

Business Week

“Customer Service Champs”

“BW's first-ever ranking of 25 client-pleasing brands included JetBlue, until it got stuck on the runway”

By JENA MCGREGOR

MARCH 4, 2007

Bob Emig was flying home from St. Louis on Southwest Airlines this past December when an all-too-familiar travel nightmare began to unfold. After his airplane backed away from the gate, he and his fellow passengers were told the plane would need to be de-iced. When the aircraft was ready to fly two and a half hours later, the pilot had reached the hour limit set by the Federal Aviation Administration, and a new pilot was required. By that time, the plane had to be de-iced again. Five hours after the scheduled departure time, Emig's flight was finally ready for takeoff.

A customer service disaster, right? Not to hear Emig tell it. The pilot walked the aisles, answering questions and offering constant updates. Flight attendants, who Emig says "really seemed like they cared," kept up with the news on connecting flights. And within a couple of days of arriving home, Emig, who travels frequently, received a letter from Southwest that included two free round-trip ticket vouchers. "I could not believe they acknowledged the situation and apologized," says Emig. "Then they gave me a gift, for all intents and purposes, to make up for the time spent sitting on the runway."

Emig's "gift" from the airline was not the result of an unusually kind customer service agent who took pity on his plight. Nor was it a scramble to make amends after a disastrous operational fiasco, as JetBlue Airways Corp. experienced recently--leading us, after much debate, to remove it from our first customer service ranking. Rather, it was standard procedure for Southwest Airlines, which almost six years ago created a new high-level job that oversees all proactive customer communications with customers. Fred Taylor, who was plucked from the field by President Colleen C. Barrett to fill the role in 2001, coordinates information that's sent to all frontline reps in the event of major flight disruptions. But he's also charged with sending out letters, and in many cases flight vouchers, to customers caught in major storms, air traffic snarls, or other travel messes--even those beyond Southwest's control--that would fry the nerves of a seasoned traveler. "It's not something we had to do," says Taylor. "It's just something we feel our customers deserve."

Emig's "gift" from the airline was not the result of an unusually kind customer service agent who took pity on his plight. Nor was it a scramble to make amends after a disastrous operational fiasco, as JetBlue Airways Corp. experienced recently--leading us, after much debate, to remove it from our first customer service ranking. Rather, it

was standard procedure for Southwest Airlines, which almost six years ago created a new high-level job that oversees all proactive customer communications with customers. Fred Taylor, who was plucked from the field by President Colleen C. Barrett to fill the role in 2001, coordinates information that's sent to all frontline reps in the event of major flight disruptions. But he's also charged with sending out letters, and in many cases flight vouchers, to customers caught in major storms, air traffic snarls, or other travel messes--even those beyond Southwest's control--that would fry the nerves of a seasoned traveler. "It's not something we had to do," says Taylor. "It's just something we feel our customers deserve."

As Southwest recognizes, providing great customer service is much more than just a job for the front lines or the call centers. It takes coordination from the top, bringing together people, management, technology, and processes to put customers' needs first. That's true today more than ever. Technology is leveling the barriers between alpha companies and also-rans, making great customer service one of the few ways companies can distinguish themselves. Retail, online, and phone shopping channels are expanding, increasingly prompting customers to demand a seamless--and painless--experience. Refining time-tested concepts and coming up with cutting-edge ideas is critical for managing rank-and-file workers and measuring what customers think.

In *BusinessWeek's* first-ever ranking of the best providers of customer service, we set out to find the service champions, but also to dig into the techniques, strategies, and tools they use to make the customer king. To launch the process, we created a list based largely on brands in J.D. Power & Associates' (MHP) database. In addition, we polled 3,000 of our readers, generating a pool of names most associated with treating customers well. We then asked J.D. Power, which, like *BusinessWeek*, is owned by The McGraw-Hill Companies, to survey customers about the brands that were nominated by readers but not already in its database.