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A Tale of Two Retailers and Trust

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Leaders who empower their team members get better results. They make faster decisions, have the ability to act, and create dramatically better experiences for customers. Here's how you can empower your teams.

Today's post is by Dianna Booher, author of <u>What MORE Can I Say?</u> (<u>CLICK HERE</u> to get your copy).

"Happy families are all alike; each unhappy family is unhappy in its own way," observed the Russian philosopher and novelist Leo

Tolstoy. The same might be said of large retailers. Successful retailers operate on the same principles to achieve happy customers. Struggling retailers fail for different reasons.

Recently, I had to replace two major household items in the same week: a clothes washer and a TV console. The experience at Retailer A to buy the washer proved a disaster. For starters, we asked the salesperson several questions before making our final decision: 1) Is the advertised in-store sales prices the same as the online price? 2) Can we get next-day delivery? 3) Are both colors available now? 4) Are the "pedestal" drawers deep enough to store typical detergent containers? She answered yes to all four questions.

As it turned out, Retailer A could not deliver our color choice for a month. We opted for second choice.

When they delivered the washer, it was badly damaged. The optional purchase "pedestal" drawers were *not* deep enough to store even the shortest detergent containers. When we called to get the damaged machine replaced, the contractor who delivered it confirmed that Retailer A had a backlog of "at least" another month before they could replace it with another machine. And it took more than an hour on the phone with two levels of management in three different departments (warehouse, scheduling, credit) to get the paperwork handled and the replacement machine rescheduled for delivery.

But by comparison, the tale at Retailer B put Retailer A to shame.

We selected a TV console there. They had only one left in stock—the floor sample, and it had a small nick on the side of the cabinet. The sales rep offered a great discount on the console, so we bought it and decided we could repair the nick ourselves. The only condition of our purchase, we told the salesperson, was that they deliver it in 5 days—before our holiday company arrived.

On the promised delivery date, we checked with Retailer B to confirm delivery time—only to hear this from the warehouse: "Sorry but we couldn't get it on the truck for today."

But here's how Retailer B handled the situation differently from Retailer A....

When we called the manager to tell them what the salesperson had promised versus what had happened, here's the rest of the story...

- The sales manager put the TV console in his personal SUV and drove it to our home within two hours of our call, and he and another staffer carried it up to our second-story game room and set it up for us.
- The store refunded the delivery charge.
- The store repaired the nick in the side of the console before delivering it.
- The sales manager apologized for our having to call them about the problem.

Retailer B consistently performs because they have created a climate of trust among their employees in this family-owned business that has spurred growth to multiple stores across the region.

So what do these two interactions with Retailers A and B suggest for leaders who want to instill and communicate a climate of trust that colleagues and contractors will "make it happen" for customers?

A foundation of trust cascades from employees to customers in many subtle ways—and gets communicated in such subtle ways that employees sometimes have difficulty articulating it themselves when asked.

But they know it when they experience it or don't—as highlighted in What MORE Can I Say? Why Communication Fails and What to Do About It. For starters, they...

Never Lie

Employees learn to lie when they see their leaders lie. Leader lies usually go upward in an organization. "We actually didn't keep stats on that project." "That initiative is underway and on target for an on-time completion." "Actually, I didn't set a specific goal on that this past year, but I'm sure we did well. We will set some milestones in the coming quarters."

Employees observe. They see what's acceptable in the leader's mind and what passes for truth. Then they use the same standards with other departments and with customers.

Acknowledge and Plan for Exceptions

Establishing plans, processes, and procedures is foundational. Just acknowledge that everything doesn't go according to plan. Mistakes happen. Unusual situations develop. Weird requests crop up. So what's the process when things don't go as planned?

Can your executive team trust you to perform consistently when things out of the ordinary happen? Can customers trust you to perform consistently despite the unusual?

You communicate trust through competence—despite the unusual, strange, and weird.

Reduce Approval Layers

"You don't have authority to say 'yes' in this situation" screams distrust. Ever stood at the grocery store checkout while the cashier waited for a supervisor, who looked nineteen, to come over, add his initials on your check, and circle your address and phone number?

At Retailer A, we had to wait for hours while various employers texted or emailed a higher authority before they could tell us whether they could make the obvious adjustment: refund the unworkable drawers, replace the damaged washer, and change the color.

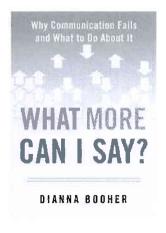
When there's an obvious mistake to be corrected, communicate to your employees that you trust them to think well enough to correct a problem.

Remember the "Little Things"

Repairing the scratch in the console probably took less than 10 minutes. But that extra few minutes turned a negative experience into a positive one.

Often "the little things" make the biggest difference in building a climate of trust: a leader's approachableness, tone of voice, word choice, and willingness to share information. Don't be fooled by the simplicity of these "little things," and never fail the first test.

Where competence is concerned, one mistake can cast doubt, two mistakes can put others on notice, and three mistakes can close your trust account—and maybe your business.



Dianna Booher is the bestselling author of 46 books, published in 26 languages, with nearly 4 million copies sold. She writes, speaks, and consults on leadership communication, executive presence, and productivity. Her latest book is <u>WHAT MORE CAN I SAY?</u>: Why Communication Fails And What To Do About It (CLICK HERE to get your copy). For more information visit <u>www.BooherResearch.com</u>.

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