

**SURVIVING**

**THE**



**Middle MILES**

**26.2**

**WAYS TO CROSS THE  
FINISH LINE**

**WITH  
YOUR**

**CUSTOMERS**

Darryl Rosen

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# Surviving the Middle Miles

26.2 Ways  
To Cross the Finish Line  
With your Customers

Welcome to the *start* of what is sure to be a successful journey!

*Surviving the Middle Miles* is simple, but not easy. It's simple to want a business loved by customers and associates alike; but it's not easy to do everything it takes to achieve that goal. This book will help! In it, there are 26.2 chapters (or miles), each with many ideas, thoughts and suggestions designed to help you reap the rewards of crossing the finish line with your customers. Should you read this book? You bet! Do you actively build and maintain relationships with both customers and clients? Are you a leader or manager with the responsibility of motivating your associates to provide exceptional customer service? Do you rely on customers and clients to help you pay the bills?

If you answered yes to any of the questions above, then you will benefit from this book.

I'm delighted to share my lessons from a lifetime of wine and spirit retailing. Can you apply these tips and suggestions to your *line of work*? Absolutely! Delighting customers and associates is all about relationships, and that's the truth no matter what business you're in!

After you've *crossed the finish line*, I would love to hear from you with your feedback and comments.

Thank you!

Darryl Rosen

P.S. Please visit [www.survivingthemiddlemiles.com](http://www.survivingthemiddlemiles.com) for more information.

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## The Start

*Win success in business by surviving the middle miles.*

I started running marathons when I was 13 years old, the same year I began working in the family business. In those days, I thought the practices of running and working were simple and easy, I didn't know any better. After college, and a couple years of public accounting, I got a big shot of reality.

In the early 90's, our family business, Sam's Wines & Spirits, a Chicagoland institution started by my grandfather in the 1950's, experienced exponential growth. Despite the fact that it took 40+ years to occur, it seemed to happen overnight. We weren't operating a *shop* anymore, but a real business. We experienced many typical growing pains, and I realized that the only *simple* part was the simplicity of my thinking.

Around that time I ratcheted up my marathon running, and I tried to qualify for the *Boston Marathon*. 26.2 miles! Today, 26.2 feet would pose a challenge but back then, things were different. For those of you with any semblance of sanity who have resisted the lunacy of the marathon distance, *Boston* represents the Mecca for marathon runners. It is hallowed ground, and they don't just let anybody run. You have to run a qualifying time in another marathon before you gain entry into *Boston*, the oldest marathon in the United States.

I thought it would be simple and easy. That was my first mistake! How hard could it be? I mean, I ran in high school. Picture me with long locks (translation: not bald), hair blowing in the wind. Coeds sighing as I run by. Ok, not that last part! But running seemed much easier than a sport like football, with its requisite zones and blitzes, offenses and defenses.

I trained that entire summer. I was fast, fit, strong and ready; and more than a little full of myself. Listen to the experts and run a conservative pace? Not a chance! I toed the line that October morning. "Just do it!" I told myself as I laced my shoes. The gun went off and for reasons still unclear to me many years later; I took off like I was running the 100-yard dash! Just like that little road runner from the Saturday morning cartoons. By 10 miles I was struggling, by 12 miles I was walking and by 14 miles *I was looking for a taxi!* I was done.

I was unable to *survive the middle miles*; the part of the race where the excitement of the start has faded and you can't yet imagine the taste of the finish line. As a result, I never crossed the finish line that unseasonably warm Sunday morning.

### **In the middle miles the real race begins.**

We experienced a similar phenomenon in our business. In the early years, customers were always cheering, much like people do at the start of a race. It seemed like everybody loved us. We were new and exciting. As we grew, we ran right into the middle miles trap; only we didn't know it at the time. Conditions were changing all around us. Competition was fierce. We were caught between stages, transforming from shopkeepers to real business people. We looked for ways to differentiate ourselves, to stand out from the growing crowd of competitors around us. What seemed simple was far from easy.

How did we do it? What was our secret? How did we build a business that won major industry awards such as the Market Watch Retailer of the Year and the Wine Enthusiast Retailer of the Year, not to mention the hearts and wallets of several hundred thousand happy customers each year? We stayed on course with our customers. We concentrated on what was important to our cus-

tomers. We served our customers like no other wine and spirit retailer and developed an unrivaled reputation around the world.

We made the little things count. We hired the best people, then aggressively trained, motivated and retained them. We traveled around the world to source the best wines. What else did we do? Keep reading this book, and you'll learn some of the secrets of our success.

### **We survived the middle miles.**

Will you ever have to *survive the middle miles*? Of course! Anything worth having, doing or accomplishing forces you to spend some time in the middle miles. Have you ever set a goal and had to work hard to achieve that goal? Then you know the feeling. Maybe it's wooing a new customer or spearheading your company's new customer service initiative. Have you ever opened a new business, started a new job, or worked on an important project? To be successful with such endeavors, you have to get through the lean times. Perhaps, you're pursuing a goal such as running a marathon or losing a few pounds. It doesn't matter because it's all the same. The middle miles await you.

In the beginning, everybody is cheering. It's exciting. It's new. It's fun. As you work your way forward in time, the fun slowly dissipates. Interest and encouragement from the early supporters begins to wane. The problem in the middle miles is that it's too early to see the results that will occur with perseverance and patience. Many get disillusioned. Many get lonely, frustrated and aggravated. Some stop trying. Others quit, like I did in the 1989 Chicago Marathon.

This book gives you 26.2 ways to cross the finish line with your customers. When you complete a marathon you get a medal, sore legs for a week, and a great feeling of accomplishment.

In business, the stakes are much higher. When customers cross your finish line, the awards ceremony features repeat and referral business, loyal customers and brand advocates. If you really execute well, then your customers will sing your praises for all to hear. You will hire and retain the best associates and they will be motivated to consistently deliver the best service. The best news may be that customers and clients will resist pressure to switch to your competitors. The end result will be a happy, healthy, profitable business.

Congratulations! By reading this book you obviously have the courage to start the race. I'll see you in the finisher's tent!



## If You Lead, Emulate Winners

*People who succeed look to winners for inspiration.*

Douglas McArthur once said that "Old soldiers never die; they just fade away." But the general never met my dad, who this week begins his own process of fading away after serving on the front lines of wine and spirits retailing for three generations. Recently, my family gave up control of the business we operated for many years. I started writing and speaking and he stayed to help the business he built. After a while, he and the business parted ways.

Was it the right time? We'll probably never know; but just last week, I spoke at a luncheon that he attended as my guest. Despite the fact that his days with the company were numbered, he was a consummate professional. He continued promoting the business; making sure to tell everyone at our table about the fantastic new store the company was planning. He had way too much passion and energy to leave so soon, but so it goes.

Ask anybody that ever called on him. He treated people with the utmost respect. He never belittled a salesperson, either privately or publically. He knew that salespeople had to put children through college, just like he did. If you needed a favor, you called my dad and considered it done. His word was good as gold. As the business changed, he gracefully moved over and allowed others do things he had always done. He was charitable and generous. Over the years, he helped hundreds of different charities with their special events. One thing was always constant; nothing stopped him from his usual morning ritual of *getting the trucks out*, not even the blizzard of 1967.

To be sure, my dad was far from perfect. He was old school. He had a very strange *sense of fashion*. He sometimes crossed the line of being the employer; instead, preferring the role of a caring "father figure" type to all the lives he touched. Sometimes, he raised his voice. Sometimes he complained. We sparred from time to time, like any father and son. His crime was caring too much about the business. He devoted his life to the business and right or wrong in his style, he deserves so much credit for his contributions.

He passed many virtues to me. I didn't always know it at the time, but his lessons were helping me to be successful both in business and in my personal life. In tribute to his 50-plus years of service, I'd like to share some of his most successful character traits. Did he go about everything the right way? Of course not! Does anybody? He did, however, *cross the finish line* with thousands and thousands of customers and associates over the last 50 years. He must have been doing something right!

Here are some reasons why he ran such a successful business.

- **Tenacity** – he never gave up.

Author H.G. Wells once said, "The path of least resistance is the path of the loser." Fred never took the easy way. He had tenacity like I've never seen before or since. The same nature that made him a success on the basketball court 50 years ago (and still today on some courts!) made him

a success in business. When the phone rang, he thought everybody should jump at it. To him, it was an honor that customers would call us. He never relied on anybody else to do the work for him. He didn't feel that it was up to anyone else to make him give his best. He just did it. No task was *beneath* him! His goal was simple -- to run the most successful wine and spirit business in town. He strived for this every day of his professional life.

Crossing the finish line with customers and associates requires great tenacity, persistence and stubbornness. Great customer service companies are persistent. They never stop delivering great service. They never stop talking about customers. They never stop trying to improve relationships with their customers. They make the little things count. They consistently reward and value their associates. They visualize reaching the finish line and doggedly pursue the goal of repeat and referral business.

- **Treating others with dignity** – he made friends, not enemies.

In 25 years of working with my dad, I can't remember one person who left the company because of him, but I can remember many who left because of others. Our competitors had a healthy respect for him. He never made fun of or mocked people.

Often, a local salesperson would pay a visit with his or her National Sales Manager in tow. To be sure, it was an extremely important day for the local account representative. Dad was certain to make him or her look like a hero, always sure to point out at least one great thing the salesperson was doing to sell more products in our stores. He was a natural at making you feel like the most important people in the world to him at that moment. If he was helping a customer within earshot of a salesperson, then he always recommended and tried to sell the product represented by that salesperson. He never kept people waiting. He did all he could to make customers look good. He yelled from time to time, (something I am against 100% in the workplace), but he never did it maliciously.

Treat everybody with whom you come in contact with great dignity. Never make people feel small. Don't gossip behind people's backs. Don't keep people waiting, a tactic some use as a display of power. If you have to give feedback, then do so in a professional manner. Have fun with others, but not at their expense. Always remember that what goes around, comes around.

You never know what the future holds. Today somebody may represent the 20<sup>th</sup> biggest brand in the market and the inclination may be to push them off because they're not a big fish. Don't do it! One day in the future, they may represent the 4<sup>th</sup> biggest brand, and one that is far more important to your business than you could ever imagine. You'll be glad you treated them with dignity.

- **Follow through** – he did what he said he would do!

When my dad said he was going to do something, he did it. When he said he would buy 500 cases of Chateau so-and-so, he followed through; sometimes, to my chagrin. I always favored a little less inventory. He followed through with customers and hated it when our associates failed to do the same. He always called customers back right away. He never procrastinated. (Maybe I got that wonderful trait from my mother!) He made customers feel important. The result: distributors and suppliers awarded us plenty of business because he always kept his word with them. He was their "go to" guy.

It's vital to always keep our word with customers and associates. If we say we're going to do something, we must do it. Many businesses fall short on this. At dinner one evening, I ordered a pasta dish that was prepared with the wrong sauce. The owner of the restaurant happened to come

by. He asked me to try the dish and he would have it re-made if I wanted. He never came back to the table. Needless to say, his failure to follow through left a bad taste in my mouth.

Return emails and phone calls promptly. Keep your customers and associates informed. When you encounter problems, tell them. Be straight forward and honest. Customers aren't as unhappy when things go wrong as long as you're up front with them. Communicate the bad news, just as readily as you would convey good news. It's simple, but not easy. Simple to say you will call somebody back, but not easy to find the time or inclination to follow through with people consistently. As the Nike ads say, "*Just do it!*"

- **Be a part of the community** – he had a soft heart.

I'd call it generous to a fault. He loaned money to everyone, including members of the local community. When we cut back on employee loans (as a company), he still helped people out of his own pocket. For years, our main store was in an economically depressed neighborhood. He helped everybody. He had a kind word for the people who crossed his path. *He never considered himself better than anybody.* The *down on their luck* members of the neighborhood called him "Freddy", and me, "little Freddy." It was an honor! He may have accomplished more than they did, but he didn't consider himself any better than they were. As I look back, this was his most valuable lesson to me.

Get involved in the community. Do good things for people. Never consider yourself better than anybody else. Always have a kind word for people. Don't disparage others with words or actions. Let others feel proud of their lot in life. Be generous. Take care of the less fortunate. Have a soft heart.

Although his last days with the company were as involuntary as McArthur's were in the military, he spent them selflessly -- taking care of the customers who always took care of him. Fighting for a few extra dollars on Evian water, just like the good old days. You're not getting a gold watch from me, Dad. Your life's work deserves more than that and I'm not sure I can ever repay you. I will speak for the thousands you have touched in your lifetime, all from behind that beaten up service counter. Thanks for helping *us all* cross the finish line.



## Managing Customer Relationships

*Tracking customers' needs, and wants, leads to customer loyalty.*

If you're a recreational swimmer, then you probably know there is a line on the bottom of the pool. Follow the blue line and you should get to the other end. Sadly, in open water swimming, no such line exists. Long ago, I was a recreational triathlete. The running and biking I could handle; it was the swimming that caused me fits. I wasn't so swift. Driftwood gave me a run for my money.

One year I did a triathlon in Central Florida called the "Intimidator." That was my first mistake! I should have swum as fast as I could *the other way*. As swimming is not my strong suit, after a few short minutes I was *far* behind the other swimmers. Unfortunately, I wasn't doing what I learned in open water swimming 101. Coaches teach you a technique called *tracking*. When you *track*, you look up every few strokes to see where you are going! Since I wasn't tracking, I soon found myself far *off course* in the choppy, open waters of Lake Clermont. I may have actually spotted the Gulf of Mexico.

The concept of tracking in open water swimming can teach us a valuable lesson about managing customer relationships. To be *on course* with your customers, you must constantly be looking up to see if you are going the right way and making the best moves! When we *track* our customers we find out what's important to them. We learn their likes and dislikes. We solicit their feedback. We make them feel special.

The act of communicating with customers helps nurture relationships. We placed great importance on treating our customers well. We got to know them. We developed friendships. We knew that, all things considered, people would rather do business with a friend. We became friends with our customers and we stayed in touch with them. Jeffrey Gitomer, a recognized expert on sales says, "If your customers like you, believe you, and trust you, they *may* buy from you!" Imagine if they don't like you!

Here are few things you can do to stay on track with your customers:

- **Solicit their feedback** - want to know what your customers want? Ask them!

Our customers were happy to give us their feedback and very pleased to be asked. Be sure to constantly communicate with your customers, not just the big customers, but the smaller ones also. It's true that 80% of your business probably comes from the top 20% of your customers, but you still have to communicate with everybody.

Survey your customers regularly. Do you really know what is important to them? Are your company's goals congruent with your customers' wishes? Keith Ferrazi (2006) in the book, *Never Eat Alone*, suggests that "The less you speak, the more you can hear!" Over time, we started to listen to our customers; we were surprised to learn their thoughts.

We thought our customers cared the most about price *until we asked them*. It turned out price was not their focus, and they rated great service and an expansive selection higher. Think how

much money we left on the table by keeping our prices so low. Here's a tip: always give a little gift or incentive to your customer for their help. Remember, they have valuable information for you. Always thank them!

- **Market to your customer base** - spend time approaching current customers.

This is where many companies miss the boat. They spend their budgets trying to convince people to switch to them while their current and loyal customers get short changed and go elsewhere. The wireless carriers come to mind. My wireless company, instead of wanting me to change phones (upgrade) every couple of months, actually penalizes me to do so. They actively discourage an impulsive, techno-geek from spending more money in their stores. On the other hand, they spend plenty of money trying to get new customers. This is counterproductive.

Reaching customers with targeted messages is getting harder to achieve. In fact, according to the American Association of Advertising, we are inundated by thousands of marketing offers a day, yet we can only process a fraction of those messages. Spend time and money targeting your core customers. There are computer programs that will track buying habits, so it should not be difficult to know what your customers like or dislike. Use that information to get the right promotions to the right customers.

It was certainly easy and advantageous in the wine business to target loyal customers. For example, if someone had a history of buying Burgundies from us, we sent them an offering when the newest vintage of Burgundy was released. If a customer typically bought scotches between \$50 and \$75 per bottle, then chances were that if we had something new or special in that price range they might be interested.

In 2005, we re-engineered our marketing program. For many years, our primary tool for reaching customers and building traffic was to place ads in local newspapers. By spring of that year, we realized this was no longer the proper strategy for us. Instead, we developed a new quarterly magazine called *Pour*, and sent it to all our loyal customers. *Pour*, a 24 page magazine, featured new selections, highlighted wine growing regions and profiled innovative, cutting-edge producers. The results were increased margins, higher average tickets and *reduced* advertising expenses. It was a very successful change to our marketing mix.

There are other ways to add value. Suggest new products to customers. When new releases (or iterations) of popular products arrive, call your customers. If you can't provide a product or service, suggest another place that will accommodate their needs. I know it sounds silly; however, some of the best service stories involve sales people steering customers to other vendors if they feel they can't satisfy their needs. The fruits of such labor will be appreciative customers. What customers see is that you are trying to help them solve their problems, which is exactly what you want them to see. You've added value and, in turn, you will receive more loyalty in return.

My salesman at Nordstrom's knows exactly what brand of dress shirts I prefer and calls me when new colors come out. I love it even though I know his ultimate goal is to increase *his* commissions. It doesn't matter to me. It's a win-win situation for everybody!

- **Learn more about your customers** - get to know them as intimately as possible.

I am always amazed how much you can find out about customers by asking something as simple as "*How was your summer?*" Ask that question or something similar and you'll find out about your customer's summer vacation or maybe what camp their children attended. I never went to

overnight camp but now that my contemporaries and I have children that age, all I ever hear is people comparing their ancient camping tales. Do your customers have children in college? Ask what college they are giving their life savings to for tuition, books, and fees. Maybe you went to the same college. These are connections, and connections make bonds with your customers.

People love to talk about themselves. We love to hear our names. We want to be the center of attention. How does it feel when you call a business and they recognize your voice? It's a good feeling! All things considered, people want to do business with a friend. In fact, most people are not as trusting of other people as they are of a friend. Is this important? Yes, getting to know your customers is good business.

According to a NY Times/ CBS News poll, when your customers think you "know them personally," most (88%) think you will be fair with them. Perception is reality. Let people know you, and get to know them. My Dad was great at this. By uttering the following simple words, "He's okay, I know him," my dad could truly make the difference with the customer. He could make customers feel welcome like no other.

- **Don't stop at satisfied customers** – create loyal customers.

Strive for more than just *satisfied customers*, because they only feel so-so about doing business with you. They may refer customers to you, but probably not. They may be happy, or even satisfied, with you, but feel no other emotions. The opposite is what you want to attract. Jeffrey Gitomer (1998), talks about loyal customers, in his book *Customer Satisfaction is Worthless*. "The goal is loyal customers; ones whose needs were met and exceeded." These customers have had a memorable experience and now have a great overall feeling about your company!

I realize that it's simple, but not easy, to stay on course with your customers. It's simple to talk about maintaining contact with valued customers, but not easy to actually keep doing it on a consistent basis. If the goal is to reach the finish line with your customers, then you have to be able to survive the middle miles.

Keep soliciting feedback, keep targeting and getting to know your current customers. Always be appreciative and realize that the goal is to have customers come back *a second time!* That's the true measure of a happy customer. Continue making the little things count. Before long, you will be effectively managing customer relationships. Me, I'm going to the swimming pool. Don't worry! I'm won't take my eyes off that blue line!



## How to Avoid the Curse of Complacency

### *Are you asking the right questions?*

I understand the concept of complacency. Been there and done that. Complacency, according to the dictionary, is being pleased with oneself or one's merits, advantages, and situation, often without awareness of potential danger. Have you ever been complacent? Have you ever been very happy with a situation, only to realize later that things weren't really so great? It's been my experience in many years of business that at one time or another, all businesses fall into the complacency trap and as the song goes, "*You never realize what you have until it's gone.*"

My memory of the family business stretches back more than 25 years. I remember times when things were great, and I couldn't imagine they would ever be different. Former tennis star Rod Laver once said, "*The time your game is most vulnerable is when you're ahead. Never let up!*" It's not that we let up, but our situation was slowly changing. For starters, the competitive landscape was transforming. Costco arrived with a flourish on the wine and spirit scene. They shortly became the number one seller of wine and spirits in the U.S. They had a profound impact on the fortunes of independent retailers.

*At the same time*, costs for virtually everything were going up across the board. Insurance premiums (post 9/11) went through the roof. Other expense categories like real estate taxes, health insurance, and workers compensation premiums were all increasing as well. It became more challenging to run the business the way we had in the past.

We fought through our "complacency" stage, and you can too! Ask the right questions and seek answers you may not necessarily want. Read the following eight questions, and start protecting your company from the evils of complacency. Remember, to cross the finish line, you have to *stay in the race!* Ask the tough questions. The results will be a healthy, continuing business with happy customers and happy associates.

- **Are your gross margins going up or down?** What goes down doesn't necessarily go back up.

When your margins fall, you may be unwittingly training your customers to expect lower prices. You then run the risk of having alienated or disappointed customers when you try to raise prices again. Keep your margins as constant as you can, unless, of course, keeping them low will force you out of business. That only helps your competitors! Remember, your customers are creatures of habit. They don't like change. They want things to be the same. Keep things constant for them.

- **Are you trying to be all things to all people?** Don't try to do too much!

The old adage when a business closes its doors is, "We were busy until the very end!" If you are really busy, but aren't making any money, then your prices may be too low. My favorite ads are the ones that say "Price, Service, and Selection." We used to say that, but in this day and age, it's extremely difficult to run a business that way. Pick two out of the three and get to work. Are your prices higher than your competitors? Make sure you are giving a much higher level of service and selection.

Several years ago, Inc Magazine (June, 2001) called Green Hills Farm "The best little grocery store in America." The accompanying story mentioned that Green Hill's CEO Gary Hawkins believes that the frozen turkey is a symbol of all that's wrong with the bloated marketing habits of the grocery-store industry in which he competes. Specifically, he has a bone to pick with grocers who use the turkey to reward the thieves, that is, the bargain-thirsty, store-hopping, emotionally-unable-to-commit customers who methodically sweep into a store, spend a few bucks, and walk out with the big prize: a free or nearly free Thanksgiving turkey. Green Hill's philosophy: *don't be all things to all people*. Target the customers that will *actually* help your business.

- **Do your associates still like coming to work?** What is the mood within your company?

Convene a focus group or have an informal internet survey. There are more and more inexpensive ways to get your associates opinions, if you want them. Create and maintain an environment where your associates *feel* they can speak freely. Take the top three concerns your associates have about your company and fix them. At the very least, use the good times to throw some value their way. Let them know and feel that the success the company is enjoying is due to them. Let them have some credit! Having the right atmosphere in good times will help if things start going the other way.

- **How does your business look?** Is it time for some renovations or general upkeep?

What has wear and tear done to your facilities? Don't look at this yourself. Have someone else give you an honest assessment because they will spot things that you either won't see or won't admit seeing! Throw a fresh coat of paint up every once in a while. Customers will enjoy that, and your associates will as well. Are your bathrooms clean? Don't lose sight of the little details.

The other day my wife was out grocery shopping with our son Ben, when suddenly, as 4-year olds do, he announced the need for a bathroom. The woman's bathroom was occupied so they ventured into the men's. It was disgusting, and this was from a small chain known by all for its excellent customer service. Part of crossing the finish line with your customers and associates is meeting their tangible needs. Tangible needs can mean different things to different people. In this case, it meant a clean bathroom for Ben!

- **Can you improve your systems?** Are you getting the right information from your systems?

Don't settle for your systems giving you the right information now. Plan ahead! What other information is available? Can your checkout process be more efficient, or quicker? Our wine stores did a big telephone business and we used to take many orders over the phone. One day the software was changed to allow us to easily access customer purchasing history while the associate was

on the phone with the customer. Wow, a new selling opportunity right before our eyes and source of information to help us provide great service. Always be thinking of what the system should do tomorrow, not what it is doing today.

- **Are you gaining or losing customers?** Are you doing everything you can to retain customers?

Are you adding more clients? Are your annual clients signing on for next year? If not, what are their reasons for leaving? Are your transaction counts going up or down? How about the average ticket? Declining average tickets can be a sign that your associates aren't being attentive enough. Paco Underhill (2004) in his book, *Why People Buy*, proves through numerous research studies that, "The longer someone stays in your store, the more they will purchase." Are you keeping customers in the stores long enough?

- **Do you know your best customers?** Do you communicate with them regularly?

Communicate, not just when they've just bought something, but also, just for the sake of open communication and friendliness. Dale Carnegie (1936), in his legendary book *How to Win Friends and Influence People*, teaches that the greatest sound in the English language is the sound of your own name. While times are good, are you getting to know your customers better?

One day, I called our best customer out of the blue. He was thrilled. He started telling me what a great operation we had. It was very gratifying. He was touched that we reached out to him, and he started doing more business with us. Our relationship was strengthened. Always remember that all things considered, people would rather do business with their friends.

- **Are your associates becoming more knowledgeable?** What role does training play in your company?

Is educating your associates an afterthought? The brand promise at our wine stores was very simple: "To make the experience of buying wines and spirits as wonderful as drinking them!" To live up to this promise, we needed training year around. According to an article published by the American Management Association, *You Can't Build a Brand without Your Employees*, "managers should never automatically assume that associates understand the brand strategy." They suggest always taking extra time to reinforce that brand message.

We took this to heart. Our associates became more knowledgeable than our competitors' associates because we trained them more. We took it very seriously. We used training as a motivator. Part of hiring, motivating, and retaining the best employees is for them to feel a sense of ownership and growth. Training helps accomplish this, which in turn, helps the company hold on to its best people.

Typically, companies focus on top-line growth when business is going well. The talk is *more* about how much revenues are increasing, instead of what is happening to the bottom line. Eye-popping growth is simply more interesting than the fundamentals.

The Gap clothing stores are a great case in point. Their first store opened in 1969 and they had a great run for many years. Unfortunately, things have gone south the last 10 years. The company expanded like crazy with Old Navy, Banana Republic and all the other Gap brands (Gap Kids and Gap Body, etc.). Many believe that the Gap didn't stay true to what *brought them to the dance*. They missed badly in the mid to late 90's with their fashion picks, and they've never been the same.

Now they are returning to their core, but it may be too late to reverse the damage. *Always remember why you were successful in the first place. As they say down South, "remember to dance with who bring you!"*

Ask lots of questions when business is going well. Question all aspects of your business, big or small. Are you recognizing both internal and external threats? Are there new competitors to learn from or be wary of? Are there internal inefficiencies that ultimately may turn into problems? Look for new ways to deploy your marketing dollars. Review your sales data to make sure you're getting the right bang for the buck.

Look for new and creative ways to give great customer service. Communicate with customers and associates as often as possible. Forge bonds with each. Make sure your priorities are in order. Improve aspects of your operation that are within your control. Don't worry: there will always be other things to keep you up at night!



## Mastering Basic Phone Skills

*Great phone skills will start relationships on the right foot!*

The other day I called ahead to order my lunch at the local hot dog stand. As patience isn't one of my virtues, I thought I'd have my lunch waiting. The conversation went something like this:

*Hello, I'd like to order a chicken sandwich.*

*What kind of chicken sandwich?*

*Grilled, with ketchup and mustard*

*(No comments from the gallery, that's just the way I roll)*

*What kind of chicken sandwich, we have 11 on the menu (he was starting to grow exasperated)*

I paused for a second. I was trying to remember what sandwich I liked and then this gem came out!

***Sir, come on....I'm swamped....what do you want?***

With that, I hung up and went to McDonalds (I really have to stay out of that place). I was mortified. Have you ever had an encounter like that over the phone? How did it feel? Did it make you want to spend more money with that company? The sad fact is the person I was speaking with was the owner. I recognized the voice from having been there (too) many times. What kind of example was he setting for his people?

Did he realize that there was a human being on the other end of the line? I wasn't calling to waste anybody's time. I wanted to buy something. That's why customers call us, because they want to patronize our businesses. Most customers don't complain when something like this happens, they simply vote with their feet and head over to the "golden arches", just like I did. They elect to spend their hard earned dollars elsewhere.

Equipping our associates with the proper phone skills is required if we want happy customers and a successful business. Do people jump when the phone rings? If twelve people are working, then twelve people should run when the phone rings. The initial conversation may be the first (and possibly the most important) customer "touch point". Of course, there are many individual touch points that make up the overall experience. Are all important; however, getting off on the right foot can effectively lay the groundwork for the whole encounter.

Here are a few phone tips that will help you keep your customers and cultivate new ones.

- **Smile through the phone** - it's actually good for you.

Studies show that smiling is actually good for your health! Even fake smiling. The very act reduces harmful hormones and elevates the levels of good hormones. Try this to exercise to help you learn to smile while talking on the phone. Buy a mirror and keep it by your desk. The next time you talk to a customer on the phone, study your facial reactions.

Believe it or not, the person on the other end of the line can feel the smile through the tone of your voice. Smiling causes your facial muscles to shift. Your voice will sound different. Re-record your voice mail greetings both on your office phone and your cell phone. Be cheerful. Exude energy. Remember, callers may never have heard your voice before. Hopefully, while leaving a message for you, they will be thinking, “Wow, what a happy person!” Once you have this down, you will be well on your way towards the next key point.

- **Show enthusiasm** – it’s much easier to make a good first impression.

In face to face situations, only a small percentage of communication is verbal. The rest is how you look, what kind of gestures you make, and your facial expressions. Over the phone, it’s even more difficult because a caller can’t see what you’re doing. (Sometimes that’s a good thing). In our early days as our company evolved, I made it a practice to study the way our associates interacted with customers. I coached our associates to be more enthusiastic, so that our customers would never feel like an interruption, or worse, that we didn’t value them. Have you ever called a business and genuinely felt welcomed by an enthusiastic greeting? How did it feel? You probably wanted to spend money with that person.

- **The caller is not a nuisance** – don’t make them feel like one!

There is only so much your caller needs to know about why you can’t come to the phone. If someone isn’t available, say something professional to the caller. It’s more preferable to say, “She isn’t available right now, but she will call you back” than to say “She is busy right now, can she call you back?” When we say we’re busy, the tendency is for the caller to feel like a nuisance or an intrusion. Asking customers to call back is a cardinal sin and chances are the caller will never call again. It is not the caller’s responsibility to return the call. Often, if you change a few words, you can convey a far different and much more positive message.

- **Have patience** - slow down!

Ask my wife how ironic it is to hear me talk about patience. She claims that when they were handing patience out, I was somewhere else probably getting a Diet Coke. I didn’t always realize, in customer service situations, the importance of patience until we switched the way we answered the phones. The new approach was to say “Thank you for choosing.....” or “Thank you for calling....” instead of simply blurting out our company name.

The result: our associates slowed down and gave our customers a chance get their thoughts together. We stopped rushing our customers. The last thing anybody wants is for customers to feel like an interruption, or too feel that the associates have other (better) things to do.

- **Use positive words** - get rid of the vague and uncertain words.

Use words with positive meanings. Try saying “I will” instead of “I will try.” Use “certainly” instead of “maybe.” Minor nuances, to be sure, but some words just deliver a higher degree of reliability than the usual murky words. Try to avoid using the word “but.” Consider the following sentences.

*Sentence 1: We'd like to help you but we can't do that.*

*Sentence 2: We'd like to help you and this is what we can do.*

What would you rather hear? In the first statement, we're saying that we would like to help but... (The "*but*" negates the part about *wanting to help*.) In the second statement we're saying we want to help and this is what we're going to do. It's much more positive. The best restaurants react with positives rather than negatives. Do you ever call a restaurant on Saturday morning and say, "Can we have an 8 o'clock reservation for 4 people tonight? Instead of saying no, restaurants that convey positive attitudes will say, "We can seat you at the following times." The end result is the same, you can't have the 8pm reservation; however, the delivery is much softer.

- **Give the caller your name** – it's much more personal.

Even this little tidbit of information makes phone interaction much more personal. It also helps if the customer has to call back for more help. Now, suddenly, they *know* someone in the business!

- **Keep the caller informed** – let them know the next steps.

If you are contacting someone in the warehouse, let the caller know that. It's much preferable to keep the caller informed than to let them *hang* there in silence with no clue to whether you're going to help them or not.

- **Use the hold button judiciously** – call people back instead.

Only put people on hold if you can quickly obtain the information needed to answer their question. Remember that perception is reality. You may only keep a customer on hold for 45 seconds, but to them it feels like several minutes. Unless the information is right at your fingertips, it is much better to return the call.

Is it important to improve your acumen on the phone? It certainly is! Remember, many customers are first introduced to your company with a phone conversation. As getting and keeping customers becomes more difficult, you hate to see little (silly) things turn off customers. Rude and inconsiderate manners can destroy everything you've worked for.

Companies spend massive advertising budgets to get people in the front door only to fall short in critical areas like phone skills. I always wondered if our associates were delivering exceptional customer service on the phone, as they were in the stores. Businesses that deliver exceptional service over the phone have a much better chance of crossing the finish line with your customers.



## **Appreciate Your Customers and Show it**

*Few things are as important as saying "Thank you"*

We've all been in the following situation. You're carrying a briefcase or bag, yet you gamely hold the door for somebody in the middle of a driving rainstorm and that person fails to appreciate your efforts. No smile, no gesture, no acknowledgement of any kind. How does that feel? Be honest! It aggravates me to no end. Usually, I will say something like "No, no -- you go ahead -- I'll take care of it!" *At least I feel better!* I crave appreciation just as much as the next guy.

Is it important to appreciate our customers and each other? You bet it is! According to William James (a 19<sup>th</sup> century pioneering American psychologist and philosopher), appreciation is the most basic, and most important, of all human emotions. People desperately crave appreciation. Why? James believed that we inherently want to feel good, to feel wanted, and to feel needed. The beautiful thing about showing appreciation is that it doesn't take long at all. It is one situation where brevity is in order. Showing appreciation will definitely create better results and help keep loyal customers.

**Say "Thank you."** – make sure to utter those magic words.

We bought a house and the builder never said "Thank you." A beautiful new, shiny home for which we met with the builder on many occasions, and he never said thank you. Not when we made the down payment. Not when we were picking which shade of black countertops would match our dishes the best, (who knew there could be so many different shades of black!) and not when we closed and moved in. Not one single time.

It begs the question, did he appreciate our business? I guess we'll never know. Imagine, on the other hand, if he had sent a small gift card to the Home Depot! Even the most minimal amount of concrete appreciation would have created quite an impression on us. We would have told everyone, and by so doing, created great word-of-mouth advertising for the builder.

Is word-of-mouth advertising beneficial for businesses? Yes, but only if a positive message is being conveyed. Stand out from the crowd, but for the right reasons. Andy Sternovitz (2006), author of *Word of Mouth Marketing – How Smart Companies Get People Talking*, defines word-of-mouth marketing as "Giving people a reason to talk about you, and making it easier for that conversation to take place."

There were several things the builder could've done to get us talking about his company. What about the easy act of sending a housewarming card? Stopping by to say 'hello' would have

been a nice touch. Any small token or gesture to show his appreciation would have been appreciated by us - and productive for him.

- **Send a quick note** – take that extra step in appreciating your customers.

Send out thank you notes! I used to do that all the time. It was simple, but not easy. Simple to talk about thanking customers, but not easy to write the notes on a Monday morning when I had a ton of other work to do. My goal was to write thank you notes for every transaction over \$500. On some weekends that could mean a nasty case of writer's cramp! Following through was essential.

Thank you notes should have a bit of personalization and should be mailed in a timely fashion. Our cards were computer generated, but I personally printed the customer's first name and signed each card myself. I personalized many cards with a simple comment. For example, if a customer was from Indiana, I would simply say "Thanks for making Sam's a part of your trip to Chicago." Nothing earth shattering, but it was a bit more personal, nonetheless. The many years in business taught me that customers are not fools. They can sense insincerity a mile away.

- **Send out small gifts** – it's the thought that counts!

The lack of appreciation I encountered in the home buying process gave me an idea. I approached a local automobile dealership with the idea of sending gifts to people who recently purchased cars. The gift, one bottle of wine in a gift box, was generous enough to get the point across. Imagine, you've just spent anywhere from \$35,000 to \$100,000 on a new car, and you get a small gift in the mail. Talk about going the extra mile and doing the unexpected! The dealer had great success with the program; the feedback he received was incredible, all for an inexpensive \$33 per unit, including taxes and shipping! Talk about thinking outside the (wine) box!

The great news is that the effect of such generosity goes far beyond the cost of the gift. According to Reinartz and Kumar (Harvard Business Review, "*The Mismanagement of Customer Loyalty*" HBR '02), "An unexpected surprise generates exceptional word-of-mouth advertising." As a result of their thoughtful deed, the automobile dealership started to benefit from the residual effect, in the name of positive vibes in the community. They paid a small price.

- **Late is better than never** – do it after the fact if you have to!

Years ago, I was reviewing some sales records and one customer's name appeared at the top of every report. No matter how I sorted the report or what variables I searched for, his name appeared. He was our best customer! Suddenly, I felt a bit uneasy, a bit queasy. You know that feeling. When you suddenly realize you've been missing the boat on something. Have you ever felt that way? I was ashamed that I had never spoken to this customer.

Don't get me wrong. He was *far* better off working with our talented wine specialists; however, I still wanted to reach out and thank him for all his business. Nervously, I dialed him. I told him I was ashamed to make this call and that I had been remiss to never properly thank him for all his business. He interrupted me, not to hang up on me or tell me off, but to tell me what an extraordinary business I had and how wonderful our associates had always treated him. My fear of making the call turned to elation. He was *thanking me* now. He actually thanked me for taking time

out of my busy day to call him! What a pleasant surprise! I had called to express my appreciation, and in turn, received a great feeling back.

- **Make up reasons** – to say “thank you”

Actively look for other ways or situations to say those magic words. The American Management Association suggests a few other times when a thank you is appropriate. To be sure, this may seem like common sense; however, oftentimes the basics get swept under the rug because of our frantic lives.

Appreciate your customers when they compliment your company. Don't just shrug it off. Say “Thank you!” Appreciate your customers when they suggest you to their friends, when they offer comments or suggestions, and when they help you serve them better. Don't forget the times where they have exercised patience with you and the situations when they tolerated your mistakes.

As previously mentioned, crossing the finish line with your customers is simple, but not easy. It's simple to say that customers are number #1, or that customers are our top priority, but it is not easy to treat them that way. Sincere appreciation goes a long way!

By the way, the house turned out great. The countertops superbly matched our dinner ware, just as my wife had planned, that is, until she bought new dishes!

## The Finish

### *The Final Straightaway!*

Only 385 yards to go! Thanks for reading *Surviving the Middle Miles!* I hope you will find the preceding 26 tips useful for improving the relationships you have with your customers and associates. I promised 26.2 ways, and we have to finish the .2, so here goes.

The majority of great service is treating people, customers and each other, the right way. It's simple, but not easy! It is simple to want to differentiate ourselves and our businesses from our competitors, but not easy to have the right systems, attitudes and behaviors to get the job done consistently.

As you recall (from this book's introduction), the 1989 Chicago marathon was my first attempt to qualify for the Boston marathon. That year, after inviting my friends and family to the finish line, I failed to appear, succumbing at the 14-mile mark.

The next year I tried again. This time I told fewer people and made fewer predictions, but the result was the same. I dropped out at 14 miles. Why couldn't Phidippides, the founder of the marathon distance, have died after 14 miles, I thought to myself!

Not to be deterred, the next year I tried again. This time I didn't tell anybody. Well, I told my wife, so she could have the *car waiting at 14 miles!* Unfortunately, the result was the same. By the time I reached that *annoying* 14 mile mark, I was taking my number off and, once again, making plans for next year. Just like my cursed Cubbies!

Next year came several years later. I took some time off.

Why did I have so much trouble with the marathon? Why were the middle miles so difficult for me? I'm not exactly sure, but I do know that few people achieve their goals on the first try. Often, it takes many tries before we cross the finish line in whatever we're trying to accomplish.

You know the expression, "There is no free lunch!" These words remind us that most anything worth having or achieving doesn't come easy. Customer relationships are no different. Effective human interaction is the key. Terms like appreciating, respecting, nurturing, delighting, motivating, listening and loving are more than just words. They are concepts that help you survive the middle miles and cross the finish line, in business and life.

In 1997, I re-entered the world of running. My thirties were upon me; beer and fast food were *upon me*. It was time! I told myself I could survive the middle miles. I trained all summer. I was ready.

As I approached the 14 mile mark, the light bulb went off in my head. Ever been there? Do you know what the moment feels like when you *finally* figure something out and it all seems so clear? That's what happened! Instead of worrying about how I would feel at the 23-mile mark, I did the little things to get to 15 miles. What a novel concept: making it that far in the marathon!

I remember those miles very clearly. I looked up instead of looking at my shoes. I enjoyed the scenery. I paced myself and drank plenty of fluids. I slapped hands with children lining the course. I trudged on and made it to 18 miles, then 20 miles. Finally, in a journey that seemed to start 10 years earlier, I crossed the finish line!

I ran 10 more marathons including Boston. To be sure, those other 10 race days weren't *walks in the park*; however, I did have a sense of what it took to cross the finish line. I survived the middle miles -- and you can too!

You have to remember that it is simple, but not easy. It's what you do every day, every mile that counts. It's the little things like simple, random acts of kindness. Perseverance is the key! Developing your plan for showing your customers you value them, and then on race day, when they've

chosen you, having the dedication, desire and determination to see it through. Before you know it, you will have crossed the finish line, in whatever race you're running!

## About the Author

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Everyone talks customer service, but Darryl Rosen has lived it. He served as President and owner of Sam's Wines & Spirits, a family business started by his grandfather in the 1940's. Under his leadership and unwavering commitment to superior customer service, Sam's grew from a small single operation to a multi-unit retailer with nearly \$70 million in sales. Sam's reputation earned Darryl and his team an unrivaled national and international reputation.

Darryl has taken his decades of experience running a successful business and his history of competing in marathons and triathlons and currently delivers presentations and seminars for companies and organizations seeking to "cross the finish line" and grow their businesses.

Before joining Sam's, Darryl received a Bachelor's Degree in Accounting from Indiana University and became a certified CPA. He earned his MBA in Marketing and Organizational Behavior from Northwestern University, Kellogg Graduate School of Management in 1997.

Along with his passion for unparalleled customer service, Darryl spends time with his wife (Jill) and three boys (Josh, Danny and Ben), and is always hoping that this year will be the year for the Cubbies!

If you would like more information on Darryl Rosen's speeches, seminars and consulting services, please use the following contact information.

[www.darrylrosen.com](http://www.darrylrosen.com)

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