

SPECIALTY COURSE

OPTIMIZING YOUR CUSTOMER'S SERVICE EXPERIENCE

 K-TECH TRAINING

**SERVICE TRAINING AND COMMUNICATIONS
KAWASAKI MOTORS CORP., U.S.A.**

Optimizing Your Customer's Service Experience
 Course Map
 2012 Training Season

Greeting Get to Know You Exercise	Student Profile PowerPoint	Course Obejctives	Morning Break	Seinfeld Exercise & Discussion
Cust Cont Circle Svc Dept is Unique Svc Dept Role Exercise	Jet Blue Example & Discussion	Your Customers Exercise & Discussion	Lunch Break	Truth About Customer Svc
Cust Svc Target	Smiles Satisfaction Techn Systems	Systems You Use Exercise	K.O.R.E. Introduction Cust/Dealer Examp Case Studies	How to Close a Hot Alert
Other K.O.R.E. Tools	K.O.R.E. Refresher	2:00pm Break	Winning Back Dissatis Cust	Clark's Video & Discussion
Winning Steps Action Steps	Making Warr Dec Warr P/P Manual	Svc Writer Skills Online Program	7 Things	Warr Examples
Sam Walton Quote	Vehicle Delivery	Online A&P Progm Delivery Section	Delivery Refresher	End-of-Day Contest Conclusion

Optimizing Your Customer's Service Experience

Course Contents and Objectives

	<u>Lesson</u>	<u>Objectives</u>	<u>Pg</u>
1	Welcome, Get to Know You	The participant will demonstrate understanding of the direction and scope of the course, location of restrooms, times of planned course breaks, and will be introduced to and begin networking with the other course participants.	1
2	The Role of the Service Dept	The participant will be able to describe the role of the Kawasaki Service Dept. in terms of its effect on the whole dealership.	2
3	The Truth About Customer Service	The participant will demonstrate understanding that real customer service is what is done, not what is said, and will show competency in using the K.O.R.E. system to increase customer satisfaction.	5
4	Winning Back a Dissatisfied Customer	The participant will describe the steps necessary for winning back and reengaging the dissatisfied customer.	12
5	Making Warranty Decisions	The participant will exercise empowered warranty decision-making within the framework of the Kawasaki warranty policy.	15
6	The Importance of Delivery to Customer Service	The participant will begin to use the new vehicle delivery as a means of enhancing the customer's product perception and as a tool for preemptive customer expectations management.	19

Optimizing Your Customer's Service Experience

Lesson 1: Welcome, Get to Know You

8:30~10:00

Lesson Objectives

The student will:

1. Be informed of the location of the restrooms and times of planned course breaks
2. Participate in exercises that will break the ice and promote networking

Main Point of Lesson

The introduction will “break the ice” and sets the tone, perspective, and pace of the course, and above all communicates that participation is designed into the course and is expected of the students.

Lesson

A. Before start

1. Arrange tables in triangles, right angles or rounds – not “classroom” style – this is important!
2. Do NOT set books out, only name tents and pens, highlighters

B. Start

1. No PowerPoint!
2. Say “Hi, my name is Mike Nixon and this is Kawasaki’s *Optimizing Your Customer’s Service Experience*” course.
3. “Restrooms, cell phones, blah blah blah...” (Don’t do more than this.)

C. Exercise

1. Everybody please stand up. The last person to sit when I say “Go” will be that table’s leader. Table leaders can sit, send the two members on their left to go to a different table. We’re mixing things up. 😊
2. Table leaders come up and get these Get to Know You sheets to take back for your table members.
3. Table members share the answers to the Get-To-Know-You questions.
Table leaders, collect the Get-To-Know-You sheets to prepare to give a brief report.
4. Now, table leaders, report on the results of your table’s members. Starting with the table farthest away
5. Give the team leaders a hand! (applaud)

D. Now PowerPoint

1. Table leaders come and get enough clickers for your table
2. Run the Turning Point student profile
3. Save results as **profiles 300X Tacoma Feb**
3. Present a prize to the student who came the farthest (luggage tag)

You want the students to see each other as easily as they see you

The purpose of this is a) opportunity for networking and b) setting the tone for subsequent exercises

USE CORRECT STUDENT LIST & SAVE FILE!

EXR

ARS

<p>E. Explain the course objectives</p> <ol style="list-style-type: none"> 1. We have just <u>five</u> things we're going to explore today. <ol style="list-style-type: none"> a. The role of the Service Dept b. The truth about customer service c. Winning back the dissatisfied customer d. Making warranty decisions e. The importance of new vehicle delivery as it regards customer service 2. Why should you learn this? <ol style="list-style-type: none"> a. Can we afford to piss off customers hoping there are more coming along to replace them? b. The powersports customer is a much more sophisticated consumer than ever before in history. Therefore, it is no longer enough to do things the old ways. c. The change in the economic environment has brought this sharper into focus, but it would have happened regardless d. At the same time and for the same reasons, it is harder to attract and retain a customer than it has ever been before. The game has changed, and we need to change or suffer losses in our business. e. Show <u>The Transformation</u> slide f. As we'll see in our discussion today, customer service is rooted in the <u>customer's perception</u> of your and our business. g. But to <u>change</u> that perception, <u>our</u> perception needs to change first <ol style="list-style-type: none"> 1. "Have a transformed mindset concerning the Service Dept's role... 2. ...leading to a new operational philosophy... 3. ...which will birth new daily working objectives... 4. ...and that will lead to new processes... 5. ...which will result in new and exciting experiences for your customers... 6. ...ultimately producing more customer satisfaction." h. <u>Everything we're going to do today comes back to this</u> 3. What will you be able to do? <ol style="list-style-type: none"> a. You will respond to and properly close a K.O.R.E. hot alert b. You will respond to the <u>disengaged</u> customer in a way that <u>reengages</u> him or her, by using techniques rooted in respect and customer satisfaction c. You will make warranty decisions and qualify service needs d. You will use new vehicle delivery as a means of starting the customer relationship off right 	<p>think Starbucks</p> <p>The transformation is from customer service as a theory to customer service as a driving principle</p> <p>this is how all the pieces of today's course fit together</p>
<p>F. Finish up welcome / intro</p> <ol style="list-style-type: none"> 1. Verbally map out the day, activities, breaks, ending time 2. Take a <u>10-minute break</u> (the 10:00am break) – use the <u>timer</u> 	<p>10 minute time</p>
<p>G. The last person to return to their table when the timer is done becomes their table's new team leader after the break!</p>	<p>To ensure punctuality!</p>

Optimizing Your Customer's Service Experience

Lesson 2: The Role of the Service Department

Lesson Objectives

10:10~11:45

The student will:

1. Demonstrate an appreciation of the Service Dept's unique role
2. Have opportunity to consider and respond to show understanding that the Service Dept is the store's "face."

Main Point of Lesson

The introduction to the concept of the Service Department's unique role in the store paves the way for the student to comprehend the weight of the department's actions in handling the customer.

Lesson

I. Show PwrPt slide, The Unique Importance of the Service Department

- A. Who are the new table leaders (who got back to their tables last)?
 1. Table leaders come forward, pick up and hand out student workbooks
 2. Emphasize the value of taking notes
 3. In fact, prizes will be awarded later that will depend on your notes!

i.e. the end of day contest

B The customer's viewpoint

1. Show Seinfeld YouTube video on slide
2. Show next slide, ask for comments
 - a. What was Seinfeld feeling?
 - b. What did the counterperson do wrong?
 - c. What might the counterperson have done instead?
3. Next, two volunteers share an experience that a) made them stop partonizing a particular business, and b) give special emphasis to what you were feeling

Open discussion,
no groups

Encourage
students to jot
down their thoughts
in their workbooks

C. The Kawasaki Service Dept.

1. The \$64,000 question – is it possible for the actions of one or two people to "color" a cust's perception of the whole organization?
2. Is it valid to judge an entire business on the results of working with just one person, or one dept?
3. Show United Breaks Guitars YouTube video
4. Did David Carroll judge United on the basis of just one dept?

CNN
Whoopi's show
Rolling Stone mag
11,000,000+ views!
1000 emails 1st wk
4 United videos
United response
Year long saga
Taylor Gtrs repons
"Hitler" video respn

D. Show Customer Contact Circle

1. Service Dept unique among all depts
 - a. More contacts
 - b. More transactions
 - c. More promises
 - d. More promises that are harder to keep
 - e. I.e. more "emotional overhead" or dependence on relationships
2. Key thought – since svc dept has more effect on the cust's percept of the dealership as a whole, more influence
3. Then it stands to reason that the svc dept's role is unique also

DIS

E. Exercise

1. Table leaders number their members 1~4
2. 1s in one corner of room, 2s in another corner, 3s another, etc.
3. Discuss what, in light of our discussion so far, is the Svc Dept's most important role in terms of the entire dealership. Stay in your corners. 5 minutes
4. Still in corners, group leaders, what is the critical role?
5. It's as an ambassador for the whole store
6. You have the most customers = you have the most influence
7. An even better word is the store's "face"
8. The svc dept, by virtue of its unique and intense relationship to customers, makes the strongest, longest lasting impression on the store's customers, stronger and more meaningful than that of any other dept

EXR

5 minute timer

F. Everyone back to their tables. Jet Blue airlines example

1. Show David Neeleman slide
2. Passengers of all airlines were stranded on Valentine's Day 2006 due to storms in the Midwest, a common enough occurrence. However, JetBlue always touted their customer service ethic, so they got the worst press
3. The point -- When Inc Magazine asked if he thought Jet Blue's customers would continue to use his airline after the Valentine's day fiasco, then CEO Neeleman said, "Yes, we think we have made enough positive deposits to the customer's emotional bank account, that that will offset this failure in their minds."
4. It's true. The best retailers make continuous positive deposits to their customer's emotional bank accounts so that when things go wrong, and they will, they have a positive history with their customer that will see them through the rough spots that occasionally happen

Neeleman's public apology is still on YouTube

Operating on the premise that nothing will go wrong is foolishness. Things constantly go wrong, and no place more than in a bike shop.

G. Exercise

1. In your groups, discuss how you could have this effect on your customers – 5 minutes
2. That is, what are you doing, or what can you start doing, to dial in your role as the store's ambassador to the point that goodwill is built into your relationships with your customers with each service transaction?
3. Instructor randomly pick two examples from table leaders

EXR

5 minute timer

Continuously promote a culture that overcomes the inevitable rough spots by treating your cust's exceptionally well

H. So what is the svc dept's real product then?

1. Service is your product, not powersports vehicles
2. The human element
 - a. the only thing distinguishing similar businesses
 - b. people sell product, product doesn't sell product
 - c. even the job of servicing mc is just an avenue to serve people
 - d. post custs' letters, incl bad ones, shows your custs opin count
 - e. look for ways to delight the cust -- the ahas!, the things that will build goodwill

Chris Morton

- I. Hopefully you're beginning to get the idea that real customer service is not what we traditionally have thought of it as being
 1. Think of Jet Blue
 2. It's not saying "sir" or "maam"
 3. It's not answering the phone by the third ring
 4. It's not even always smiling and having a good attitude
 5. All of this is important, and cannot be dispensed with, or minimized
 6. But it is not real customer service
 7. We'll explore that subject after lunch

- II. Lunch break (11:45~12:45) – 60 minutes – last person back from lunch will share an example of how they failed their customer 😊

60 minute timer

Optimizing Your Customer's Service Experience

Lesson 3: *The Truth About Customer Service*

12:45~2:00

Lesson Objectives

The student will:

1. Demonstrate an appreciation of the difference between what is commonly thought of as customer service and what customer service really is
2. Show competency in using the K.O.R.E. customer satisfaction and retention system.

Main Point of Lesson

Systems that bring methodology, power and scope to everyday business transactions are what customer service is all about, not merely good etiquette and manners. One such system, Kawasaki Owner Relationship Excellence, is a dealer path to customer satisfaction.

Lesson

- I. The truth about customer service
 - A. Show The Truth About Customer Service slide
 - B. Last person back from lunch
 1. Share how they failed their customer
 2. Then, how they could have done differently
 - C. Show Customer Service Target slide
 1. Customer service is really like a target having concentric circles
 2. Hitting one of the outer circles is at least hitting the target
 3. But they are not the bull's eye, so to speak
 4. The bull's eye is real customer service
 5. The outer things are important, just not as important
 6. The outer things are important, even indispensable, but they are not the core of cust svc (we'll come back to this word, K.O.R.E.)
 - D. The outer circle = SAINT
 1. S=Smiles
 - a. The niceties, what people expect, basic civility
 - b. Smiling disarms, it's contagious, it starts conversation
 2. A=Acknowledge
 - a. Especially when you're busy with another customer
 - b. Friendly, respect, makes customer more willing to wait
 3. I=Interest: Show interest
 - a. Use customer notes in your DMS
 - b. Know when your customer goes on vacation, obviously their names, the machine they ride, etc.

EXR

Or like an onion with its layers – the target is still the target no matter where it is hit; the onion is still the onion no matter which layer

4. N=Name: Use the customer's name
 - a. A person's name is very close to them, a uniqueness when used
 - b. Belonging, acceptance
 - c. But don't overuse it, that is confrontational
5. T=Thank you: Say "Thank you!"
 - a. Done correctly, a thank you is an acknowledgement that the customer has a choice (i.e. airlines, other businesses)
 - b. Confers a sense of control also
6. "SAINT"=The reality that you need the customer, the customer doesn't need you
7. But "SAINT" is just the beginning; mandatory, and indispensable, but still just the beginning
8. This is the expected, non-negotiable part, require it of your staff
- E. The next circle=Satisfaction
 1. Randomly ask: Does anyone know what "under-sell and over-deliver" means?
 2. The best known satisfaction technique is "under-sell, over-deliver"
 - a. Meet your customer's expectations by managing them at the beginning
 - b. Longer timetable than you know you can deliver
 - c. A little more estimate than you think it will take
 - d. Then you are set up to surprise your customer with a bill under the estimate and job done earlier than promised, and to make the most of it, CALL the customer, don't wait for them to call you
 - e. But don't abuse the margin, keep the customer, not the extra
- F. The bull's eye=Systems
 1. Policy, procedure, process
 2. The nuts and bolts of customer svc is systems, not smiles
 3. Every business is made up of a set of systems
 - a. smiles are good, and important
 - b. but they won't guarantee satisfaction on a daily basis
 - c. they won't help much when things go wrong
 - d. oddly, service depts tend to rely on smiles and satisf techniques
 4. How do I put a system into place?
 - a. people – have the right people
 - b. policies – make sure they know what to do
 - c. 'powerment – empower them to do that, and more

G. Exercise

1. In groups, think of possible systems that you either do employ or could employ in the Service Dept – 5 minutes
2. Examples: VIP, use of a DMS, sublet procedures, storage policy
- 3 Table leaders report

We must get over the notion that the customer needs us. That has *never* been true.

The absolute best way to meet today's customers' increasingly demanding expectations is to manage them at the outset.

A formula, if you will

It means giving them freedom to make mistakes, too.

5 minute timer

EXR

- II. K.O.R.E. – An example of a system
- A. Intro K.O.R.E. – Note the word “relationship” – that’s what a system is all about, working to maintain and improve the relationships with your customers
 - B. Show slide, 2010 Dealernews Report Card and JD Power
 - C. Why K.O.R.E.?
 1. Did you know that Kawasaki is ranked number one with our dealers (easiest to do business with, according to Dealernews 2010 OEM Report Card survey), yet near the bottom with customers among the four major Japanese OEMs (according to JD Power)?
 2. Where is the “disconnect” here?
 3. the customer relationship is key
 - a. how the customer feels they are treated affects your business the most
 - 1) more than pricing
 - 2) more than convenience
 - 3) more even than the product’s attributes and features
 - b. customer service is more than smiles, it is the impression you leave in the cust’s mind at the end of the day
 - 1) this impression is the result of interpersonal actions
 - 2) this impression forms the cust’s perception of your overall business and the attractiveness of it; its appeal
 4. challenging time in industry history
 - a. smaller customer base
 - b. economy and its effect on dealer business and KMC success
 - c. forums and social media have given customer perceptions much greater currency than in the past
 - d. remember *United Breaks Guitars*
 5. powersports is still and always will be an enthusiast activity
 - a. no one “needs” a powersports product
 - b. a lot of emotional investment in the product
 - c. customer feelings are therefore significant, important, and powerful
 - d. “brotherhood” or group nature of riders spreads these perceptions faster than in other industries
 - D. What is K.O.R.E.
 1. A system for capturing input and opportunity
 2. Online November 2010
 3. Official description: “Customer Satisfaction and Retention Prgrm”
 - a. opportunity for dealer customers to share with the dealer how they feel they were treated
 - b. recorded brief phone conversations that culminate in written online surveys
 - c. the surveys count in the dealer’s scoring, the interviews do not
 - d. 7 day lag between one and the other

Kawasaki Owner
Relationship
Excellence

copy of this survey
on your flash drive

Kind of Kawasaki's
version of Yelp or
Google Places,
only immeasurably
more powerful

How easy it is for
our cust service
ethic to degenerate
into a adversarial or
at least
disrespectful
attitude

records go back
this far also

wasn't official
however until
January 2011

4. two conditions
 - a. new vehicle sale (resulting in product registration)
 - b. vehicle warranty service (resulting in warranty claim submission)
5. three contacts with customer (two from corporate, one dealer)
 - a. 1-recorded phone interview within 2 days after new vehicle purchase or warranty service
 - b. 2-online survey 7 days after the phone interview (sent to customer's email which is collected during phone interview)
 - c. 3-7 day delay to give dealer time to respond to customer
 - d. (also, product quality survey 90 days after vehicle purchase)
- E. Examples of customer issue and dealer responses – show slide
 1. EX650 service experience
 2. JT1500 sales experience

- F. Recorded interview case studies – show slide
 1. Palmeiri – open KORE, use dealer 0004, find in recorded interviews customer **Richard Palmeiri**, or run file from PwrPt
 - a. **Service hot alert**
 - b. Ask, “what do you think of this?”
 - c. “Note anything interesting in this file?”
 - d. The bike is not a Kawasaki!
 - e. The point is, the dealer's customers are the dealer's customers whether they are on a Kawasaki or a competitive brand
 2. Toma – same dealer, customer **Nicholas Toma**, or use PwrPt
 - a. Sales, not a hot alert
 - b. “What's different about this one?”
 - c. totally positive
 - d. The point is, feedback is the goal, not punishing the dealer
 - e. Share the bad, and the good, with your staff
 3. Reera – dealer 0635, open **Richard Reera**, or use PwrPt
 - a. Service, not a hot alert
 - b. “Anyone like to comment on this one?”
 - c. The point is, aside from being a positive report, this also tells the dealer that the warranty was utmost in the customer's mind
 - d. If this customer wasn't sold a GTPP plan, he should have been

Emulate dealer in k-dealer and click on KORE

Give k-dealer time to emulate before clicking on KORE

If you would rather run the files by themselves without being in KORE, the files are on your flash drive

DIS

DIS

4. Wilson – dealer 1221, open **Randall Wilson**, or use PwrPt
 - a. **Sales, hot alert**
 - b. “Comments?”
 - c. The point here and the reason it is a hot alert, is the golden opportunity to do something simple yet important for this customer, who has already said great things about the store
 - d. Turns out it was a dealer internal form, not the A&P checklist because it was a used bike the customer bought
 - e. Still very easy to fix though
5. Petersilge – same dealer, open **Roy Petersilge**, or use PwrPt
 - a. Service, not a hot alert
 - b. “What do you think?”
 - c. Bike was a used EN500 purchase w/ 30 day shop warranty
 - d. GTPP and “brake” (clutch?) cable 120 days after purchase
 - e. Said good things about staff, was gracious, made sure interviewer didn’t gig the dealer
 - f. The point is think of how much goodwill might have been generated if the clutch cable was replaced
 - g. completely the dealer’s call, of course, but without K.O.R.E. the dealer wouldn’t even have known of the cust dissatisfaction
6. Newton – dealer 0873, open **William Rettie**, or use PwrPt
 - a. Service, not a hot alert
 - b. “What’s going on here?”
 - c. VN1700 ECU
 - d. The point of this one is it’s about something KMC takes responsibility for, the K.O.R.E. system isn’t one-sided at all
 - e. We’re not overlooking our responsibility
7. Piloto – dealer 1677, open **Humberto Piloto**, or use PwrPt
 - a. **Service, hot alert**
 - b. “What’s going on here?”
 - c. Watercraft listing
 - d. Dealer called cust and assured the complaint is recorded (in case a warrantable defect associated with complaint is found at a later date) while at the same time stressing that the listing is not a warrantable issue
 - e. Show that this was done – dealer 1677→hot alerts→filter closed→humberto piloto→click on name

you may need to reset current date to find the file

Or filter to “all” and find one still open

(any action on a closed file re-“opens” the file)

G. Dealer comments – show slides/videos

H. How to close a hot alert

1. Log onto K.O.R.E. dev site

a. <https://athensstg.synovate.com/Kawasaki/kawasaki.login>

b. Re-open case before class starts so can “close” it in class

EXR

2. Show how to fill out comment area and close hot alert
 - a. Click on customer name
 - b. Describe disposition
 - c. Select "closed" inside dropdown box
 - d. Click submit
 3. Ask for three volunteers, to come to instructor laptop and close a hot alert on the K.O.R.E. dev site
 4. Instructor, don't forget, you must reopen after each time
- I. The recommended routine
 1. Make sure you are getting hot alert emails
 2. Click on K.O.R.E. every day for a 10-minute "daily dose of KORE"
 3. Default is hot alert page / open / 12 month rolling
 4. Act on any hot alert found
 - J. DM and FSA get emails when
 1. hot alert is generated
 2. hot alert reaches 7 days old
 3. hot alert is closed
 - K. Other uses in K.O.R.E. website – show briefly
 1. Dashboard
 - a. executive level summary of three key perform indicators
 - b. likelihood to return, likelihood to recomm are front and center
 - c. green means improvement, red means getting worse
 - d. share this with dept heads
 2. Dealer Ranking
 - a. scale is 1~10
 - b. use how you are doing in district and region as material for meetings with your managers
 3. Scorecard
 - a. related to dealer ranking
 - b. but more detail
 - c. and set up to use as goals
 4. Dealer Trend
 - a. graphing the trend
 - b. starts at lowest or highest score and tracks from there
 - c. too few surveys means one or two customers can unduly affect the trend
 - d. in dealer's best interest to get as many surveys as possible
 5. Surveys Completed
 - a. customer answers to the online survey
 - b. click on customer name to get feeling for cust perceptions
 - c. you want to know where there are gaps in your processes
 - d. example – dealer 0873, customer **Karen Wade**
 - e. everything glowing until get to "followup after delivery"
 - f. scroll down for other delivery-related red flags
 - g. in everything else this customer was very happy, but she red-flag's the dealer's delivery process

Reo said he gets 25 emails a week

how much of this you go into is up to you, I would do only a survey view

at least show Karen Wade in Surveys Completed

the most common complaint, according to Eric Sievers

6. Verbatim Responses
 - a. Think “essay questions”
 - b. From the last question in almost each section of the survey
 - c. i.e. the opportunity for the customer to expand on the section, to freely communicate without being bound by answer choices
7. Disposition Summary
 - a. i.e. the “paper trail”
 - b. points out that the system is smart – records that would affect the accuracy of the results are extracted
 - c. look at difference between total records received and records excluded
 - d. this points out importance of complete information on sales and warranty records, especially phone number and email
 - e. also importance of timely sales registr or warr claim submit
8. Mention Resources link

L. K.O.R.E. refresher

1. Run K.O.R.E. refresher Turning Point
2. Explain not a real quiz, just a refresher
3. Fastest responder slide at end = ball cap award

- III. 2:00pm afternoon break – 10 minutes Last person back at each table is that table's new table leader

10 minute timer

ARS

Optimizing Your Customer's Service Experience

Lesson 4: Winning Back the Dissatisfied Customer

2:10~3:00

Lesson Objectives

The student will:

1. Demonstrate they have learned to see a customer complaint from the customer's perspective
2. Gain the skills needed to defuse the customer and redirect his or her energy into a positive outcome

Main Point of Lesson

A dissatisfied customer is not an interruption. He or she presents an opportunity for you to prove, test, and tune up your store's customer service ethic. One of the most difficult things for technical people is to have empathy.

Lesson

I. Winning Back the Dissatisfied Customer – show this slide

A. Who are the new table leaders?

1. Person to the right of each table leader, share a take-away – it can be something new to you, or something you were already aware of and just had confirmed
2. In other words, one per table
2. Instructor use these as teaching opportunities

B. Show Clark's Kawasaki video clip

1. Why do we have dissatisfied customers?
2. Communication issues
3. System breakdowns

C. Point of video -- You will always have some un-satisfiable customers

1. A tiny minority of customers cannot be satisfied
2. Was the (video) customer's problem his motorcycle?
3. But you still need to treat them right, as they did in the video
4. And never confuse the 99% with the 1% (i.e. your attitude!)

D. But dissatisfied and un-satisfiable is not the same thing -- most dissatisfied customers can be satisfied

1. We must view customer complaints correctly
 - a. The complaining customer may be only 1 out of 100, or 1%
 - b. But what is the number to the customer? *It's 100%!*
2. View a customer complaint as an opportunity to fix something in your system
 - a. See a customer issue as an opportunity to exercise your brand of customer service, your ethic
 - b. See a customer issue as a way to turn that customer into a preferred customer
 - c. Statistics prove a customer won back is more loyal

 new

 confirm

The customer isn't always right, but he or she is something much more important – the customer!

DMs agree with this

Recommend Carl Sewell book

EXR

DIS

- E. The 7 steps of winning back the dissatisfied customer - PowerPoint
1. Immediately show concern
 - a. Give the customer your full attention
 - b. Purposefully and actively put value into this episode
 - c. You must consciously do that because our tendency is to see customer issues as time-wasters
 2. Control your tension
 - a. Avoid the defensive attitude
 - b. Prepare to hear the customer out
 3. Get the customer away from the traffic and noise
 - a. One-on-one with the customer
 - b. Very powerful, tends to calm the customer quite a bit
 - c. Also removes the customer's audience
 - d. Very good argument for a service advisor's office
 - e. Run video example of this (next slide)
 4. Hear the customer out without interruption
 - a. Allow him or her to vent
 - b. What the customer wants most, even more than a resolution, right now, is a hearing
 - c. Say only things that show you are following the customer's line of reasoning, make no attempt to gather information or correct the customer or solve the problem
 5. Watch your body language
 - a. Body language is more communicative than words
 - b. Arms crossed in front is defensive
 - c. Hands in pockets=doesn't care
 6. Ask the customer questions to clarify your understanding
 - a. Not to fix the problem
 - b. Not to determine who is at fault
 - c. But to show you are listening and are interested
 7. Communicate understanding
 - a. After hearing the customer out
 - b. Build a bridge of understanding by finding a point of agreement
i.e. *"I would feel the same way..."*
- F. Winning back the customer action steps (another 7 steps)
1. Apologize (or if you prefer, "express regret")
 - a. Our culture thinks apologize/regret means admit guilt, it doesn't, it means only you feel the pain and recognize the customer is frustrated – expression of empathy is simple courtesy
 - b. Apologize for inconveniencing the customer, for not meeting their expectations, both of these are true, say them
 - c. Even if not guilty specifically, you are responsible generally as your position (mgr) and as a representative of the dealership

Fully supported by PowerPoint

Keep your mouth shut!

Any private place

This is in video

Note that none of these steps involve the vehicle. The most important thing is the customer first. The next seven steps deal more with the vehicle --
FIX THE CUSTOMER FIRST

You can apologize without admitting guilt. You'll have plenty of opportunity later to admit guilt if it is warranted.

2. Gather information
 - a. Now it's time to gather information
 - b. Review the RO
 - c. Talk to the relevant technician
 - d. Ask the customer questions
 - e. However, you are fact-finding, not blame-finding
3. Involve the customer in the solution
 - a. "How would _____ sound to you, Mr. Smith?"
 - b. Gives the customer back a sense of control
 - c. Run video example of this (next slide)
4. Communicate your appreciation for the complaint
 - a. That you appreciate the customer brought the complaint to your attention
 - b. That you have an opportunity to fix your system, as well as meet your customer's needs
 - c. Offer a token of this appreciation, a gift certificate for example
 - d. But, the customer's anger must be dealt with first
 - e. Or this will backfire, seem petty, seem condescending
5. Allow the customer to save face
 - a. Yes, part of your job is to be an educator
 - b. However, even if the customer caused the problem, now is not probably the best time to inform them of what they did wrong
 - c. Sometimes it might actually be a good time, but usually not
 - d. The customer isn't always right, but they are something much more important. They are the customer, and they realize the importance to your business even if you don't.
6. Follow through!
 - a. Once a resolution has been agreed on between you and your customer, do it!
 - b. Speedily! Don't mess around!
 - c. A speedy remedy will speak volumes about how you feel about the issue, your sincerity in solving it, so make it a priority
 - d. Delays at this point will undo all your hard work so far, and just dig you deeper into a hole with the customer you will find very hard to get out of
7. Follow up
 - a. "No news is good news" is a *myth* – don't believe it!
 - b. It isn't how people really behave
 - c. Call your customer within a short time (no more than a week) to find out if things are back to normal for them
- G. Can anyone think of a possible eighth action step?
 1. Encourage individual student answers
 2. Best answer is in many cases you have an opportunity to fix the system that broke down or was not in place and so allowed the issue to happen

Loss of control is in fact the definition of "frustration," and one of the most powerful emotions within the human experience (think "postal").

For the customer to save face is important. The customer isn't always right. It is your job to inform, educate, but pick the timing. A dissatisfaction episode may not be the best time. Later might be better.

answer was actually given on page 13 -- systems!

DIS

Optimizing Your Customer's Service Experience

Lesson 5: Making Warranty Decisions

Lesson Objectives

The student will:

1. Gain a competency and confidence in handling routine warranty questions without having to rely on the Kawasaki Hot Line
2. Demonstrate an improved level of comfort with Kawasaki warranty

Main Point of Lesson

Kawasaki provides a warranty on warrantable products against defects in material or workmanship. Warranty is not guarantee, but neither is it subjective, but rather an objective policy that should be easy to predict.

Lesson

- I. Making warranty decisions – show this slide
 - A. Open *Kawasaki Warranty Policies and Procedures Manual 2009* on k-dealer (service→warr materials→warranty materials list)
 1. Ask “When is the last time anyone here looked this up?”
 2. Briefly show how to look up the following things
 - a. Product type warranties *ibid* pg 75
 - b. Warranty submission time limits *ibid* pg 82
 - c. Battery warranty details *ibid* pg 83, also WTY 06-04
 3. Specific model warranty details found elsewhere on k-dealer (service→warr materials→policy certificates)
 - B. Open Service Writer Skills Part 2 on the K-Tech Learning Center
 1. Go to Qualifying Inquiries section
 2. A warranty is a limited-term promise that the product is free from defects in material or workmanship
 3. A warranty repair is to remedy the defect that appears during the warranty term
 4. A warranty repair is not to appease a customer in the absence of a product defect (“get the customer off your back”)
 5. A warranty repair is not to “help the shop out” when they made a mistake, either by what was said or what was done
 6. Warranties are not required by law, but they are controlled by law
 - C. Now go to the Determining Repair Responsibility section
 1. Not every undesirable characteristic of a product is a defect
 2. Some characteristics are just that, model characteristics
 - a. Such things are often subjective: sounds, vibration, etc.
 - b. Certain handling qualities
 - c. Certain driveability qualities
 3. Never work on the vehicle just to get the customer “off your back”!
 - a. You will end up “marrying” the vehicle
 - b. You go on record as agreeing with the customer, even if it is determined there is no defect

3:15~4:00

ibid means “in the same place”

page numbers are pdf (electronic) pages, not the printed (marked) pages

Magnuson-Moss

- D. When there is doubt as to whether a warranty defect exists
1. Get the customer's signature responsibility for costs of disassembly and inspection, testing, etc.
 2. Make a determination based on your findings
 3. Call Kawasaki only to confirm, get advice, or get required autho for subsequent repairs, not to authorize initial disassembly or inspection
 4. ~~That is the customer's responsibility if there is any doubt~~

DIS

- E. Know the seven (7) things you must call the Kawasaki Product Support Hot Line for
1. Ask a table to give one, then the next table give another, etc.
 2. Write these on whiteboard or flip chart

- F. Seven things must call the Hot Line for
1. Warranty repairs over \$500
 2. Repeat warranty repairs
 3. Watercraft hull repairs
 4. Use of new assemblies when parts are available
 5. Additional labor request
 6. Engine repairs involving bent valves
 7. Job codes that are tagged to make dealer call and work with KMC to smooth process of ordering the correct parts

- G. Warranty examples – Turning Point
1. Kawasaki KVF750 Brute Force
 - a. Warranty 12 mos
 - b. Vehicle is 13 months old
 - c. Complaint: fouls rear spark plug
 - d. Second time complained about
 - e. First time was 2 months ago, at which time dealer checked compression, was to manual spec, and replaced spark plug
 - f. This time dealer found 30% leakdown, disassembled and found missing piston circlip and grooved cylinder
 - g. Warrantiable?
 - h. Yes, because the issue was documented on the earlier repair order and is obviously a factory fault, not a cust maint issue

-- note --

cylinder compression is significant – the manual spec on a KACR equipped vehicle is quite low already, and a grooved cylinder will affect cyl leakdown (performed at half-stroke) but not cyl compression

5 Rabid Hamsters
Attacked LBJ

With these examples we are trying to give the sense for understanding warranty logic, not necessarily policy

First question in dealers' mind should be "is it a defect?"

ARS

2. Kawasaki KFX90 -- Turning Point

- a. Warranty 12 mos
- b. Vehicle is 15 months old
- c. Recommended service interval 10 hours
- d. Complaint: poor performance, hard starting
- e. One month ago customer installed a gauze type air filter (K&N)
- f. Dealer found 90 psi compression, air filter packed with mud, cam chain tensioner fully deployed
- g. Warrantiable?
- h. No, vehicle is out of warranty, and because the extreme wear is obviously due to dirt inside the engine

-- note --

in this case cyl compression check picked up worn cam chain due to dirt in oil, but a cyl leakdown test would have misleadingly returned a good reading

ARS

3. Kawasaki ZG1400 Concours – Turning Point

- a. Run Turning Point slide
- b. Show answers
- c. No, because plug fouling was caused by too low battery voltage, a customer maintenance issue, and the fact that all four plugs are fouled, pointing to something other than the spark plugs or ignition system.

-- note --

the argument could be made that for customer goodwill we might give this customer consideration, but strictly speaking warranty, not 😊

ARS

4. Kawasaki KAF620 Mule 4000 – Turning Point

- a. Warranty 1 year
- b. Vehicle is 2 years old
- c. Recommended service interval 50 hours
- d. Complaint: won't start
- e. Nothing happens when turn key, this is a repeat failure, cust replaced starter motor himself 2 ½ months ago
- f. Dealer found starter motor has internal short
- g. Warrantiable?
- h. Yes, on a parts warranty but only for parts because customer installed it himself.

ARS

ARS

5. Kawasaki KX450F – Turning Point

- a. No warranty
- b. Vehicle is 2 months old
- c. Recommended service interval 15 hours
- d. Complaint: leaking left fork seal
- e. Warrantiable?
 - f. No, beyond the obvious lack of warranty on KX, fork seals are maintenance item on a race bike.

6. A week later, same bike breaks kickstart shaft

- a. Warrantiable?
- b. Yes on second KX issue, because even though no warranty on bike, kickstart shaft is not a customer maintenance item

H. 4:00 afternoon break – 10 minutes – Last person back at each table is the table's new table leader, as usual

10 minute timer

Optimizing Your Customer's Service Experience

Lesson 6: The Importance of Delivery to Customer Service

4:00~4:20

Lesson Objectives

The student will:

1. Demonstrate realization of the importance of educating the customer about general warranty matters during the new vehicle delivery
2. Learn to incorporate proactive and preemptive warranty education techniques into the delivery process

Main Point of Lesson

The dealer owes to their customer the benefit of having unrealistic warranty expectations dealt with at the time of new vehicle purchase. Be proactive and save everyone concerned many headaches.

Lesson

- I. ~~The role of vehicle delivery in customer service – show this slide~~
 - A. Ask for volunteer to read Sam Walton quote out loud LP pg 21
 - B. On the count of 3, first two students to raise their hands to give me Action Steps (first page of notebook) items get prizes, 1-2-3! Give these two students **Monster Stickers** as prizes
 - C. Open the K-Tech Learning Center A&P program Delivery section
 1. Ask "How is the delivery process carried out in your dealership?"
 2. Draw out of answers who does the delivery, Sales or Service
 3. Emphasize it is really Sales responsibility, though Service should be involved also, should be brought in, as should every dept
 - D. Delivery is an exciting moment, take advantage of the moment
 1. Sell the brand, the powersports experience, and the store
 2. Your customer will be motivated to listen to advice about maintaining their new vehicle
 - E. Delivery is a watershed event in some significant ways
 1. It's your customer's first indication of what the Service Dept experience is going to be like
 2. It also will determine to a great degree the customer's first, lasting impression of ownership of the Kawasaki product
 - F. Many warranty misunderstandings can be avoided during delivery
 1. Participate in the interactive Kawasaki A&P training program on the K-Tech Learning Center
 2. During vehicle delivery to the customer, show the owner's manual, point out the periodic maintenance table and its primary facts
 3. Remind of non-warrantable situations such as
 - a. Tire injuries, tip-overs, modifications, racing, etc.
 - b. Vehicle characteristics not judged to be defects, i.e. sounds, handling, vibration
 - c. Normal wear

Have student read it from your lesson plan page

Open discussion, no groups

EXR

EXR

DIS

“There is only one boss: the customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else.”

Sam Walton, founder of Walmart

G. Example of what you might say during delivery

1. *Your new Kawasaki is a great, high quality product, and Kawasaki's warranty will protect you in the unlikely event there is a failure due to a manufacturing defect. Of course the warranty doesn't cover every repair that might be needed. Some work that isn't covered by warranty are maintenance-related services such as the 1st service. Or repairs needed because of normal wear such as replacing the brake pads or because of accidental damage such as getting a nail in the tire.*
2. Be sure your customers don't get the impression that anything that goes wrong with their units will be covered by warranty. Otherwise, both of you could in for an unpleasant experience. The customer because she wasn't expecting a bill, and you because now you have to deal with an unhappy customer.
3. This will start the customer off on the right foot and is the way to proactively manage your customer's expectations
4. and you can see from the K.O.R.E. records how important delivery is to customers

H. Delivery should be a team effort

1. While the Sales Dept has the ultimate responsibility for delivery, the Service Dept should play a role in delivery as well
2. The Svc Dept needs to be brought into the process

I. Delivery refresher Turning Point

1. Run delivery refresher Turning Point
2. Remind is just a refresher
3. Show answers
4. Use this as a temperature reading of the understanding of the class

This is taken verbatim from the A&P online training program

Point out the delivery script available for download in the A&P program also (it's also in the Documents section of the K-Tech Learning Center homepage)

Karen Wade

ARS

Optimizing Your Customer's Service Experience

Conclusion: Course Wrap-Up

Lesson Objectives

4:20~4:45

The student will:

1. Have an opportunity to reinforce what he or she has learned
2. Fill in the gaps in their understanding of today's lessons
3. Enjoy a little healthy competition

Main Point of Lesson

This is a contest. The point is fun, but learning while having fun is actually good quality learning.

Lesson

I. End of day

A. Put 2012 hands-on training schedule on the screen or whiteboard

1. From bulletin on k-dealer or...?

Game Time!

B Exercise -- Divide the room into teams – 20 minutes

From 1 through 15

1. Use the "sound off" method of consecutive numbering, by tables
2. Then, odds go to one side, evens to the other
3. Toss a coin to pick which team starts
4. The starting team huddles on what question to ask the other team, using their notes, then picks a spokesperson to ask the question
5. That individual prepares the question, then picks an individual to answer the question on the other team
6. The answering team cannot huddle and cannot use their notes
7. One point for each question
8. When the answering team cannot answer correctly, the asking team gets the point and gets to ask another question
9. If the answering team answers correctly, they get the point and it is then their turn to ask the question
10. Instructor gets to arbitrate over whether question is fair or not
11. Time the contest overall to formally close it out (20 minutes)
12. Keep score on the whiteboard, when time is up, leading team wins
13. Everyone stay in your teams
 - a. Everyone on both teams gets **2012 OCSE pen**
 - b. Everyone on winning team gets a **ball cap** or **key chain** as the winner's prize

20 minute timer

I use hashmarks on the flipchart

if the students bog down, set the process with 1 minute timer

whichever prize you have the most of at this point

C. Regroup for a minute. Show Final Thoughts video

D. Say "Take couple minutes to review "Action Steps" page and add anything to it you want to take back to the dealership"

1. "Anyone willing to share?"

E. Dismiss class – travel safely!

EXR