NEW APPROACHES TO CUSTOMER SERVICE

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Whilst new formats require new services from intermediaries, there is still a need for the servicing of the printed material. Quality of service and customer care is essential in both areas of activity, but suppliers must be realistic in what they offer and customers must be realistic in what they expect.

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Relationships within the serials information supply chain are changing and new ones are emerging. The financial pressure of declining budgets and reduced margins, consortium purchasing, and the emergence of a new electronic environment, have rightly prompted a re-appraisal of the appropriateness and value of the more traditional services, but change has also created new opportunity and needs.

Pressure on budgets and margins throughout the supply chain have created a more demanding, discerning and professional purchaser, increasingly able to specify requirements and perhaps more importantly, increasingly willing and able to monitor performance and put hard cash values on service. It has also spurred a new wave of creativity amongst us all, prompting a fair few take-overs and mergers.

Clearly my own experiences are dominated by the library/agent and publisher/agent relationships, but if we are to provide "good customer service", and meet, even exceed, our customers' expectations (whoever they might be in the future), we must understand and take account of the service needs of the supply chain as a whole.

Although my comments are focused on the agents' role in the supplier chain, I am well aware that we are all both service buyers and service providers.

Change has become an integral part of our working lives. We constantly devise new services, methods and procedures to cope with the changes we face, the purpose being to attain our organisation's objectives, whether they be image, competitive advantage, reduced cost, increased revenue, greater profit, even survival. The wording sounds very corporate but can apply equally to libraries, users and authors.

Many of the changes that we face, will change profoundly the way we work, the way we do business and the services which we offer. Indeed, many already have.

In looking to the future we of course cannot ignore the past, in our case the printed journal. Although it has seen changes and is continually pressured by declining budgets and increased pricing, this is fundamentally much as it was. Whilst electronic journals are increasingly different from print, the latter undoubtedly has a long life still ahead of it and will be a major cost item for some ,and a major revenue item for others, for many years to come.

It is, therefore, as important to continue to develop services that will improve efficiency and save cost in the print environment, as it is to address the challenges of electronic supply. Preferably the transition will be managed in an integrated and harmonious fashion but in the book world Amazon have shown that you do not need an illustrious history to be a player in the future.

Even in the most unchanging of marketplaces, suppliers must always strive to make their own business proposition more attractive; service can never remain static. Many of yesterday's service differentiators are now taken for granted, and their value is diminished or even at odds with emerging needs. It was interesting for me to review the UKSG publication "The Work of a Subscription Agent". I doubt that there is a service listed which could today be classed as a differentiator. We move on constantly and the core services that we must offer constantly grow in number.

Service is important to us all. The supply of information is a continuously renewable business. Customers subscribe on an annual basis, and there is a strong after sales culture, to encourage renewal. It is certainly not "sell and forget", because we have a great need to generate loyalty, and meeting the customers' needs is a high priority for all of us.

With at best only a static revenue flow into the market place, the growth which we all need, and I include libraries as well as agents and publishers, can only come at the expense of competitors.

There are only three basic reasons to change suppliers. Two relate to service and are: the availability of superior service/products elsewhere, and dissatisfaction with current services through failure to meet the customers needs.

The third reason is of course price. Price has over the past few years displaced service as the primary motivation to change suppliers or cancel journals. I cannot estimate the number of journals cancelled for price reasons, but my own experience would suggest 80 percent of libraries changing agents have done so on grounds of price.

Historically this has focused on the price paid for the journal, and not its cost, this is now changing with purchasers taking a more holistic view of the cost of purchase. After all you can go only so far on price alone. Whereas with service, particularly in a market of great change, you have continued opportunity for development. 'Simplification' and 'value-added' are the common watchwords of our business. We all operate in a complex, high-volume, multi-transaction business with low margins, and this will become more and not less true in the future. There are considerable opportunities to find economies of scale and remove cost from the whole purchasing chain.

In determining how and which services to develop, anyone who is remotely interested in customer service will know what all the best textbooks say, "The key is knowing your customers needs.". It may be a cliché, but we do need to know how our customers, in the widest sense of the word, are going to react to change and how this will affect their service needs and expectations for both the traditional element of our business and the electronic resource component, and how they value or require linkage between the two.

The value of a particular form or type of service can be a very dynamic entity and can vary substantially from user to user. In the ideal world suppliers are one step ahead of demand, proactively delivering new services into the marketplace and anticipating market movements. In truth, for services to have real benefit they must be appropriate in both timing and delivery to the user's capabilities. Sophisticated electronic services are not top of everyone's agenda, and in an industry where tradition and high technology go hand in hand, we should not lose sight of the need to focus as much on print as on the more glamorous electronic products.

I now offer a few observations and one or two challenges on the subject of customer service in general. On a basic level, service is often considered to have two separate components:

- **material service** – the products, the administration; the 'what' a supplier delivers, which is generally easy to specify, measure, manage and value.
- **personal service** – the human interface, communication, and personal interaction; the 'way' in which service is delivered, which can be difficult to define, value and manage.

Successful proactive customer service needs to integrate both components.

To elaborate on this theme we can look at some of the buzzwords and catchphrases, and see what impact they have on customer service.

Know your customer

Anyone offering a service will know this, and there are many ways of achieving it, questionnaires, satisfaction surveys, visits etc., but can you always believe the information that you obtain? Interestingly, Standard Life recently reported that over 70% of customers cancelling policies had in the previous six months indicated they were either happy or more than happy with their policies.

The problem with most customer service research is that it is both retrospective and reactive. A lot can change in 6 months, so close and regular proactive customer interaction gives the opportunity of putting things right before things go too far..

In trying to know and understand customers, I am still amazed how secretive some can be about what they want and value, and how reluctant some can be in providing feedback. All suppliers welcome the clear specifications now originating from many organisations, even better if they are ranked by importance and value to the organisation. At the very least, the "must haves" need to be differentiated from that which might be useful.

So I would say, "suppliers know thy customer, but customer brief thy supplier".

Be an enlightened customer: If the supplier does not make a reasonable profit, there will be no supplier. There has to be give and take and a realistic appraisal of what is practical.

Quality of service/Service Level Agreements/ISO 9002: Clearly we need to measure performance, but we need to beware the imposition of costly bureaucratic systems that bear no relationship to the delivery of quality service.

Under promise and over deliver: Misleading claims and overselling always come home to roost.

The "Why bother with service? I have a monopoly" attitude, or "This is the way it is. Take it or leave it" attitude, does exist in our industry. If you really feel that secure, then consider that good service has been proved time and time again to be good for the bottom line.

Complainers: 95% of complainers will re-order if their problem is correctly addressed, only 80% of non complainers reorder. I guess we should encourage the complaints. At least you know where you stand, and it forces interaction.

Keeping your customers: It is five time more expensive to find a new customer than to keep a current one.

"Exceed expectations": A statement widely used everywhere you go, but does exceeding expectation really mean good service? Would five deliveries a week be considered better service than the one a week requested?

Print remains the major component of our business relationships and will continue to do so for sometime. There is still considerable opportunity to remove cost from the supply chain through a greater take-up of those 'value-added services' already available. The two that come most readily to mind are EDI and outsourcing.

- EDI – The technology already exists for the rapid and efficient transfer of orders, claims, financial & management data. EDI capabilities regularly figure in contract specifications, but the library/agent and agent/publisher usage remains low.
- Outsourcing - consolidation, check-in, physical processing etc. Again the services exist, and there is proven financial benefit, yet usage remains relatively low.

Both offer considerable benefit to all parties and, if your primary goal is cost reduction, then these two probably offer the greatest opportunity in the short/medium term.

It would be complacent to consider that these are the only two areas in which improvement is possible. The old adage, "If it ain't broke don't fix it", is hardly a sensible premise on which to base good customer service. Perhaps we could replace it with, "If it ain't broke, you aren't looking hard enough", or "Find something that is broke and improve it.". It is to the latter two that most agents are applying themselves, with a good deal of creativity.

Whilst the electronic information market is currently very similar to print, it is already developing an increasingly separate and complex personality. You can do so much more with content in an electronic environment – pay-for-view, multi-media, etc., which coupled with Internet delivery, allows for more direct interfacing between users and providers. Whilst this brings opportunity for new services, the core business of managing the business transaction remains very similar, but it is much more complex, with far more transactions. It is an area requiring high investment and the rewards are more long term. Even so, a whole range of new services are emerging, some of which have been widely marketed, whilst others remain in the ivory tower. As with all things new, it is still early days and some have yet to prove that they have real value to the customer.

In my opinion two new services that have proven value are content aggregation and management information. Over the past two to three years, a whole selection of content aggregator services has sprung up. They are quite a mixed bag of organisations, but all aspire to one common goal, which is to give the users of the service what they have long identified as being of prime importance, simple and uncluttered access.

These services are customer and user-orientated, and the function they perform is a major growth area. However, we need to compare users' needs with what is sometimes made available, for example, the restrictions placed by some publishers on providers hosting and accessing electronic content.

The increased provision of management information to support effective decision-making is in great demand. The two areas seeing most development are:

- performance and cost analysis reporting which are vital as management support tools.

- product data is becoming increasingly difficult for users and purchasers to keep track of what is available and of the wide variety and variations in pricing, access, authentication and licensing, that are on offer, and users do not want to visit hundreds of different sources.

There are many other ways in which agents, for example, can support and provide value-added service to their customers:

- price and licence negotiation;
- developing simplified licensing agreements;
- advice/help desks (I would estimate that 25% of the queries that we receive about electronic journals are technical support questions, regarding browsers, Adobe, Realpage etc.);
- sales and marketing services.

Services that will simplify and add value, are also being developed by suppliers in other areas.

Whilst all these services and many more aim to simplify and add value, they are add-ons to the primary business transaction. which remains the efficient processing of business data. Millions of users and million of bytes of information, combined with many differing and complex business models, provide a classic opportunity for intermediaries.

There is no doubt in my mind that intermediaries will prosper in the future but who will they will be?. Only the reader looks totally secure.

When talking about service you can never ignore the human interaction between supplier and customer. I am sure that most of us have, at sometime, accepted a less than satisfactory service because we received excellent personal service. Equally, we have all experienced the excellent product, whose delivery has been undermined by poor personal interaction: they did not listen; they ignored; they did not care and made us feel unwanted!

Years of product development and sales effort can be undermined by one person who is completely unrepresentative of their organisation. Perception is important.

Tom Peters in his book, 'A Passion for Excellence', refers to corporate coffee stains:

"coffee stains on the flip down trays of aircraft imply that the aircraft engines are not maintained"

When I first came into this business in the '70s most organisations were in the throes of computerisation and were dividing the business transaction into individual processes. This was seen as the smart and efficient way to operate. Many soon realised, however, that by cutting the job into too many pieces and involving too many people the whole process became bogged down. Nobody could see the overall picture. Control was lost and customer service suffered because no one was responsible.

It was a breeding ground for the jobs-worth mentality, with the job being performed for its own sake, and the customer was a remote entity unconnected to the task. The biggest demand then from customers was for personal contacts. Initially, providing libraries with access to dedicated staff offered suppliers the chance to differentiate themselves, now however, it is pretty much standard. Although giving a single contact name requires an organisation to make a considerable investment in training and staff development, I would say that it is money well spent. In being given more sophisticated jobs, members of staff become more responsible, bring more intelligence and customer focus to their jobs and become more motivated to do a good job for what becomes their customer and not just the company's customer.

On another level, care must be taken to ensure that quality in customer service operatives is matched by quality throughout the organisation. All need to rise to the challenge of new environments.

The emerging environment has, to a degree, caused conflict and tension between the traditional personal contact and advancing technology. Some developments have been very beneficial. Email, for example, is dramatically more efficient than letter and fax because it is quicker, less formal and provides an excellent audit trail for quality assurance.

Equally, some of the latest call centre technology can help considerably in allowing customer service staff to give immediate responses and proactively manage their customers needs. Unfortunately the same technology can be used to place barriers between customers and their suppliers We have all experienced the 'press 1 for' syndrome. Personally I can cope with five choices, providing the fifth is press 0 to speak real time to someone who is empowered to do something.

The processing of electronic journals can be very different to that of print. It is much more complex and requires new skills. It also takes much longer to process these business transactions, so it is tempting to have them handled separately, but in my view this needs to be resisted. Dividing jobs and responsibility has rarely improved customer service.

It is not impossible for an organisation to have slick and efficient processing systems and retain the personal relationships that are the cornerstone of good customer service, but customer service is not a project or a marketing tool to be used on occasion. Rather, it is something that has to be imbedded within an organisation, through continuous training, and in the personal growth and development of those who deliver the service.