

# Navigating Customer Types

## Part 2 *Excellence Wins*, by Horst Schulze

### SUMMARY

In the video session Horst Schulze discusses the 3 Types of Customers, the 4 things GREAT companies do, and Problem Resolution. A business is all about serving your customers well so that they always come back — and hopefully become one of your great ambassadors.

*“The desired goal for every organization should be that, through everything that’s done (from saying hello to mopping the floor) the guest is persuaded to come back. This is a far greater goal than just checking off certain tasks. It is making a valuable impression.”*

— Horst Schulze

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### NOTES FROM THE VIDEO

#### Three Types of Customers

##### **Dissatisfied Customers:**

*These are the people who feel they got a bad deal. They paid too much for an inferior product...In one way or another, the transaction left a bad taste in their mouth. Forever forward, these people become “terrorists” for your organization.*

##### **Satisfied Customers:**

*These are the people who feel that things were “okay.” They got what they paid for, and nothing went amiss. Of course, if one of your competitors comes along and offers a better price the next time, they’ll readily switch because they feel no particular allegiance to you.*

##### **Loyal Customers:**

*These are the people who actually start to like you. Based on their experience, they trust you to do the right thing. They tell others about your organization. They’ll stick with you even if somebody else offers them a discount. They consider themselves to be a part of your tribe.*

***“LOYALTY is dependent of continuing performance. The minute we start thinking and acting as if we own the customer, we are nurturing a dangerous fantasy.”***

The process is to go from no trust > to neutral > to trust (being a loyal customer).

This is the objective of every great company and the goal of everyone in the company: moving every customer to being loyal by creating trust.

#### Four Objectives that Great Companies Meet

*The four supreme objectives of any organization that wants to succeed:*

- 1. Keep the customer*
- 2. Get new customers*
- 3. Encourage customers to spend as much as possible  
— but without sabotaging Objective Number One.*
- 4. In all of the above, keep working toward more and more efficiency*

### **Benedict's Rule**

*Serving others is not some novelty or leadership fad of the current century. You can trace it all the way back to at least the Middle Ages. Saint Benedict (AD 480-547) wrote a manual on how monasteries were to treat those who were passing through. Here is an excerpt: "All guests who arrive should be received as if they were Christ."*

*Service implies caring. To make customer service a reality, and not just a label, we have to hire the right kind of people and orient them thoroughly at the start, and then we have to repeat our values again and again. Every last employee contributes to creating loyalty among customers.*

### **SCRIPTURES TO CONSIDER**

*For even the Son of Man did not come to be served, but to serve, and to give His life a ransom for many.*  
— **Mark 10:45**

*Let your light shine before men in such a way that they may see your good works and glorify your Father who is in heaven.*  
— **Matthew 5:16**

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### **QUESTIONS FOR TABLE DISCUSSION**

1. Discuss the three types of customers that Horst describes. How can you apply this process of moving to loyal customers based on trust in your business?
2. Discuss the four primary objectives of a business.  
How are you doing at achieving these objectives for your business?
3. What could you do to improve how you do this?
4. Reflect on the above scriptures. What do they say about the heart or quality of serving others?
5. Comment on Horst's reflections of St. Benedict and how it could be relevant in business today?

### **A FEW NOTES ABOUT BRUCE WITT**

Bruce Witt is the Iron Forums facilitator for Cobb County. He is also the President of Leadership Revolution, where for nearly a dozen years he has offered personalized coaching and leadership roundtables to key executives to help them with professional and personal growth. Bruce was key in



connecting Iron Forums with Horst Schulze, and also in developing this content module. If you would like to speak with Bruce, you can contact him at [bwitt@ironforums.org](mailto:bwitt@ironforums.org).

**A FEW NOTES ABOUT “EXCELLENCE WINS” BY HORST SCHULZE**

The content for this exclusive interview Horst Schulze did for Iron Forums is based on his book, *Excellence Wins*. Horst shares more details of his visionary and disruptive principles that have produced global successes over the course of his career with Ritz-Carlton Hotel Co. This review from Zondervan Publishing says it well: “If you're searching for the blueprint to beating the competition and out-performing everyone around you, look no further than *Excellence Wins*. Schulze pulls no punches as a masterful guide to becoming the very best in a world of routine compromise.”