

## taking issue



BY CHRISTOPHER HELM

*It's a matter of trust. You don't need to see the roster of corporate scandals to know that embracing the customer perspective is critical. In fact, it can win new business opportunities.*

## The dollars—and sense—of a trusted agency

Trust is perhaps the most important ingredient to sustained business success. Whether you are checking the expiration date on milk prior to purchase, keying in a credit card number over the Web or sending a birthday gift overnight to arrive on the special day, trust is a core component.

Long before the rash of recent corporate scandals, various pundits, companies and a handful of publications (including this one) were emphasizing the criticality of building customer trust. At the time, the velocity of the Internet economy and the myriad choices it placed in front of fickle customers with rising expectations were cited as the primary threats to sustainability. No one was safe. It was either “get on board with trusted relationships” or risk being pushed aside.

What was not foreseen was how on target those words would become. Not since the Great Depression or the “Robber Barons” of the Gilded Age have we seen such a dearth of trust in corporate America. Slow recovery or no, a heightened level of skepticism is likely to persist for some time. Given recent events, the painful repercussions of violating trust have become all too clear (raise your hand if the meteoric declines of Enron, Arthur Andersen, WorldCom or some other corporate heavyweight came to mind). Costly litigation, customer defection and significant brand dilution—just to name a few—carry heavy price tags.

But mitigation of risk is not the only reason why companies should engender trust with customers. The benefits of building trusted relationships are equally substantial. A trusted agent is a person or organization that, by virtue of having adopted an unequivocal customer focus, captures the loyalty of customers by acting on their behalf. In some cases, this may even require recommending a competitor's product if it is better suited to a customer's expressed need.

In turn, customers share information with the trusted agent across a related set of needs and increasingly rely on the agent's recommendations. Over time, trust grows and a win-win relationship emerges. The customer receives unbiased advice along with relevant and timely offers. Meanwhile, customer satisfaction, loyalty and retention all go up, sensitivity to price point goes down and the company is in the driver's seat for increasing share of customer.

### From philosophy to process

So how do you get there? The road to profitable trusted relationships

begins with a shift in business philosophy. The trusted agent's focus is on meeting the needs of customers, not the products. “When you put the customer first, everybody wins,” says John Fisher, COO and EVP of product development at Distinctive Technologies, the parent company of PC Pinpoint. Denver, Colo.-based PC Pinpoint is one of several tech-support service companies that have sprung up in recent years. Acting as a third party, these organizations offer tech support alternatives to the service offerings of the major manufacturers. These firms are free to service and support a whole range of product brands and make recommendations on the customer's—not the manufacturer's—behalf.

As a result, frustrating responses from the manufacturer such as, “You will have to call Company X for that since it is not our product,” are noticeably absent. When they re-direct customers to yet another manufacturer, call-center agents unfamiliar with their problems hurt customer satisfaction and loyalty. Fortunately, it's also an issue that several of the major manufacturers are now addressing quite admirably (Hewlett-Packard comes to mind). Nevertheless, opportunities for value capture remain for third-party tech-support firms focused on meeting the customer's needs first.

By embracing the customer's perspective at the outset, says Pinpoint's Fisher, the firm's customer-focused philosophy fuels new processes. Most contact centers focus on call volume, rapid resolution times and routing the caller to the first available rep. At

PC Pinpoint, explains Fisher, “The sole focus is resolution of the customer's problem, whether that takes six minutes or six hours. This also means putting the customer in the hands of not just any rep, but the right rep.”



*“Trust is embedded in every customer transaction. The key to success is understanding how to build on that cornerstone to meet customer and company goals alike.”*

### Measuring return on trust

The win-win relationship of trusted agency creates satisfied and loyal customers at one end and higher returns for the company at the other. Jim Pojda, VP of Business Operations at San Francisco, Calif.-based Ask Dr. Tech, refers to this as coming “full circle.” According to Pojda, “By making sure the customer is 200 percent satisfied, we can achieve higher return” to which Ask Dr. Tech's 80 percent contract renewal rate testifies. Does trusted agency pay off? You bet it does. Trust is embedded in every customer transaction. The key to success is understanding how to build on that cornerstone to meet customer and company goals alike. ■