Customer Service in Rural Transit: How to Identify and Meet Customer Needs



What business are we in? Ask this question to the senior team running your rural transit system. The answer may surprise you. Most say "the transportation business." Enlightened operators say "the people moving business." And, this simple perspective affords modern day rural transit operators a key insight into how to grow and prosper in the 21st century—by building and nurturing a remarkable "customer service orientation" centered on moving people.

This technical brief continues the topic of why a customer service perspective is now more important than ever in the transit industry, outlines the best practices of a modern day customer service program, and offers easy, no-cost ways to implement an exceptional customer service program that will turn everyday riders into apostles.

This technical brief is the second of a five-part National RTAP Webinar series on customer service. Part one of the series set forth the major trends shaping an exciting future for transit across America and laid out specific action steps for transit operators and the community transit industry. This brief focuses on how to identify and meet customer needs and answers the central question: *How can we make our customer's lives better?* A webinar is also available in National RTAP's Resource Center at www.nationalrtap.org.

Why Customer Service Is So Important to Transit – The Customer-Centric Focus:

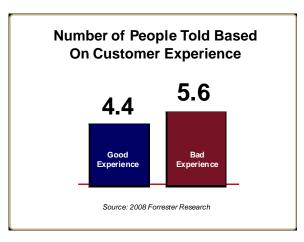
Since the beginning, the rural transit industry has been customer-centric—serving underserved customers. Transporting transit-dependent citizens, the elderly and physically challenged people made rural transit operators more sensitive to riders' unmet needs and more oriented to a customer service perspective. While a customer-centric heritage may be transit's past, it may become the industry's competitive advantage moving forward in what will be a more competitive transportation services marketplace with less public resources. The reasons why include:

- 1. <u>Customer satisfaction is tied to ridership</u>. Satisfied customers are more frequent riders. More frequent riders lead to higher passenger counts, an especially important metric for those who rely on public money to subsidize operating costs or when decreasing support requires increasing fares. Embracing a customercentric focus makes customer satisfaction job one.
- 2. Remarkable customer service can turn riders into ambassadors. Traditional advertising and promotions are expensive. The best and lowest cost alternative is to let your customers market your service for you—advancing positive "word-of-mouth" conversations about your system in a manner that attracts new customers.

According to a 2008 study by Forrester Research, 95 percent of customers chose companies based on their own customer service experience. Surprisingly, 74 percent chose companies based on other's customer

service experience that was shared online. Remarkable customer experiences give your customers something remarkable about which to talk.

3. Today, great customer service is the best pro-active defense. Inevitably, something will go wrong, and when it does, it can grow out of control. Customer service research suggests that the average person who has a bad experience tells, on average, 5.6 people. In the world of social media, this number can expand exponentially. Recall the recent fiasco with United Airlines. A young man's guitar was damaged by United's baggage handlers. Not appreciating the service he was receiving, this passenger recorded on Facebook and YouTube every conversation he had with United Airlines regarding his damage claim. Some 5,554,474 Page Views and 35,739 YouTube downloads



later, United was offering him money to go away. Customer service programs can defang negative experiences and related customer comments. Great customer service programs can even turn a negative situation around, turning it into a moment of truth that builds even greater loyalty.

Based on these three benefits, it's easy to see why customer service is becoming more important than ever to rural transit operators. While most rural transit leaders intuitively know this, the challenge is how to design, fund, and sustain a low-cost customer service program. Based on our experience in serving transit systems, we have identified the best and most affordable practices in transit-related customer service programs.

Seven New Rules of Putting Customer Needs First:

1. Customer service starts at the top:

All successful 21st century customer service programs have one thing in common—they start at the top. Customer service orientation for transit operators must be launched and aggressively supported by the entire senior management team. Customer service is not just one person or even an entire department that handles incoming customer telephone calls. Customer service is an organization-wide promise that touches all aspects of a transit system's 3Ps—people, processes and practices. At its core is the "Voice of the Customer," which should be embedded into your organization's everyday workflow.

2. The Service Promise: Make customer service part of transit agency's culture—understood and embraced by all:

SOUTH CENTRAL TRANSIT PASSENGER'S BILL OF RIGHTS

As a SCT Rider, you are entitled to:

- 1. Safe, reliable and courteous service.
- A clean, comfortable, well-maintained vehicle that meets Illinois State safety and vehicle inspection requirements.
- A vehicle carrying public liability insurance equal to or greater than Illinois State requirements.
- A licensed, fully trained driver, neatly dressed and well mannered.
- Compliance with all vehicle and traffic laws and regulations.
- 6. Dependable departures and full schedule information.
- Safe, orderly procedures for loading and unloading passengers.
- 8. Fair and reasonable rates.
- Diligent investigation and timely redress of complaints.

If you would like to address a complaint or compliment or would like additional information please call 618-532-0189 ext. 135 or 1-800-660-7433.

You may also visit SCT's web site at www.southcentraltransit.org to address all complaints or concerns you may have regarding staff or services provided by SCT.

Some transit companies walk the walk by literally creating a passenger's, or rather, customer's Bill of Rights
—a list of service rights that every passenger is entitled. Others tie employee performance goals and annual

evaluations to customer service. Turn your brand into a customer promise – "we serve you!" Treat your customers like stars and continue to give customers a more appealing image of rural and community transit.

3. Map and understand all major customer touchpoints, service expectations, and actual performance:

Customer service for transit agencies runs across all points of customer contact. This includes both personal contact (e.g., on the phone, in the bus, at the central office) and non-personal contact (e.g., information, emails, brochures, signage, etc.).

Start by mapping out major customer point of contacts—key touchpoints. Literally sketch out how people interface and use your system. Diagram this interaction from a customer-centric flow-chart perspective. This involves not only mapping all key customer touch-points, but also identifying customers' expectations and your ability to meet their expectations at each major touchpoint.

4. Customer input:

What gets measured gets improved. Thus, all transit agency customer service programs should measure overall customer satisfaction levels, expectations, and performance ratings on an ongoing basis. The goal is to improve continuously by embedding the "voice of the customer" into your everyday workflow. This, in turn, requires ongoing customer service assessment—month to month, quarter to quarter, or year to year—a commitment to ongoing data gathering. The following simple four-question "seat drop" survey can help to achieve this:



Question 1 (Expectation): Here is a list of attributes that make up a community bus service. For each, tell me how important it is to you in your decision of whether or not to use any bus service that serves the (your service area) community. Please rate each attribute on a 1–5 scale (5=highest). The attribute list should include features such as courteous driver, on-time, on-board cleanliness, frequency, pickup details, etc. Seven to ten attributes is the normal set.

<u>Question 2 (Performance)</u>: In the past 30 days, how would you rate (<u>your transit system name</u>) on the following attributes (same list of 7–10 attributes in same order)? Ask riders to rate each attribute on a 1–5 scale (5=highest).

<u>Question 3 (Satisfaction)</u>: How likely are you to recommend (<u>your transit system name</u>) to your family and friends? Ask riders to rate likelihood to recommend on a 1–5 scale (5=highest).

<u>Question 4 (Suggestions for Improvement)</u>: How can we improve our service for you? This is an openended question. Just allow room from riders to write out their answers.

Using the information from questions #1 and #2 will allow you to plot each attribute by importance or expectation and performance. Focus on the top two box scores—those "4" and "5" ratings. By plotting the gaps between expectation and performance, you can help direct your customer service delivery program. Questions #3 and #4 can be used to guide ongoing service adjustments. For more detailed information and examples, check out the full presentation at www.nationalrtap.org.

5. Continuous improvement using actionable data:

It's not enough to collect data: you have to use it. This requires that data be analyzed in a manner that can lead to action. Utilizing a generational lens—viewing the data sorted by Gen Ys (Millennials), Gen X-ers, Baby Boomers, and the Silent Generation—affords even greater insights and related action steps for community transit operators.



As customer service becomes more and more important in the future, look for ways to demonstrate that you are dedicated to it—share your customer services' scores with everyone in the agency, your stakeholders, and the public.

Better yet, compare yourself with others by using standardized tools such as the "Net Promoter" (NPS) score. Google the search term "Net Promoter Score" and learn about this innovative way Fortune 1000 companies are tracking their customer satisfaction. Find out why Apple's NPS is higher than other companies. Then start to track your own NPS.

6. Look for unmet needs:

Identify unmet needs by talking to community leaders, riders, and prospective riders. There are many low-cost ways to tackle this assignment, including partnering with a radio station or newspaper, setting up a Facebook page and survey, asking riders to fill out an on-board survey, or intercepting non-riders in retail areas and asking them to fill out a short 3-minute survey. A low cost community level strategic needs assessment is another way to identify unmet needs. Visit community leaders, both current and prospective partners, and ask them what mobility services they would like to see for their stakeholders. Use the information gathered to continue to identify unmet needs and create new partnerships.

7. Customer service—a 24/7/365 job:

Customer service is a journey, not a destination. It takes time to build a customer service culture and to work a customer service perspective and practice into your entire operation. The goal is to have everyone from the bottom up thinking and practicing customer service with each action -24/7/365.

The Wrap Up

Why is customer service so important to transit? First, it fuels positive "word of mouth" to attract customers. Second, it may help to slow down customer churn and keep your customers loyal to your service for longer. Done right, customer service can turn your riders into apostles—people who recruit other riders to your system. Third, excellent customer service is important because it can help to defang negative comments. Inevitably, something will go wrong, and when it does, it can grow out of control.

Customer service is both a mindset and specific actions. If you haven't started to think about customer service yet, don't feel alone. Most transit systems have just started to show interest in customer service monitoring and assessment. No matter where a transit agency ends up, the scope of the customer service program will not be as important as the philosophy behind it—that we are in the service business of satisfying customers' mobility needs—A to Z. Never stop asking the 21st century rallying call of all enlightened transit system executives—*How can we make our customers' lives better?*

About John W. Martin

John W. Martin is President and CEO of the Southeastern Institute of Research (www.sirresearch.com), a 45-year-old marketing research firm headquartered in Richmond, VA. SIR has conducted more than 13,000 studies for Fortune 1000 companies, governmental agencies and non-profit organizations. Through in-depth interviews, focus groups, ethnography and survey research, SIR helps organizations identify their unique selling propositions, formulate communication strategies, explore new products and services, and measure the overall effectiveness of marketing programs.

In addition to heading up SIR, John is the co-founder and CEO of The Boomer Project (www.boomerproject.com), a national research-based marketing "think tank" that tracks generational trends and provides strategic consultation on how to effectively communicate with each generation—Gen Ys, Gen X, Baby Boomers and Silent Generation. Boomer Project insights have been featured in the Los Angeles Times, Washington Post, Chicago Tribune, Toronto Star, BusinessWeek, Barron's, NBC Nightly News, CBS News, MSNBC and NPR's Morning Edition. John co-authored the award-winning business book, Boomer Consumer, published in 2007 and subsequently named a Top 10 Business Book by Corbis, a Bill Gates Company.

The content in this paper and National RTAP's related webinar series are not official RTAP policy, but rather reflect the views of Mr. Martin, informed by hundreds of marketing studies his firm has conducted for transit and transportation agencies.

