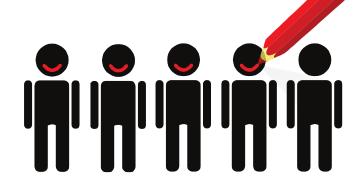


operational excellence

for Retaining Customers



By Paul Felker, Vice President at BugOut Service Member, Board of Directors at Arrow Environmental Services

s we know, it's easier and more cost-effective to retain existing customers than it is to acquire new customers. Even if new customers are coming in the front door, losing existing customers out the back door at a quicker rate will result in a net loss of customers and revenue.

Keeping customer retention a high priority can be especially challenging for pest control companies that are experiencing rapid growth. Without the right plans, programs and processes in place, growing companies risk providing subpar service while adjusting to the challenges involved with expansion.

BugOut Service in Jacksonville recently became part of the Arrow **Environmental Services family** of companies. Arrow is one of the fastest-growing pest control companies in the country, and has merged with 36 companies in Florida and Georgia in less than four years. One of the reasons Arrow has been so successful is the strong emphasis the company places on customer retention - in fact, its customer loss rate is well below the industry's average.

With that experience in mind, here are five tips on how to retain customers, especially as your pest control company grows.

1. Set and track customer retention qoals.

Most companies set sales goals and regularly check to see whether they are on track to reach them. The same concept should apply to customer retention. Establish goals that realistically identify an acceptable retention rate for your company, taking into account your current loss rate and possible room for improvement.

When setting these goals, don't just focus on the monetary value of each customer. Determine how many customers you have and how many you want to have. A company's leaders should set these goals and share them with the entire team, making it a top-down approach that establishes customer retention as a high priority.

After the goals are set, monitor your progress toward achieving them. Most databases used in the industry allow you to easily track your number of customers and cancellations, so make it part of your regular reporting routine. Every month, look at your number of customers and calculate your loss rate. Also, consider looking at your list of cancellations daily, so you can identify any potential problems right away.

2. Train your team to focus on customer retention.

Providing training programs that focus on customer retention gives your team the education and tools they need to make this effort part of their daily work. It helps create an environment where everyone is expected to constantly improve and to look for ways to enhance a customer's experience.

Consider including a customer retention element to your current training program, or create a program centered exclusively on that effort. Set different training levels and create ways to motivate and recognize staff for learning how to retain customers.

3. Create a culture that celebrates customer service excellence.

Along with providing customer retention training, companies should create a culture that celebrates customer service excellence. Beyond offering recognition for completing different levels of customer retention training, look for other ways to reward staff members for going above and beyond.

For example, we have a program called the "Quality Squared Service Fanatic Award," which recognizes team members for providing excellent customer service. Supervisors nominate team members who display exceptional customer service that align with one of our company's five core values. We review the nominations, and winners receive a handwritten thank-you note, certificate and gift card.

4. Empower your team to take care of the customer.

Don't require that every resolution of a customer issue or complaint require approval from upper-level management. This delays the amount of time it takes to bring the customer's issue to resolution

and extends the amount of time the customer is unhappy. If a customer cites a problem, your team members should be ready and able to take care of it on the spot.

Whether the issue surfaces at the call center, technical or branch level, give your team the sense of ownership to do what it takes to make your existing customers happy. If they've had the proper training, your team members should know how to handle most scenarios

and to have the skills necessary to make a good decision to ensure customer satisfaction.

5. Make things easy for your customers.

Making it as easy as possible for customers to do business with your company will likely increase your customer retention rate, especially if your current communications or processes have some hiccups.

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For example, make information about the services you've provided to customers easily accessible, and keep reminding customers what you've done for them. Because weeks or months may pass between service appointments, customers will appreciate the reminders. It also gives you the chance to "resell" the company each time; this education gives customers a better understanding of what you do and why it is important and valuable.

Also, consistently review your processes for answering and transferring phone calls. For example, if a customer calls with a question about a bill, ideally, the person who answers the phone should be able to provide an answer and speedy resolution.

It may cost a bit more to properly staff and train your customer service department to provide this level of assistance on every call; however, losing customers to dropped calls and long wait times may be more costly.

If calls do need to be transferred, set up a system that ensures short wait times, and make sure a team member is available to help on the other end of the line before a customer is transferred. P



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