

CSISG BREAKFAST ROUNDTABLE

Striving towards customer delight

Businesses should go the extra mile to impress customers after satisfying basic needs, says academic

LOUIS AQUINAS TAN
louistankr@mediacorp.com.sg

At private asset management consultancy Providend, 30 staff members worked in hourly shifts during the Christmas season to bake gingerbread men on the first floor of the company's four-storey shop house.

The staff would then personally deliver the cookies to their clients.

This anecdote was related as an example of delivering customer delight by Providend co-founder and chief executive officer Christopher Tan at the Institute of Service Excellence at Singapore Management University (ISES) Breakfast Roundtable last month.

ISES conducts the annual Customer Satisfaction Index of Singapore (CSISG) study. Currently in its eighth year, the study found that customer satisfaction hit a record high in 2014 after rising for four straight years.

"Customers have two levels of expectations each time they consume a service," said Assistant Professor of Marketing (Practice) and academic director of ISES Marcus Lee. The lower benchmark indicates where customers find service acceptable, while the upper benchmark indicates the highest service level they hope to receive, he continued.

Most of our "day-to-day experiences" fall between these two benchmarks, said Dr Lee. Occasionally, the upper benchmark is hit and the customer feels delighted. Consumers



Panel speakers at the ISES Breakfast Roundtable (from left to right): Dr Marcus Lee, Assistant Professor of Marketing (Practice) and academic director of ISES; Ms Amy Bonsall, design director at IDEO Singapore; Mr Christopher Tan, chief executive officer and co-founder at Providend; Ms Caroline Lim, director of ISES; Prof David Lee, executive/academic director at Sim Kee Boon Institute for Financial Economics; Ms Yeo Wan Ling, chief executive of Caregiver Asia. PHOTO: JASON HO

may conversely have a terrible service encounter and feel that the company has failed, he said.

Said Dr Lee: "The smart and efficient thing for companies to do is to concentrate resources to meet the needs of all customers. Thereafter, any leftover resources can be used to delight their most loyal customers."

GETTING THE BASICS RIGHT

According to Mr Tan, meeting the basic needs of clients is crucial. "When clients do business with us, the least they should feel is satisfied, because the basic needs must be met first," he said. "They pay us good money; we give good advice. It's a given."

To ensure that agents give honest and independent advice, Providend charges clients flat rates and pays its

agents fixed salaries. Mr Tan said this removes the temptation for consultants to covet higher commission fees by selling unnecessary products.

Dr Lee added: "Flat rates that are communicated clearly are very beneficial in setting the right customer expectations. Nobody likes surprises from add-on fees, especially in information-asymmetric environments like buying financial products."

To provide competent advice, Providend advisors work in teams to serve each client. "We take a stand that it is impossible for one person to be an expert in so many areas," said Mr Tan.

Dr Lee agreed with Mr Tan on the merits of a team system, adding that "this approach should work as long as the customer does not have to keep answering the same questions repeatedly for each expert they meet".

“The smart and efficient thing for companies to do is to concentrate resources to meet the needs of all customers. Thereafter, any leftover resources can be used to delight their most loyal customers.”

Dr Marcus Lee
ASSISTANT PROFESSOR
OF MARKETING
(PRACTICE), ACADEMIC
DIRECTOR OF ISES

UNDERSTANDING THE CLIENT

Mr Tan said the key to going one step further and delivering customer delight is for companies to understand their clients.

His consultancy primarily serves professionals in their 40s with families. Mr Tan said that the firm's customer events are family-oriented. "We realised that golf, for example, is not a family event. It may even take people away from their families," he said.

Providend has held several family-focused events for its clients, such as financial literacy classes for clients' children, marriage enhancement classes and lectures helping parents coach their children in schoolwork.

COMPANY CULTURE MATTERS

To drive the company culture of being "a family serving families", Providend recruits like-minded personnel, conducts orientation classes, and organises quarterly retreats.

Mr Tan said: "To make raving fans out of customers, we must make our employees love us — they must be raving fans themselves."

At the office, there is a wall adorned with encouragement notes penned on star-shaped paper. The initiative was not imposed by the management, but proposed by one of the employees.

"When we say that we are a family serving families, it is not just a statement we put on our wall," said Mr Tan. "We wanted our people (staff) to feel ... that the people they work with are people they know really well."

This report is a collaborative project between TODAY and the Institute of Service Excellence at Singapore Management University.