Misplaced marketing

A service economy whose employees say: “customer service is not my job!”

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Abstract Describes how certain segments of business are increasingly “turning into a service economy” but “customer service” is not treated as a priority. Cites several experiences of poor customer service, ranging from airlines to restaurants. Concludes that in customer service the marketing questions are straightforward and simple. Therefore, it is all the more perplexing when marketing gets doubly misplaced, with a failure to ask marketing questions and substituting customer service instead.

“Selling services”

Although it is old news by several decades, marketing people still like to say that major segments of business are “turning into a service economy”. However, this phrase usually does not mean “customer service” but instead refers to the increasing numbers of businesses that are “selling services”, a different type of intangible product that, as some textbooks say, cannot be dropped on your foot. This focus on services has provided endless pages of academic documents and seminar discussions of the intuitively obvious proposition that better customer service is probably an important business activity. Yet, somehow, almost mysteriously, marketing perspectives of customer service often remain misplaced (or often lost) as far as many consumers are concerned, especially in service-based businesses.

Maximizing income

When the airlines were heavily regulated in both routes and rates, the carriers used image advertising with fluffy proclamations of employee pride, quality meals and friendly customer service. Following deregulation and dropping fares, the advertising campaigns visibly shifted to efforts to stimulate primary demand for various trips and to generate interest in a company’s “competitive” rates. On the other side of the equation, as airlines limit the available bargain seats to maximize possible income, the amount spent per meal has dropped while passengers face increased incidents of forced bumping, lost luggage, missed connections or canceled flights.

Traveling from the USA to Australia on Qantas airlines, the economy seats were spacious, the food above average and the attendants friendly and helpful throughout the trip. As we transferred to a US carrier for the final part of the trip from LA to Atlanta, we called for some assistance just before take-off. “Wadda ya want?” we were gruffly asked by a woman whose blood-shot eyes said she was badly in need of some rest. As she went away, my wife could only turn to me and say, “We’re obviously not on Qantas any more”.

In CompUSA or Best Buy! the emphasis is on price, but not customer service. If employees are available, they will tell you what they know (and if they do not know an answer, they will make one up). On a typical busy
weekend afternoon, I found a half-dozen people in the distinctive shirts of
the store staff gathered around a computer screen on the rear wall, while the
sole open checkout line in the front had so many people that it snaked around
tables. As I tried to drag one of these preoccupied people away to get
information for my parents on some new software, he jumped away from me
and said, “Oh, you want customer service. That’s not my job.” But it
appeared not to be the job of anyone in the store.

The restaurant was almost empty, since it was early for the usual dinner
crowd. Yet it was surprising that there were three groups lining up behind
and no one had indicated they would bring us to seats. Then the woman who
had all along been talking to the bartender at the bar, in a fashion that made
us think she was a customer, looks up, comes over to the door and takes us to
a table.

And getting seated was the nicest part of the experience. Waitresses walked
past us while we waited and waited to give our orders. “Not my table, sir. I’ll
try and get someone.” When a server finally did stop by, we were told that
she just came in, having been called to work special because two others did
not show up for their appointed hours. When the meal finally was delivered,
it had several significant errors, including a nearly raw piece of meat, so it
had to be sent back for corrections. The appetizer did not appear until after
we finished the meal. This situation, we were told, was caused by a cook
whose personal problems had him messing up several orders.

When I asked to speak to the manager, I was directed to go to the bar. There
he was, giving the bartender directions about not over-filling drinks. The
manager could have been helping wait on tables, or he should have been
managing the distraught and nonfunctional cook, instead of worrying about
customers that could come in later that night and might, heaven forbid, get
too much alcohol to drink.

Years ago, Chicago columnist Mike Royko (1990) wrote about declining
restaurant service. In a place where the cook was messing up orders and the
waitress was overworked because another person did not show, he found the
young manager sitting in a front booth reading computer printouts. As his
non-marketing mind put it, a restaurant manager with the right priorities
would have been doing some of the personnel-short jobs and have gone into
the kitchen with a meat cleaver, saying to the cook, “You will do your job or
I will kill you”. Instead, customers were not being served and the 20-
something manager was aloof and removed, supposedly fretting about the
business by reading data on costs and cash flow.

The manager probably got a bonus based on profits, and profits come from
restricting controllable costs. And yet, the marketing issues help reveal what
could bring in more income, or, at the very least, stop a loss of business as
people experience it once and don’t return. The basic dictates of marketing
make the focus on service to the customers paramount. Controlling costs,
while relevant, are a secondary issue.

*Consumer Reports* magazine periodically reports instances of companies
providing good basic customer service, all-too-rare businesses whose
employees and higher management realize the long-term value of customer
relations. But more commonly, to adapt a quotation from the late great
advertising man Howard Luck Gossage, getting some people to realize that
better customer service would be in the company’s long-term best interests is like trying to convince a ten-year-old that sex is better than ice-cream.

In customer service, the marketing questions are really quite straightforward and simple. Therefore, it is all the more perplexing when marketing gets doubly misplaced, with a failure to ask marketing questions and substituting customer disservice instead.

Reference