaviours, this service mindset, starts with you.

#### LEADERS DRIVE THE TRANSFORMATION

Rather than look at complex customer service strategies and ways to engage your staff, this book talks to the heart of the most powerful and influential people in your business – you, the frontline leadership team.

As a leader, you are responsible for your people who are responsible for your results. Even if everyone in your organisation is already excellent at what they do, sharpening their emotional competencies and their behaviours at work will contribute to a service mindset that will give you and your organisation an extra edge.

When we are highly tuned in to the people in front of us we start to frame questions differently, pause before we speak and even start to see things from someone else's perspective. This conscious service environment transforms everything it encompasses and connects with: from head office to the shopfront floor, from one human being to another.

Leaders who operate with a service mindset help build a service culture: a high-performing culture where customer loyalty is constantly increasing. For many businesses, customer loyalty is seen as equal to risk management, financial performance and safety. In fact, if we were to replace the word 'customer' with 'humans', we could say that our goal in business is to create greater loyalty with other humans.

I have worked with tens of thousands of staff who serve hundreds of customers in environments such as Wembley Stadium (UK) and McDonald's, and at major events like the Australian Open and Sydney Olympics. If I were to sum up the golden rule of customer service I would say:

Be a good human every time you serve.

The thing leaders often forget is to show their team what that looks like. You need to get out of your heads, stop reading the rulebooks and remember the one thing you are here to do: to serve.

Many of my clients in banking and retail have realised the power of developing and nurturing this kind of service mindset. They have invested in defining and showing employees what best practice looks like when they serve in business. I have been very fortunate to be privy to what that looks like, and I will share that with you in this book.

Contained within these pages you'll find not only how to create a service mindset in yourself and your frontline staff, but you'll also read case studies and examples of real Australian organisations that are leading a superior customer service culture. They are the true unsung heroes of our industry, backed by research and data collected internally and externally over a period of time.

I am extremely proud to share these stories, to inspire many more small and large Australian businesses. Let's not leave it up to the global rock stars like Google, Amazon and Facebook. Let's shine a light on our own backyard.

The past is not a predictor of the future. To operationalise superior service in a world of robots and automation requires a methodology that is more human, more driven by our awareness of emotions and feelings than ever before.

We must be leaders of people, not results.

So let's look at how a service mindset can not only positively impact your organisation's service culture, but can change our lives and the world for the better.

#### IT STARTS WITH BUILDING RELATIONSHIPS

Customer service revolves around relationships. Developing the relationship between leaders and employees, as well as the relationship between employees and customers, is paramount to your success if you are to create a customer service mindset in your organisation.

In this first part of the book, we will look at why you need to be more connected to customer service in your organisations today, especially against a rising tide of AI and automation.

We'll look at how customer service in Australia measures up to the rest of the world and identify where many organisations are going wrong, so you can get it right.

The first step on the journey to creating a service culture is to assess what consistent and consistently good customer service actually looks like. So I'll introduce you to the skills and behaviours that make up the foundations of a superior service mindset, as well as exploring how these will help you gain a *cumulative advantage*, instead of a competitive one.

Ready?



#### The sole meaning of life is to serve humanity. LEO TOLSTOY

When I was fourteen years old, I was hungry to get out in the world and work. I craved independence, the thought of earning money excited me and I wanted to learn new skills. A locally run delicatessen was willing to employ me for a couple of shifts a week after school hours.

I will never forget my first week. I learned the different products such as deli meats and cheeses, and used the meat slicer. I had no problem serving customers with a smile and being friendly; however, there was one skill that I was not prepared for – receiving cash and giving change. It involved calculating the difference manually, with no calculator, no mobile phone and no digital POS (can you imagine?).

Fast-forward to the present, where mental arithmetic skills are no longer needed to work in a shop (and will likely never be again). Many manual customer service skills have been lost to technology. Yet good old-fashioned friendliness and care was needed then and it's still needed now. So what role can a human play, now that purchasing a product can be achieved more cheaply, more accurately and faster? If we are unable to show care and be friendly in our service interactions, do we even have a role to play in service?

How does this impact the role of humans in service interactions in the future?

#### THE RETAIL REVOLUTION

The retail revolution has undoubtedly changed our lives. Some of the changes could, however, in some senses be considered losses. For instance:

- We no longer have to speak to people when going to the checkout in a supermarket.
- We no longer have to go into a shop and be helped by an assistant when buying clothes.
- We no longer have to walk into a bank and speak with someone to get a home loan.
- We no longer have rapport with the family-owned takeaway store, as we now see a different Uber Eats delivery driver every Friday night.
- We no longer have well-groomed, happy faces greeting us at the check-in counter when checking in for a flight.

Sadly, it is more than likely that a robot will replace the sales assistant role completely ten years from now, or perhaps even earlier, thanks to the acceleration of AI.

Today, all over the world, tasks are being automated to make transactions faster, more efficient and more consistent. Bit by bit, they are replacing traditional interpersonal service experiences. There are fewer strangers interacting with each other, fewer smiles being exchanged, fewer conversations adding depth and interest to someone's day, fewer relationships being formed.

Increasing rates and costs of materials for bricks and mortar stores, rent and, of course, labour rates all add to this dilemma. In the retail industry, in particular, traditional service models are being replaced by a mix of online and face-to-face interactions that attract customers who are looking for quick, convenient solutions.

In retail, in Australia, the 50-year-average growth rate revenue was 3.80%. The Australian Retailers Association reported that as of December 2017, that growth rate had dropped to 2.76%. Retail is doing it tough.

So at what cost are we willing to increase speed, efficiencies and consistency, to lose connections and relationship capital with our customers?

#### **PROGRESS OR PROCESS?**

The Future of Jobs report by the World Economic Forum predicted that robotic automation will result in the net loss of more than five million jobs across 15 developed nations by 2020. It is said that the technological progress that we are currently witnessing in this 'machine age' will see a jobless future for many humans who hold roles in retail and food services businesses. Of course, this is a big topic and while at this point we are aware that roles in the service sector will be replaced by robots in the future, we are still unsure what *new* roles will be created during this transformation. Many of us feel like this retail robot revolution is still too far away to plan for.

Silicon Valley entrepreneur Martin Ford in *Rise of the Robots* states:

The threat to overall employment is that as creative destruction unfolds the destruction will fall primarily on labour-intensive businesses in traditional areas like retail and goods preparation, while the creation will generate new businesses and industries that simply don't hire many people.

Personally, I see the benefits in automating many roles that are routine and repetitive. Routine means a set of tasks that can be codified in a program for computers and robots to perform. This enables considerable cost savings compared to the cost of human labour. It also means we can offer a consistent 100% guaranteed service or product. There is minimal wastage and increased productivity.

However, how do we humans *feel* when we purchase goods and services provided by a robot? For each new step forward with digital innovation and automation it feels like one step further away from human-to-human connection.

It's like we're driving through a tunnel in the most magnificent mountain ranges, for the purpose of getting to the desired destination quicker. By cutting out the windy roads we are gaining speed yet missing out on the scenery, the grandeur of what the mountains bring. We no longer experience that place and its surroundings with an associated emotion or a meaningful memory, it's just a long dark tunnel with measured lights and road markings.

We take the tunnel for a shortcut to speed and convenience, yet we miss out on the beauty and the interactions on the way.

#### A DIGITAL DOUBLE-EDGED SWORD

Budo (modern Japanese martial arts) has been described as a double-edged sword. It promises greater strength for the user if they can understand and embrace its duality: kindness versus strictness. That's how I see digital innovation – it is making our customer service stronger in many ways, yet it also comes with many risks.

In the rapid paced life of the Western world, customers value speed, efficiency and consistency, all of which have been proven to support customers to develop trust, and which ultimately drive customer loyalty. A great place to find speed, efficiency and consistency is anywhere there is a self-service option (just look at your local supermarket).

The question is:

Are we happier customers from these self-service digital interactions?

Over the last decade, the way we as customers interact with self-service technologies has been studied and we are now starting to understand consumer behaviours and the impact this style of service is having on the overall happiness level of the customer.

The research paper, 'The effect of self-checkout quality on customer satisfaction and repatronage in a retail context', explains that there are five attributes that a customer uses to evaluate self-service technology:

- 1. Speed of service delivery.
- 2. Perceived control.
- 3. Reliability.
- 4. Ease of use.
- 5. Enjoyment.

In general, happy adopters of self-service transactions are generally young and well-educated, with limited need for personal contact. They are people who consider technology as a source of fun and a novelty. But what if you don't fall into this bracket? Think of the vast number of customers for which this is alienating. (Myself included. I don't go to a supermarket to do more work after a long day.)

According to the same research paper, many consumers still view customer service as a social experience. They value interpersonal interactions and still prefer to deal with people.

Recent studies have shown that our customers' need for human interaction is one of the main reasons they don't like to adopt self-service transactions.

#### Engage the brain

Well-known author Daniel Goleman has dedicated his life to the science of human relationships. In his book *Social Intelligence* he discusses results from neuro-sociology to explain how sociable our brains are. According to Goleman, we are drawn to other people's brains whenever we engage with another person.

The human need for meaningful connectivity with others, in order to deepen our relationships, is what we all crave, and yet there are countless articles and studies suggesting that we are lonelier than we ever have been and loneliness is now a world health epidemic.

Specifically, in Australia, according to a national Lifeline survey, more than 80% of those surveyed believe our society is becoming a lonelier place. Yet, our brains crave human interaction.

Around a century ago – and still relevant today – the American philosopher and educational reformer John Dewey said that "the deepest urge in human nature is the desire to be important". We need to consider this if we are to become an unsung hero of customer service.

#### **CONNECTION WITHOUT COMPROMISE**

As well as speed, efficiency and consistency, there is a less tangible measure that we talk about and critique when we are served as customers: the emotions that we experience with an employee in the moment of service.

Consider the inherent power of the service provider in their relationship with the customer:

- An employee will make a customer feel important or will not.
- An employee will make an interaction feel personal or will not.

- An employee will be 100% attentive to the customer or will not.
- An employee will give meaning to the customer's purchase or will not.
- An employee will allow the customer to feel connected to your brand or will not.

How a customer feels when they interact with your brand relies on how your employee makes them feel, while serving them at the frontline.

Yes, customers can feel a connection to your brand by watching a great video in store or on your website, or experience your brand when they taste your products; however, it is *how they are treated* that lingers long after this. Humans have the unique capability, unlike any robot or automated solution, to provide an interpersonal interaction that creates the social bond that we all look for when seeking connection.

Executive teams, regional managers, even store managers are once, twice or three times removed from the customer and will not have the direct impact that a frontline employee will. Therefore, those employees working closest to your customer are the ones you need to value the most.

The real challenge for future leaders is to, therefore, embrace technology and automation without compromising emotions and customer relationships.

#### LOYALTY IS A FEELING

The best customer experiences I have had in my life, the most positive and memorable interactions with any brand, have always been the unexpected moments that made me feel special as a customer. The moments that were delivered by a human, not a kiosk touch pad.

How a customer feels about an interaction is the most significant driver of customer loyalty.

According to research done by Bain & Company (the inventor of the Net Promoter Score), increasing your customer retention rates (aka loyalty) by even just 5% will increase profits by 25% to 95%.

The Net Promoter<sup>®</sup> Score, commonly referred to as NPS<sup>®</sup>, is a very important customer loyalty metric that gauges how willing a customer is to recommend a product or service. It is used universally by all types of businesses in a cross-section of industries and provides a snapshot in a moment of time for how local customers feel towards a brand based on their service experience.

Our economic value as humans in the retail revolution of AI and robotics has increased. Sure, technology can eliminate jobs, but it is also inspiring us to hold on ever tighter to human values and human ethics.

David Autor, a leading American economist, consistently states in his talks and publications that it is our unique skills and human capabilities that cannot (yet) be replicated or substituted by AI robotics. For instance, humans still have the edge when it comes to things like:

- complex problem solving, that relies on expertise, inductive reasoning or communication skills
- interpersonal interactions and situational adaptability, particularly in more manual roles
- cognitively demanding jobs
- multiplicity of skills
- intuitive mastery.

# So having feelings and knowing how to act when experiencing those feelings is our human gift.

#### AUSTRALIA - THE LUCKY COUNTRY?

When travelling through Greece in 2017 with my partner, every petrol station we stopped at had a well-presented employee who bounced out of their shop, ready to anticipate our needs as they filled up the petrol tank. Every single employee, regardless of who they worked for or whether they were based in inner city or regional areas, cleaned our windscreen.

In a country like Australia, the tradition of filling the tank and cleaning the windscreen of someone's car has long since become extinct. In actual fact, it has become such a rare service component of a petrol station that I think it would freak out my five-year-old niece if she witnessed a stranger approaching our window. We are missing the opportunity to create a connection with another person through casual banter. Putting a smile on a customer's face is no longer in the job description of a petrol station attendant, nor that of many customer service staff. More importantly, we no longer expect this as customers.

In general, throughout the world, Australia is known as 'the lucky country', with people who are welcoming in nature – yet we struggle most with customer service.

According to a data-driven insights report, *Global Customer Service Barometer*, from American Express, 32% of consumers in Australia believe that companies usually "miss their expectations". Does this really sound that lucky?

So why are we falling short when it comes to good customer service?

#### LABOUR COSTS CONNECTIONS

A commonality among most organisations in Australia is that labour costs. At the time of publishing this book, SBS reported that Australia was still paying the highest minimum wage compared with countries such as the United Kingdom, America, Canada and Germany, indicating that local wages are out of line with the rest of the world.

Over the decade from 2002, unit labour costs rose 37% in Australia, compared with 29% in Canada, 21% in the US and Korea, 6% in Germany and 16% in Japan.

# We view people in our business as a cost rather than an asset.

What you need to see is that human capital is just that: a capital investment in your organisation and your brand. When we yield better actions from our employees we will yield better results in our business. That means we must learn to leverage our service staff, to invest in their development and performance so they want to come to work and give 100% attention to our customers' needs.

The US business empire, Apple, has been doing this for years. It is common to walk past an Apple superstore and see a sea of helpful tech gurus in uniform t-shirts all conversing with a large volume of customers, being friendly, helpful and accessible. Behind the scenes, employees are indoctrinated not inducted. Their training lasts from a few days to up to a few weeks. According to a *Business Insider* article:

The phrase that trainees hear time and again, which echoes once they arrive at the stores, is "enriching people's lives." The idea is to instil in employees the notion that they are doing something far grander than just selling or fixing products. If there is a secret to Apple's sauce, this is it: the company ennobles employees. It understands that a lot of people will forgo money if they have a sense of higher purpose.

Yet look what happened when one of Australia's largest supermarkets, Coles, tried to embed a more elaborate etiquette in engaging with customers by launching a campaign for Easter 2017 called 'I'm Free', to advertise that they would have more face-to-face service operators open over the busy trading period so you wouldn't have to queue for an automated checkout kiosk. The nation was not only surprised that Coles was competing on service, not the stock-standard price, but outraged due to the campaign's 'flirtatious undertones'. Perhaps they needed to take a leaf out of Apple's training notes.

Competing on price will ramp up more and more thanks to the arrival of Amazon in Australia in 2017. Amazon will continue to squeeze retail margins that will be very hard to beat. It seems a sure bet that competing on service will become increasingly important here to stand out from the competition.

> We are so conditioned to poor service that any organisation that shifts the dial in its service will rise to the top of its customers' loyalty list.

#### **CUMULATIVE VERSUS COMPETITIVE**

For workforces that have multiple employees spread out across various locations (many of you), one consistent weak link in your chain will eventually add up to poor brand reputation overall.

This works like the butterfly effect. If you're not familiar with this, it comes from the chaos theory of mathematics. It describes what might happen if a butterfly were to brush its wings against the air, just a few inches above the ocean water – eventually creating a massive tidal wave of destruction.

The good news is that the butterfly effect can also have the opposite, positive, effect.

Small daily acts of kindness from your employees, over a long period of time, can create a tidal wave of loyal customers.

These daily acts of devotion need to be delivered by your frontline employees, led by you as leaders. It's imperative that you aspire to have a *cumulative* advantage over a *competitive* one.

A **competitive advantage** involves targeting a type of consumer and making them want to repeat their purchase over time, matching the value proposition to their needs. The value proposition is defined by ensuring there is the right product at a competitive price on offer and it is easy doing business with you. When you do this, your business stays ahead of your competitors and sustains a competitive advantage.

A **cumulative advantage**, on the other hand, involves an emotional connection that a customer has with your brand when they purchase from you. This builds a stronger link between customer and brand. This means your business will be the first that comes to mind for the customer, and they will feel the strongest pull towards your brand, when they are deciding on who to purchase from.

This is less about getting rapid growth and advancing your business, and more about learning to thrive, to increase your company's performance by obsessing about the customer journey at every single interaction, one customer at a time. This is how you increase customer trust, improve customer loyalty and ultimately drive the performance of your business towards more sustainable long-term growth.

#### **CREATE A CUSTOMER ADVANTAGE**

A cumulative customer advantage comprises three things:

- Ownership at all levels of the business, from CEO to frontline employee. No one department or leader owns the customer.
- 2. Alignment to your specific business goals, the economic climate and the environment of your business. There is no point in trying to be something to customers that has no relevance.
- **3. Engagement** of employees and their individual performance at work. When employees are engaged, their performance is what has the greatest impact on the customers' feeling towards a brand.

A cumulative customer advantage can only be realised when a service mindset has been cultivated. You must commit to looking at yourself and your people first.

You need to have a cumulative advantage if you have:

- large workforces spread out across multiple locations
- systems and processes in place that need quality consistency across multiple touchpoints
- employees who deliver experiences to customers each day.

When your business has achieved a cumulative customer advantage then you have:

- leaders who are skilled to positively influence the workforce on a daily basis
- customers who feel connected to a brand, which creates a lifetime value
- revenue and profit margins increasing at a sustainable rate.

That's what we all want, right?

#### Become a business romantic

I was privileged to spend some time with the fabulous Tim Leberecht, author of *The Business Romantic* and a member of the World Economic Forum's Global Agenda Council. Tim and I share the same belief about the beautiful moments that humans can create that robots never will.

Tim says that although humans are complicated and difficult to manage, we have the ability to do the unnecessary. And it's the unnecessary in business that is necessary. He believes that the romance in business has been lost and it's the humans in businesses – consumer or producer, employee or entrepreneur – who can do things like catch us off guard, create something from nothing and add completely unnecessary steps into an interaction that he defines as beautiful.

So now is the time for us to tune in to our emotions in the workplace more than ever and create more 'beautiful' among the automated 'expected'. What an opportunity we all have with this human gift: the ability to read emotions.

Speed of service is easy to measure and easy to manage but it doesn't tell you accurately how well customers are being treated and, more importantly, how they feel.