



SALES SUPPORT

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Rise of the Machines

Competing with robots and other automated adversaries

IT'S FAIR TO SAY THAT WHEN MOST OF US IN TIRE/AUTO SERVICE SALES BUSINESS THINK OF competition, we think of real people and not robots. But what if there were a robot that could do your job as well or, brace yourself, better than you?

“Emotional engagement is the key to customer loyalty, buying is primarily an emotional experience. Emotional engagement is a major driver of customer loyalty and advocacy for your brand.”

If I were an owner of the business that had that employee option, I would certainly want to know about it. It has been said that the best predictor of future behavior is past behavior, so one need only look at the rise of the machines revolution that is well underway.

Where there were once human bank tellers now there are ATMs that can handle the average transaction with ease. At grocery stores everywhere, the explosion of self-checkout machines has taken on the role once reserved solely for human cashiers.

If you're old enough you'll recall there was once a time before Expedia, Travelocity and similar online sites when you had to visit a real human “travel agent” to find the best deal on a flight or vacation package.

And don't get me started with ‘Drone Delivery’!

These examples are only the beginning of the revolution. One view of the excellent “Humans Need Not Apply” video on YouTube and you'll get a real sense of where we are and where we're going.

So how can mere mortals compete against machines? How can brick and mortar retailers compete against the big (and getting bigger) online dot-com companies?

This question is very popular with my many clients in the tire industry who find their independent dealer status threatened by the increasingly popular dot-com companies that are gaining marketshare from many of the same customers that used to buy from them.

The answer, in a nutshell, is to excel at something they don't do.

By design, online businesses rely on an automated (non-human) customer experience. As an example, Amazon.com, by far the largest online retailer, does the vast majority of its multi-billion dollar business without any human contact.

That's not to say they're not good at providing human customer service. On the contrary, its world-class customer service has received many awards.

It's just that these human interactions, what Amazon.com considers “customer service,” is their Plan B.

Of course, many other online retailers don't do nearly as well at human relations as Amazon.com and depend on customer's online experience to fuel their sales engine.

This situation presents a clear opportunity to capitalize on the weak or missing element of the automated business model – the human connection. In essence, brick and mortar retailers that rely on face-to-face and/or on-the-phone business must maximize what the online companies minimize – the ability to humanize interactions.

Getting Emotional

As I wrote about in my May 2014 column, emotional engagement is the key to customer loyalty, buying is primarily an emotional experience. Emotional engagement is a major driver of customer loyalty and advocacy for your brand.

A Forrester Research survey revealed that 89% of consumers felt no personal connection to the brands they buy. Without that personal positive emotional connection, loyalty suffers as customers can be easily persuaded

to try a competitor for the same products and services you offer.

While a given automated system may do a good job at engaging the mind intellectually, even the best automated systems fail to engage the heart emotionally.

Zappos.com, the popular online shoe seller, credits their focus on making a personal emotional connection with customers as a key ingredient to their success. Tony Hsieh, CEO of Zappos.com, said “every call is perceived as a way to make a positive emotional connection with a customer.”

Like Amazon, Zappos does the vast majority of its business without a human interface. So while less than 5% of customers will engage with a Zappos customer service representative, they still view those interactions as critical opportunities to making personal emotional connections.

If you call the average shoe retailer seeking running shoes, as an example, the customer service representative will likely ask you all the functional questions required to find the proper product: What size? What style? Foot arch? etc.

If you call Zappos, a friendly customer service representative will very likely connect with you emotionally by asking you about you and, here’s a surprise, running! What kind of running do you primarily do? Indoor, outdoor, track, field? Where’s a good place to run around there?

Compared to humans, robots and automated interfaces are pretty poor at this type of personalizing of the customer experience.

As an integral part of measuring training effectiveness, we have evaluated more than 20,000 interactions between customers (and prospective customers) and the frontline sales and service staff of tire/auto service businesses all over North America. Our findings are conclusive that, before training and a true customer-focused sales process is institutionalized, the vast majority of representatives are functioning closer to robots than anything approaching real emotional connections with customers.

Humanize With Balance

We’ve all heard the popular sales expression “People Buy From People,” yet so many customer/employee interactions lack this “people” element.

If your sales staff responds to tire inquiries by saying “What size?,” “What vehicle?,” “What brand?,” then following with stout “Lemme see what we got,” then all you really need is a proper automated phone system that can ask these standard functional questions and make a recommendation based solely on your inventory.

If that doesn’t sound like a brilliant strategy for building customer relationships, you’re absolutely right!

Whether face-to-face or on the phone, every customer-employee interaction has two elements: a functional element and an emotional element. The functional elements represent the business/transaction side of our customer interactions. The emotional elements are the people/relationship side.

When this emotional connection is missing or poor, the customer’s decision naturally defaults to price, reinforcing the purely commodity perception most consumers begin their tire shopping with.

To effectively humanize your business, you should maintain a proper 50/50 balance between functional and emotional elements in every customer interaction.

Putting on the Ritz

The Ritz-Carlton is a great example of a business that humanizes its customer interactions to avoid commoditization and create raving fans for their brand.

Instead of striking a simple 50/50 balance between functional and emotional elements, the Ritz Carlton institutionalized a 33% functional/67% emotional guest engagement model. According the Ritz, this is the proper alignment of what reinforces the best outcomes for customers and, ultimately, the business.

In a 2006 interview for the Gallup Business Journal, former chief operations officer and president

of the Ritz-Carlton Simon Cooper said, “When I’m talking to a group of employees about how to open a hotel, I ask them what guests can buy. Then I write down their answers. I write down things such as a room, or food and beverage service, or a spa treatment, and the like. Then I ask, “Now tell me what they can’t buy.” Obviously, guests can’t buy things like smiles or relationships or caring service.”

If your business name includes “tires” and/or you’re advertising them, then it’s pretty clear to customers that they can buy them at your shop. That’s the functional part where humans need not apply. As Cooper pointed out, focus on what customers can’t buy and you’ll humanize your business and maximize emotional engagement with customers.

Put the People In

Remember, you are in a people business. When you don’t humanize your interactions you commoditize them and make them all about price. Be sure to emphasize the people part of your people business.

The basic needs of customers – being recognized and remembered, valued, appreciated, respected and understood – are all emotional areas that should be incorporated into customer interactions to maximize the competitive advantage of interfacing with your employees versus a purely automated system.

Competing against automated adversaries boils down to paying and providing real personalized attention to your customers at the point-of-sale and all the way through the relationship they have with your business. **TR**