

Bachelor's thesis

International Business

2018

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# DEVELOPING CUSTOMER SERVICE TRAINING PROGRAM

– Case Flying Tiger Copenhagen

BACHELOR'S THESIS | ABSTRACT

TURKU UNIVERSITY OF APPLIED SCIENCES

International Business

2018 | 30

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- Case Flying Tiger Copenhagen

Customer service today is one of the most significant factors when standing out in business life. To be able to maintain the wanted level of customer service, constant development of the quality should be a part of the strategical planning of the company.

When working in a store, the store manager is responsible for his/her team's competence but planning and budgeting training and development should be the responsibility of the management of the company.

The purpose of this thesis is to examine, what is the strategy of the case company Flying Tiger Copenhagen in terms of customer service and what actions has been carried out in order to reach these strategic goals. This thesis also focuses on scrutinizing the existing customer service training program of the case company and the efficiency of the training program.

In the research part of this thesis, qualitative method is being used and the material consists of the introduction materials and handbooks, that the company offers to its employees. Writer's own observations also support these materials as part of the research.

Based on findings the writer analyses the results and gives a proportion about the follow-up to the case company regarding customer service training program.

## KEYWORDS:

Customer service, training, development, human resource management, management

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## DEVELOPING CUSTOMER SERVICE TRAINING PROGRAM

- Tapaustutkimus Flying Tiger Copenhagen

Asiakaspalvelu on tänä päivänä yksi merkittävimmistä kilpailutekijöistä yrityselämässä. Jotta asiakaspalvelun laatu voidaan pitää halutulla tasolla, tulisi sen jatkuvan kehittämisen olla myös osa yrityksen strategista suunnittelua. Myymälätyöskentelyssä esimies vastaa tiimensä pätevydestä, mutta kouluttamisen ja kehittämisen suunnittelu ja budjetointi on yrityksen johdon vastuulla.

Tämän opinnäytetyön tavoitteena on selvittää, mikä on Flying Tiger Copenhagen- tapausyrityksen strategia asiakaspalveluun liittyen ja millaisia toimia yritys on pannut täytäntöön saavuttaakseen nämä strategiset tavoitteet. Opinnäytetyö keskittyy myös tarkastelemaan yrityksen olemassaolevaa asiakaspalvelukoulutusta ja koulutusohjelman tehokkuutta.

Opinnäytetyössä on hyödynnetty laadullista tutkimusmenetelmää ja aineistoina toimivat yrityksen työntekijöille tarjoamat perehdytysmateriaalit ja käsikirjat. Yrityksen nettisivut ja kirjoittajan oma havainnointi toimivat myös osana tutkimuksen aineistoa.

Löydösten pohjalta kirjoittaja analysoi tutkimuksissa esille tulleita seikkoja ja antaa asiakasyritykselle suosituksia jatkotoimenpiteistä liittyen asiakaspalvelukoulutusohjelmaan.

### ASIASANAT:

Asiakaspalvelu, koulutus, kehittäminen, henkilöstöhallinto, esimies

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# 1 INTRODUCTION

This section is the introduction to the background and motivation of this thesis. Research objectives and research questions are also presented in this chapter. The structure and content of the thesis, as well as the case company introduction and the current situation are declared in this chapter.

## 1.1 Background

This thesis studies the strategy of the case company, Flying Tiger Copenhagen regarding customer service and the actions made in order to reach these strategic goals. In addition to the strategy, the thesis also focuses on examining the existing customer service training program of the case company, the efficiency of the program and the definitions for efficient training and development. According to findings, suggestions are made for the case company about possible improvements in the training program.

The importance of customer service and customer satisfaction is something that companies, as well as customers are very aware of today. It is a subject, that is constantly raising interest and causing companies to take the subject into consideration more and more. Customers are the key in standing out over competitors and they are obviously also the key to a successful business. These are the factors that make customer service the most important job duty there is. Customer retention, long-term customer relationship and repurchases are the factors that result to great profit. (Evenson 2012, 11-15.)

## 1.2 Motivation

The motivation for this thesis was driven by the working experience of the author. After working in the field of customer service for over ten years, the interest towards the subject was natural. The satisfaction and well-being of customers have always been important to the author and after observing the state of customer service in Flying Tiger Copenhagen, the case company and author's current place of work, the subject for thesis was clear. Well considered customers are what makes the sales and compensates other possible grievance in products of services, but

with the case company and the case store the level of customer service was not adequate. The customers were not given enough attention and the atmosphere was not as welcoming to customers as the store manager, and the author of this thesis, wanted it to be. According to the public image and the brand of the company, Flying Tiger Copenhagen is fun and different, which to a customer's eye means warm and welcoming. When inquired about possible programmes for training and development regarding customer service, it became clear that there were no trainings in addition to the information package used in induction training. Some of the employees had worked for the company for years and had never even given a thought to customer service, what it means in daily business, and how can it be conducted. For these reasons the interest of the author towards developing employees was aroused and customer service training program was created.

The customer service training program was created by the request of the management of the Finnish branch of Flying Tiger Copenhagen and was designed to be used as a part of both the induction training and development training for existing employees. The training program created is an overall information and training package that includes information about the importance of customer service and concrete examples to conduct good customer service. It also includes exercises for customer service situations. The training material will be introduced later in this thesis. The program was experimented with a test group and is now going through improvements. To be able to make the training program as efficient as possible, it needs to meet with the strategy of the company regarding customer service. This is where the thesis comes along.

The subject of this thesis is also topical, because of the current financial situation within the case company and this certain store. The store used to be one of the most profit yielding stores in the country, but recently the budgets have not been reached. The number of customers has dropped each year and customers go hand in hand with sales. As an example, visitors in the shopping centre where the store is located has dropped about 2,5% compared to the year before. (Shopping centre Information letter for tenants, 10/2018) There are many possible reasons for the downhill, like other shopping centres being established around the area, loss of interest towards the store or products, current worksite that covers a huge area from the centre of the city where the store is located, creating difficulties for customers to even find the store, and other possible causations. There are many aspects a store manager cannot have an effect for, but customer service is one of the rare ones that can be affected.

### 1.3 Research questions and objectives

The main objective in this thesis is to examine the case company strategy and develop the current customer service training program to support better the case company strategy regarding customer service. By doing so, the training will become more targeted and this way more effective. The goal is to be able to develop a training package, that can be used by the case company to train the staff and reach a higher level in customer service. To do so, the company strategy needs to be examined and the gap and possible deficiency between the company strategy and the existing training material needs to be identified.

According to the research objectives, the research questions have been confined into three main questions:

1. What is the company strategy regarding customer service?
2. What are the actions taken and methods used in order to reach the strategical goals regarding customer service?
3. How effective is the current customer service training program and what actions need to be done in order to improve the program?

After answering the research question about the strategic view of the case company, the efficiency of the existing customer service training can be evaluated. This question is also answered with the help of literature review about training and development. Identifying the strengths and weaknesses of the existing training program is important in order to make it more efficient. Is it possible to strengthen the customer service training program and make it support better the case company strategy? What type of actions does improving the training program need? Is there something the case company could do in order to make this training more effective?

### 1.4 Case company

The case company, Flying Tiger Copenhagen, is a Danish design store. The following introduction text is taken from the company's website: " We don't just sell stuff. We want to surprise you,



inspire you and make you smile. We believe that human relationships and social experiences bring people joy. This is why our product lines encourage play, creativity and social interaction. So to us, it's not just a ball, it's the ball game that you play with your loved ones that counts." (Zebra A/S 2017)

There are nearly 950 stores in 30 countries around the world. Over 500 stores alone in Europe and at each store there are thousands of products to sell, and about three hundred new ones coming to stores each month. Items vary from party pieces to home decor and children's toys. All this with rather affordable price. The company and its product design team has won numerous international design awards the past years. (Zebra A/S 2017)

There are hundreds of customers entering each store daily, depending on the location of the store. So it goes without saying, that the customers and their satisfaction are in key position, what comes to the success of the business.

### 1.5 Current situation and existing customer service training program

As presented in the chapter 1.2, the motivation towards the subject of this thesis is based on the lack of trainings within the case company. Also, the financial situation of the case store, the author's place of work gave a push to the subject of this research.

Like mentioned in the chapter 1.2, a customer service training program was created after the author's mentioning about the lack of such to the management of the Finnish branch of the company. The training program was developed by the author by the request of the management. Before creating the customer service training program, the company training system only included induction training after a new employee starts to work for the company for the first time. There were no other trainings available. The induction training is conducted by the store manager and in addition to a checklist of things to acquaint, there are no other instructions in how to deduct the orientation. The material used in induction trainings include company concept manual and employee's handbook.

The customer service training program, that now needs to be improved to meet with the case company's strategy, was built based on literature and the personal experience of the author for over ten years. The structure of the existing customer service training program is following:

- Current situation of customer service in Flying Tiger Copenhagen

- The importance of customer service.
- The concept of customer service.
- Examples about good customer service.
- Poor customer service and the influence of poor customer service.
- Reacting to different customer service-situations.
- Customer service and the importance in knowing the products.
- Exercises for customer service situations.

(Lehtiheimo 2017.)

After the customer service training program was created, the material collected was supposed to be attached as a part of the orientation and induction training. In addition to this, the training program was supposed to be implemented with existing employees as a "store tour". This means, that the compiler of training program, the author, was supposed to orbit around the country to train the existing employees of all Finnish stores.

Before implementing the training program in all stores, a test group was formed and the customer service training was piloted in practise. The participants gave feedback after the pilot training, which showed that the program was found very useful and informative. After the test training however, the program has not been used. The material has not been attached as a part of the induction training material, nor has the training been implemented with employees. The management of the company lost interest towards the program after it was finished and has not budgeted the program to be implemented anywhere in the near future. Reason for the passive use of the customer service training program remains unknown for the author.

## 1.6 The structure of the thesis

The introduction section clarified the motivation of the author and the background behind the thesis subject. The case company and current situation was introduced, and the research questions were specified. The second chapter presents theory information about company strategy and the role of customer service in company strategies. The chapter is also focusing on the literature review about customer service, customer experience and the importance of these factors. The third chapter introduces theory information regarding training and development. The fourth chapter is the research part. The chapter reviews the design of the thesis and the reliability of the reserch. Gathering the empirical data is described and methods of the research

are explicated. The fifth chapter specifies the material used and analysis over the findings are given. This chapter also answers the research questions presented in chapter 1.3. The sixth and final chapter sums up the study results and defines the actions needed in order to make the training program meet better with the company strategy regarding customer service. In this chapter it is being specified, what are the changes, that need to be made for the training programme to become more effective. This chapter also lists down suggestions that could be given to the case company in order to reach the wanted level in customer service and customer satisfaction.

## 2 COMPANY STRATEGY AND CUSTOMER SERVICE

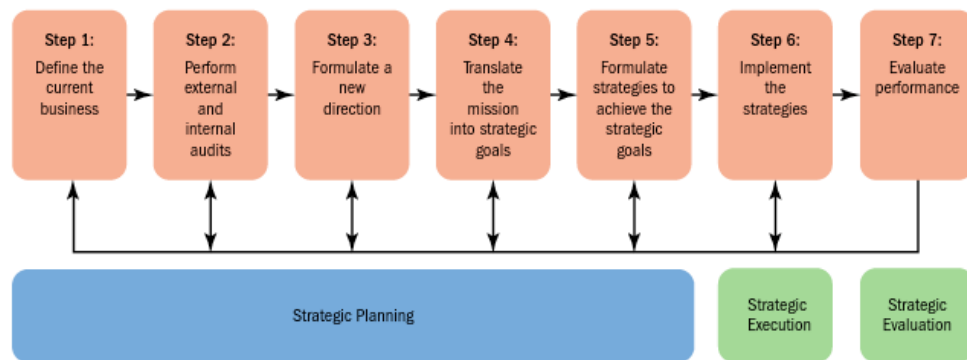
To be able to offer the case company a training program as effective it can be, it must be made sure that the material and information meets with the strategy of the company. This chapter focuses on reviewing literature about company strategy in general level. According to the theory information presented in this chapter it is easier to identify the strategical planning elements within the case company.

This chapter also focuses on defining customer experience, customer service and the importance of the two regarding sales and company success. In order to explore the research part of this thesis, it is important to understand the reasons behind the process. The literature review about the importance of customer service gives information about the influence good customer service might have to a company's outcome. The literature review explored in this chapter also helps to define the current situation of the case company regarding customer service.

### 2.1 Company strategy

Goal-directed planning is very important in companies, because without plans it is very difficult to get from the current situation to a targeted situation. There are five basic steps in management planning: setting objectives, making plans, reviewing choices for action, evaluating options and choosing the best one and finally implementing the plan. Setting goals is not only for the top management, but each member in the working hierarchy. The nature of the planning might vary, but idea is still the same; to aim for something better. (Dessler 2016, 104-105.)

Company strategy or in other words, strategic planning is about weighing company's strengths and weaknesses, opportunities and threats and defining the current position of competitiveness. After defining the business, it is time to set the new direction and start working towards that. Management planning is part of strategic planning, so the whole process is a little more complex:



Picture 1. Steps for strategic planning. (Dessler 2016, 105.)

The process starts by defining the business of the company, its products, customer group and ways of differing from competitors. The second step assesses if the company is in the right business by weighing the strengths and weaknesses. The SWOT analysis is often used when going through this step. Naturally, the phase after the evaluation is deciding, what the new and improved business should be like. A vision statement defines, what the company wants to become and gives a base for next step, setting strategic goals. In the next step, the company decides the course of action and then moves to execute the strategy. (Dessler 2016, 105-107)

The employer's strategic plans should also include training goals. The task of the management of the company is to identify the behaviours the firm will need to execute its strategy and based on this deduce what competencies are needed (skills and knowledge). After this the management should set training goals and programs to correspond to these competencies. (Dessler 2016, 272.)

## 2.2 The role of customer service in company strategies

Each company has some sort of business strategy composed in order to specify the goals and targets for the company and their operations. Clear, workable strategic plan gives the company

a competitive advantage in their marketplace. Strategy and vision are both plans for the future, directions towards which the company is moving, but strategy specifies more detailed information in how to get there. There are many reasons why strategic planning should be a well thought part of the company's operations. Here are a few:

- To increase the return on equity.
- To reposition the company.
- To maximize the strengths and opportunities of the company.
- To form a basis for making action decisions.

(Tracy 2015, 10-20.)

The strategic planning should be constantly developing process and it should answer questions, like: Where is the company now? How did the company get to where it is now? Where does the company aim to be in the future? How is the company going to get there? What does it need for the company to get there? (Tracy 2015, 10-21.)

Values play a big role in strategic planning. Before actual planning, it is important to declare the values that the company believes in, the order of those values in terms of priority and how are those values being reflected in daily business life. Here are some typical values, that are used as a base for strategic planning in most companies:

- Integrity
- Quality
- Customer Service
- Innovation
- Entrepreneurship
- Profitability

(Tracy 2015, 22-27.)

Values create a strong foundation for any company and help to build a clear vision for the strategic planning. (Tracy 2015, 22-27)

Even though companies usually value customer service, according to studies customer service and customer experience is a part of the strategy, vision, mission and values in only 24% of Finnish public companies. Customer experience was seen least remarkable with the fields of health care, oil and gas, common-good services and consumer goods. Also, only 5% of the companies, that had customer experience a part of their strategy had named a person in charge

for the development of customer experience. How can it be developed if there is no one to take responsibility for it? According to studies, companies that had customer experience as a part of the company strategy, 57% raised their turnover, 43% did not. Of course, something concrete needs to be done in order for the customer experience to develop, planning alone will not make a difference. (Ahvenainen, Gylling & Leino 2017, 16-22.)

This literature review about company strategies help to define the research question number 1 about the case company strategy regarding customer service. In addition to the company strategy, another important factor presented in this chapter, values, are being examined in the research part of the thesis.

### 2.3 Customer experience

Customer experience is usually perceived to be the definition of customer service, sales and marketing. Yet these three areas are indeed the factors that usually create the emotional imprint of a customer towards the company, the big picture of experience is formed by other aspects as well, such as products, store, word of mouth and social media. Most of these factors are beyond a salesperson's or even a store manager's reach. Marketing, social media and products are usually something, that a single store cannot have an effect on. However, customer service is one of the things that can be affected, because it is being created by the frontline employees. Customer service goes hand in hand with sales, word of mouth and overall vision about the store. All these aspects together form the total customer experience. Customer experience is all about the relation between expectations and outcome. (Ahvenainen, Gylling & Leino 2017, 23, 69)

- Weak customer experience = outcome turned out to be a disappointment over expectations.
- Medium customer experience = outcome came up to expectations.
- Excellent customer experience = outcome exceeded expectations.

(Evenson 2012, 11-15; Ahvenainen, Gylling & Leino 2017, 23, 69)

So, customer experience and the satisfaction of a customer is affected by many aspects; The price and quality of the product, the encounter (customer service) and the reputation of the company to name a few. All factors affect one another, and they all need to come up with customer's expectations in order to form a successful customer experience. However, the

encounter, the customer service part, is something that usually weighs the most in customer's scale. Bad customer service may overtake a cheap price or a good quality product and vice versa. Good customer service might lead to a purchasing decision, even if the price or the reputation of a company would not come up with expectations. Jeff Bezos from Amazon talks about customer experience like following: "We see our customers as invited guests to a party. And we are the hosts. It is our job every day to make every important aspect of the customer experience a little bit better" (Bezos, cited in Ahvenainen, Gylling & Leino 2017, 33-35)

#### 2.4 Customer service and sales

As the competition in retail grows by time, so does the importance of the quality of a service as well. People have become more and more aware of the rights they have as a customer, and the abundance of companies allow them to pick the one with not only the best products, but also best customer experience. For this reason, companies should also react to the changing way of standing out in the ocean of markets and make an effort to become the best in customer service. If the growing expectations cannot be responded, customer can end up changing the service provider. Customer experience should never be underestimated, as it reflects to customer satisfaction and customer loyalty. Filenius stated in his book, that 44% of customers come back after a good customer experience, 33% will recommend the company to others and 14% will even share their experience in social media. It is easy nowadays for people to take their money some other place, where they feel satisfied and can have the extra value if they are not happy with the overall experience. (Grönroos 1998, 111-113; Filenius 2015, 5; Ahvenainen, Gylling & Leino 2017, 9) Sam Walton from Walmart has stated the importance of customer satisfaction as following: "There is only one boss. The customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else". Today in the world of enormous amounts of supply, customer usually makes a decision about the company according to previous experience and reputation. (Ahvenainen, Gylling & Leino 2017, 8-10)

What comes to sales, it is the whole process that matters. Customer does not evaluate the experience solely based on one aspect. Even if the customer leaves the store without the product he/she came for, it does not mean that the customer service situation has failed. Eventually it is the feeling of the whole process that counts and makes the customer come back. A good experience will also be forwarded to other people. Knowledge and professionalism of



employees and chemistry between the salesperson and customer are the key factors in creating a successful customer experience. (Filenius 2015, Ahvenainen, Gylling & Leino 2017, 10-11)

Ahvenainen, Gylling and Leino stated that 73% of companies see improving customer experience as their strategic priority, yet only 1% perceive the level of their customer experience being excellent. According to a study, 89% of people has ended a customership as a result of bad customer experience. The same study shows, that 86% of respondents would be willing to pay more for better customer experience. (Ahvenainen, Gylling & Leino 2017, 11-16)

According to all facts pointed out, customer is the factor that makes the business successful and the subject itself is something, that should be the top priority in companies like the case company. But what is the situation in Finnish companies? According to the comparison made in the book of Ahvenainen, Gylling and Leino, between B2B customer experience survey in 2015 and a Finnish study of Talent Vectia in 2015, the situation is not too good. According to the comparison, Finnish company leaders are not genuinely interested in customer experience in everyday business. The recognition of the importance is there, but the true meaning of the subject is lost. Of course, these studies were made back in 2015, there could be some development happening since then. Because of the increased awareness among customers, companies could have also taken actions towards improving customer service since 2015. (Filenius 2015, Ahvenainen, Gylling & Leino 2017, 16)

## 3 TRAINING AND DEVELOPMENT

This chapter reviews the literature regarding training and development. The objective of this theory section is to help define the effectivity of the existing customer training program of the case company. According to the information gathered from literature, it is easier to define whether the existing training programme needs improvement and which parts of it need to be developed. Before being able to define the need for improvement, it is important to examine what does an effective training program consist of and what are the important elements in the training program.

### 3.1 Developing customer service- Building a winning team

As presented in chapter 2, customer experience consists of many different aspects, but which of these partitions mentioned in the previous chapter can a store manager have an influence on? In the case of Flying Tiger Copenhagen, developing areas like products and marketing are out of store management's reach. However, customer service in the store is something to focus on when wanting to make a difference. There are multiple ways of conducting customer service these days, face to face is only one form of service in addition to digital versions. Encountering a customer in a store surroundings might be one of the toughest forms of customer service, as the employee needs to have it all, there and now: the knowledge about products, attitude towards customer service, interest towards customer's needs etc. Even though many companies today are fully aware of the importance of customer service, not all firms act towards better customer service. In most cases, the idea and goal to provide excellent customer service is there but the implementation in practise is not as simple as that. (Filenius 2015, 21-26)

According to Martin, when starting to develop customer service, company managers must go through some steps in order to create a plan for a successful customer experience and company success. (Martin 1989, 3-7.)

- Step1 Understanding customers.
- Step2 Setting standards for quality service.
- Step3 Building a winning team.
- Step4 Tracking.

Step5 Reacting to problems.  
(Martin 1989, 3-4.)

By understanding the customers of the company, it is possible to figure out the current state of customer service and identify the targets of development. Going through these steps allow the company to lead the team from where the customer service stands today, to the targeted level. (Martin 1989, 4-8.)

The key to a successful team is always a successful management. (Martin 1989, 4-8.) But what does it take to be a successful manager? According to Jamie Hopkins (Contributor in Forbes Magazine) at least current training, technical expertise, and experience. (Hopkins 2017.) When thinking about the case company, Flying Tiger Copenhagen, the strategical planning and providing resources regarding training employees could be the key to successful management from the company management's side of view. The managers in the stores of the case company are also lacking training and technical expertise. Even with comprehensive experience over customer service, the store management should be provided training regarding the subject in order to pass that information and knowledge forward to employees. In addition to these factors, successful management and leadership also consists of elements like good communication, wise use of power, successful decision making and generation of a positive force. (Martin 1989, 45) These indicators are more personal factors for a manager to work on and something that can be developed even without the support of training or the company.

So, the first step in developing customer service is understanding customers and their needs. Knowing what the company provides, who are their customers and what are they expecting, allows the company and managers to provide quality service. Segmenting the company and its customers gives supply for planning the development. (Martin 1989, 9-14.)

The second step is setting standards for quality service. A clear, realistic target for both management and other workers gives the team a direction to work towards, together. Sharing expectations and details about the standards and how the company works from now on, leaves no questions; These are the habits to be absorbed with everyone. (Martin 1989, 16-24.)

The third step is building the winning team. Meaning, how to make the staff of the company work towards the created standards. In this part of developing customer service also training takes place. Building a rock-hard team is different for all companies, depending on the people in it and the field of business, products or service, and customers. However, the steps in

developing the staff to become the best customer servants in the world, are pretty much all the same. (Martin 1989, 34-43.)

1. Explaining the purpose of the job. Sharing information in why things are done the way they are. What is the reason behind all that and what are the wanted results?
2. Defining tasks. What are the main tasks of the worker, in which priority order should things be done?
3. Explaining exactly how things should be done. Specifying ways to perform the job. In this case, giving examples and opening up facts, that make customer service good.
4. Emphasizing the standards for the quality of customer service. How is the quality being measured? What does it need in order to become excellent in customer service?
5. Explaining the effects of the standards, who does it affect and how?

(Martin 1989, 34-43.)

” There must be a customer- oriented culture in the organization, and it is the leader of the enterprise who must build and maintain this culture.” (Karl Albrecht, Service America, cited in Martin 1989, 44.)

Managers and company leaders obviously have a lot of impact in how the customer-service team handles the customer situations. By knowledge and example, the managers are able to lead the team towards great results. (Martin 1989, 41-47.)

Step number four is called tracking. After developing standards for quality customer service and building a winning team to work towards the common goals of excellent customer service, it requires continuous work to maintain the level of service. In order to monitor the advance of the process, a system for tracking must be developed. Measurement system could include for example a service audit or customer and/or employee feedback system. A service audit is a format created to regularly check the state of the service, in this case customer service. Service auditor, or a manger conducts the audit in a form of for example checklist, that includes the important observable key indicators of quality customer service. (Martin 1989, 56-59)

These indicators are casted to each company individually depending on the field that needs developing and tracking. An example of an indicator monitored in this case could be greeting the customer. The audit form also includes a measurement scale to assess the level of execution. The scale includes rates from for example from 1 to 3, where number one represents the

implementation level being below standard, two at standard and three above the set standard level. (Martin 1989, 59-61; Qureshi 2015.)

A customer feedback system allows the customers to answer questions, like: How does the customers experience customer service in the company? What are the factors affecting the satisfaction or dissatisfaction of the service? Employee feedback works the same way and allows the employees to share their experiences over customer service and the development after the training is complete. (Martin 1989, 68-69.)

In the step number five it is time to react to problems emerged in the feedback or service audit. In this phase, it is important to involve the service team in suggesting what needs to be changed in order to develop the level of customer service. (Martin 1989, 80-90.)

### 3.2 An effective training program

Training the staff can either mean orientation and training of new employees or development training of existing employees. Orientation usually includes basic information about employee's working hours, benefits and policies, responsibilities, company's culture, vision and strategies, customer service and other facts that affect the employee's ability to function effectively. Most companies use an employee handbook to support the orientation and training of a new employee. In addition to introducing the organization and procedures to a new employee, one goal of induction training is to emotionally attach and engage the employee in the firm. The induction should at least include information about employee benefits, safety issues, personnel policies and a facilities tour. (Thomaskutty 2010, 7-8; Dessler 2016, 269-271)

After the induction should come trainings that are designed to focus on required skills needed especially in this certain job description. This section should include detailed information in how to conduct the tasks, how to sell or how to be a good customer servant for example. Training new employees is very important, as many people, who start looking for a new job, do so because of inadequate training. According to Dessler, training experts have used a method called *ADDIE*, analyse-design-develop-implement-evaluate, for years and it is still considered as a standard structure of an efficient training. The steps are formed as following:

- *Analysing* the need for training
- *Designing* the training program

- *Developing* the training material
- *Implementing* the training
- *Evaluating* the course's effectiveness

(Dessler 2016, 271-272.)

By analysing the need of the training, it can be identified, whether the training need is more current or long-term development. The need for training could be for future positions and new employees or the goal to improve current performance. The approach is different depending on the group; when training current employees, the need is more complex, because the training is not necessarily the answer to problems. Analysing in this case should also include the evaluation about the cause of the poor performance. Part of analysing is also task analysis. Task analysing or studying determines, what are the skills and knowledge that the employee needs in his/her job. The training can then be developed to foster these competencies. (Handshaw 2014, 9-15; Dessler 2016, 272- 274.)

After accomplishing the need for training and tasks analysis, the next step is to design the training program. Designing should include training objectives, delivery methods and programme methods. A well- considered training program design goes through all the steps of execution from start to finish. This phase also requires careful planning in budgeting and the content of the training. Training program content could consist of workbooks, exercises and activities. The manager or the trainee should also ponder how to create a training that not only provides learning to employees but transferring the learnings to practise as well. (Handshaw 2014, 10-15; Dessler 2016, 275.)

Developing phase means collating the training content and materials. The instructional methods, as well as the specific training program content are determined. The materials could include for example manuals and other literary materials, power point presentations, exercises and other supportive material. The trainee must also decide whether to create an own content or select one of the existing ones from an extensive selection of different training materials. After developing the content of the training, a way of execution is determined; Whether the training should take place online or will be implemented in-person. (Handshaw 2014, 10-15; Dessler 2016, 278-279.)

Depending on the design of the training program, the implementation of the training is specified. There are many different ways of implementing a training programme, like on-the-job training, which allows the employee to learn by doing the job, lectures that work well for big audiences

and computer-based training. (Dessler 2016, 279- 284.) Lectures, audio-visual- based and practise-based teaching methods are the implementation methods, that are used in the customer service training program for the case company.

Like presented in chapter 3.1, evaluating is a critical part of a development process. The same guideline works for tracking all development. When evaluating the success of a training program, the following indicators could be assessed:

- Employee's reactions towards the training program.
- What did the employees learn from the training?
- How has the job behaviour changed since the training?

(Dessler 2016, 296.)

The problem in evaluating such indicators is the ability to measure the results. One way of making sure the training programme is effective, is to conduct the performance measures before and after the training. Another standard in measuring training results is using a test group, a controlled experimentation. In this method another group is being trained, while the second group receives no training. The difference between the measurements in each group is then evaluated. (Dessler 2016, 296-298.)

## 4 RESEARCH

As presented in chapter 1, the objectives of this thesis were to examine the case company's strategy regarding customer service and use the findings to analyse the efficiency of an existing customer service training programme of the company. In addition to these, the aim was to ascertain what are the actions made and methods used within the case company in order to reach the strategical goals regarding customer service.

### 4.1 Research design

Before starting the thesis, the original plan to conduct the research was to interview the management and employees of the case company about the strategy, vision and actions made regarding customer service. After examining the subject more carefully and the daily routines of the case company, a decision was made to build the research based on literary materials of the company. The decision originates from the authors observations about the lack of information regarding customer service, including the literary materials that are also used as part of the orientation and induction training presented in the chapter 1.5. As also mentioned in the chapter 1.5, the existing customer service training programme has not been used since the pilot. The decision made about using only written material of the company as an empirical data for the research, also might give some answers to the author for why the programme has not been implemented since.

The method of this research was a qualitative study, a case study and the research techniques were chosen to be available data and observations. Available data here refers to the literary material the company is providing for each store. The material is also used as a basis of the orientation and induction training. The material includes the company concept manual and employee's handbook. In addition to this official material of the company, the website of the company was also used as a research technique to support the literary material.

The concept manual is the official material of the company in all countries, that is being used as a part of induction training for each member of the staff. It includes rules and values, as well as aims and objectives for the company. It is provided only in English, also for Finnish stores. Employee's handbook gives more detailed information about employee's tasks, rights and



responsibilities. It also includes do's and don'ts for example for customer service situations and guidelines in case of emergencies. The handbook is edited to each country individually, to meet with country rules and regulations about for example holidays. (Flying Tiger Copenhagen Concept Manual 2017; Flying Tiger Copenhagen Employee's Handbook 2017.)

#### 4.2 Reliability of the research

The case- research was conducted using qualitative method, so the reliability of the research is rather difficult to determine. However, the data used in this research is the official material provided by the case company, so the reliability of the empirical data can be derived. The findings after researching the company strategy were based on these official materials. The authors observations about the case company attitudes towards customer service, the actions made, and methods used in order to reach the strategic goals, were based on the authors experience working for Flying Tiger Copenhagen. The efficiency of the existing customer service training program was examined through literature as well as observations.

## 5 EMPIRICAL DATA AND FINDINGS

This chapter specifies the findings and includes the analysis of the findings. First, the data used as research technique is introduced and findings are considered. The findings from supporting method, observation is also examined and specified. As presented in chapter 4.1, the empirical data includes the literary material of the case company, concept manual, employee's handbook and company website. The supportive observations are made by the author to support the research and findings.

### 5.1 Concept Manual

Concept manual of Flying Tiger Copenhagen is a booklet for the stores to be used as a part of induction training and a guide for everyday business. The manual is full of information about the history of the company, their values, products etc. The history of the company is very interesting and opens up the understanding, where does the company come from and why is it formed the way it is. In the beginning of the manual, there is a mentioning about one of the targets of the company, making customers happy. This is the first time customers and customer satisfaction are mentioned in the concept manual: Yet it doesn't specify there any concrete ways of conducting good customer service at Flying Tiger Copenhagen. The philosophy and values of the company highlight the uniqueness and the goal to conduct "everyday magic" through the products and concept of the company. (Flying Tiger Copenhagen 2017.) There is no further explanation in how this everyday magic could be created.

But what does the manual say about customer service? The booklet gives information about the philosophy of the company and the objective to promote happiness to customers. It is also stated, that these objectives are only words until someone puts these thoughts to action. Staff is the one, who can take action and make the difference. "When you give that extra smile, look people in the eyes at the cash register saying have a nice day and really mean it, when you run after a man who lost his wallet and when you high five a couple of kids on your way home, then you improve someone's world and you create a small miracle". So, it goes without saying, that staff and their way of conducting the learnings from the concept manual is very important to the company. Internalizing the "Tiger- mentality" and making the company look outside the way it is meant to look like, are responsibilities of the store staff and store management, because

they are the ones customer is confronting in day-to-day business. They are the ones giving a face and attitude for the image of the company. They are the ones who create the brand. (Flying Tiger Copenhagen 2017.)

**Create a good atmosphere in the store**

- **Help create a fun and pleasant atmosphere in the store – between customers and colleagues alike.**
- **If you and your colleagues feel like it, you are welcome to wear some of Tiger's amusing accessories such as wigs, party glasses, moustaches or New Year's hats. This helps create a fun and informal atmosphere and at the same time shows our customers some of our fun articles.**

Picture 2. Instructions for conducting customer service. (Flying Tiger Copenhagen 2017.)

The concept manual gives detailed information about the layout of the store and products. The company has very distinct rules about the way the sections and store itself should be arranged, so most of the manual consist of instructions for this area. However, there is a two-page section in the manual about customer service. When examining the company strategy when it comes to customer service, this obviously is the section to be reviewed with most intensive care. In the main caption, it is stated that the company wants to provide a high-level service. In order for the customers to always leave the store with good customer experience, should the staff always act in a welcoming way. The concept manual gives some tips in how to provide good customer service. Here are a few:

- Greeting and welcoming the customer.
- Smiling and always being helpful.
- Creating fun and pleasant atmosphere.
- Avoiding long queues from developing.
- Keeping yourself informed.
- Being conscious about body language.
- Focusing on individual customer.
- Making shopping at Tiger a special experience.

(Flying Tiger Copenhagen 2017.)

The customer service- part in the manual is rather short but gives good idea to the staff about what needs to be done in order to become a good customer servant. However, the concept manual lacks information about how to implement these guidelines in practise. How to create fun and pleasant atmosphere? How to keep yourself informed if there is no other information or trainings available? Even if the idea of a good customer service exists, there are no instructions presented or reasons behind the advisory provided. The manual is the same in every country and is only provided in English.

## 5.2 Employee's Handbook

The case company has also developed a handbook to be handled to each new employee at the start of their working career in Flying Tiger Copenhagen. The handbook includes information about the employment relationship, collective agreement and other specific facts about common rules, leaves and working hours etc. The booklet also offers more information about what is being expected from the employee. Some examples about what guidelines would the company wish the employee to follow, are for example representing the company with pride, respecting the surroundings, products and other workers and creating a memorable experience for customers. (Flying Tiger Copenhagen 2017)

In addition to all the technical and practical information, the 52-page handbook provides two pages of directions in how to act in customer service situations. These directions are in the form of commands, like " Be friendly and polite." The handbook advises the salesperson to for example offer another product in case the store is out of a product the customer initially came for. The booklet reminds the employee, that transaction at the cashier might be the customer's only contact with the salesperson and thus should be considered as very important. The information found in the handbook about customer service is common courtesy and friendly interaction for the most. It also includes guidelines to certain company regulations like returning policies. The employee's handbook is provided in Finnish, as it is developed to each country individually and includes a lot of regulations and rules, that can only be applied in Finland.

### 5.3 Company website

Vision being one of the things affecting company strategy, it can also be evaluated from the customers' point of view. When examining the website of the case company it is clear that the company wants to be seen as funny, playful and interesting. An image like this creates a welcomed and comfortable feeling for the viewer. The website is made to look simple and easy, yet colourful and adventurous. (Zebra A/S 2017.)

The website offers information about products and ongoing campaigns, but also some information about the company itself. In addition to the facts about the company, the description of the brand states, that the goal of the company is not only to sell the products but put a smile on each customer. "Our products encourage customers to be playful, creative and social". It also says on the website, that customers are always on mind, when planning new products. When talking about the stores, the website describes them like "being on a treasure hunt". "Our store is a wonderland full of fun, surprises and colourful products". According to the text, the salespeople "can't wait to meet the you". In addition to this mentioning about the staff, the website gives no other information or description about the people working for the company. (Zebra A/S 2017.)

Obviously, customers are the foundation in creating all the products, but customer service or the importance of customers is no longer mentioned at the website. However, when examining the website from customers' point of view, a mental image is created, that customer is the centre of the company and a welcomed visitor in stores. This is obviously how it should be, after all, customer is the one making sure the business keeps on thriving. The website gave very little information about the strategy of the company, regarding customer service. But the conclusion that could be drawn, is that customers are clearly the centre of the company and products are created and designed thinking about customers and their needs. Feedbacks are listened to and opinions taken into consideration.

### 5.4 Observations

To support the literary material provided by the case company, authors observations are used as a part of the research. As presented in chapter 1.2, the author is currently working for the company and even though the observations as part of the research focus on the thesis process

timeline, it is important to have a review of the current situation. When starting the research process, the existing customer service training programme was not being implemented. After the demo group and feedback from the employees in the test group there are no actions made towards developing customer service or implementing the training programme. The situation remains the same after finishing the research. During the research, there has not been any progress regarding customer service nor has there been any more information provided by the case company about the importance of customer service. The existing customer service training programme has not been budgeted to near future, nor has there been any planning made towards developing customer service by implementing the customer service training.

In daily business, the employees are not being informed by the priority of customer service in any way, and the existing customer service training shows no signs of existence in stores. The existing customer service training programme also has not been attached as part of the induction training materials as planned.

The daily working pace in stores is very severe and many tasks need to be accomplished during the day. The tasks are taken care of despite the ignorance of customer service. Like mentioned in chapter 1.4 the company presentation, there are thousands of products to handle and new ones entering the store each week. All these procedures concerning products, including layouts work as the top priority of the case company.

The case company uses an evaluation system, that rates the stores and store managers approximately four times a year. This evaluation is conducted by the areal managers and they are made without warning, so that the store is not able to prepare for the check-up. In the evaluation the areal manager scores the most important sections in the store for example the concept of layouts, cleanliness and the validity of food items. In addition to this, the evaluatee checks that the storage is in order and all reports and other office tasks are up to date, every member of the staff is wearing working clothes and all the current campaign materials are displayed correctly. In this evaluation form, there are no mentioning about customer service.

## 5.5 Analysis

According to the website of the company and the observations, the image of Flying Tiger Copenhagen as a company is fun, different and exciting. This looks like it is matching well with the idea and vision of the company according to the official material of the company. The

company website is full of colour and creativity, the concept manual and employee's handbook both encourage the staff to be different and fun, in addition to being good customer servants.

However, the lack of the information to employees about customer service all together was surprising. There was only little information in how to conduct customer service in all the materials available, and no information at all about why customer service is important and what does it mean to the case company. The concept of customer service was left very bland when examining through the concept manual and employee's handbook. It can be discovered from the material, as well as observations, that customer service is not a priority for the case company. Products, layouts and concept go way ahead of customer service in the list of priorities. This can be seen from the order of the facts written in the concept manual, and the length of the information. Whereas customer service was given two pages of information in the company concept manual, products were given nearly thirty. Website did not open up the mentioning about friendly staff to viewers in any way.

#### 5.5.1 Company strategy regarding customer service

When examining the strategy of the company it became clear, that there is no strategical planning made regarding customer service. The concept manual gave a lot of information about the values and thoughts of the company, mainly they focused on products instead of customers or customer service. The employee handbook had a lot of guidelines to the employee and some very good points about customer service, but reasons behind customer service or how to become an excellent customer servant was not found. Most of the instructions given in the handbook were regarding working hours, rules, regulations and tasks.

The personal experience of the author plays an important role when thinking about the background of the customer service training. Like presented in chapter 1.2, serving customers is the most important task of an employee in almost every business. Especially in a store like Flying Tiger Copenhagen, customers make a huge difference in whether the store will succeed or not. In the case company, this matter hasn't been focused in during the research or even the authors employment.

### 5.5.2 Actions taken, and methods used in order to reach the strategical goals regarding customer service

Answering the second research question is rather challenging, as the strategical goals regarding customer service with the case company were very abstract in the research. Like presented in chapter 5.4, the existing customer service training program has not been implemented, nor is there a plan for the program to be implemented in the near future.

### 5.5.3 Effectiveness of the current customer service training program

As the strategy of the company still remains somewhat a mystery, it is very difficult to evaluate, whether the existing customer service training meets with the company strategy. Based on the information available, concept manual, employee's handbook, company website and observations it is possible to diagnose, that the existing training program is indeed needed within the case company.

The existing training is efficient in the matter of the vision and attitude of the case company towards customer service for what can be discovered from the empirical data. The existing training program could also help to solve the problems discovered, the lack of knowledge and training of the employees when it comes to customer service.

When evaluating the effectivity of the existing training program according to literature about efficient training in chapter two, it can be stated that the existing training meets with the trends today about knowledge by educating employees of the importance of customer service and the concept of the matter. The existing training is targeted to the case company especially, and the personal experience of the author adds even more detailed touch to the training material. However, the literature review did raise some doubts according to the effectiveness of the existing customer service training program. As adduced in chapter 3.1, the training of management is an important factor when building a successful training program. Without qualified management can there be qualified employees? By this day, there haven't been any trainings for the management either regarding customer service. Is the elaborator of the training program, the author, qualified enough to implement the training? Perhaps there should have been important steps to work through before starting to develop employees in customer



service. Perhaps customer service training program for management should have been organised in the first place, for store managers and also the management of the company.

Another concern towards the effectiveness of the training program is related to evaluation. In chapters 3.1 and 3.2 it is presented, that an important part of an effective training program is evaluating and monitoring the results in order for the development to become continuous. Even though the existing training program has not been put into effect and thus cannot have been evaluated, the program does not include any plans of monitoring the results. In order for the training program to be as effective as possible, performance measures should have been planned as part of the program. When testing the training program with a demo-group, a controlled experimentation could have been made in order to examine the effectivity of the customer service training program. In addition to the evaluation of the effectivity of the training program, a customer survey made before the training could have given the case company a more concrete view of the current state of customer service. The opinion about the experience of customers could also have raised the importance of the topic in company management's point of view.

## 6 CONCLUSION AND FOLLOW-UP

According to the analysis in chapter 5, the strategy of Flying Tiger Copenhagen regarding customer service remains a mystery, which also gives a broken report about the actions made and methods used in order for the case company to reach the strategical goals. However, the effectiveness of the existing customer service training program was found to have room for improvement. These findings were made based on the literature review, as the research did not give enough information to be able to compare the effectiveness of the training program with the company strategy.

### 6.1 Suggestions for actions

In order for the case company to improve in customer service, the first step would be to acknowledge the situation. Customer service is found out not to be the priority for the case company and every other aspect comes before customer service in priority chart, not only in the materials used in the research, concept manual and employee's handbook, but in daily business. To-do lists never include customer service, and there is little, or no time left to that very important matter. The company's operation is led by products, not people. In order for that to change, developing customer service should be the priority of the company management. In case the company and the management will not find customer service being something, that needs developing, the customer service training material itself cannot make a difference.

Second step in improving customer service is conducting the existing training with employees. A plan needs to be made, a schedule to be written. After the training there should be monitoring and developing, based on the feedback and changing trends in customer service. The customer service training should be made regular, as learned things might be forgotten and some habits might be taken for granted after a while and need to be updated.

The training material not being put into effort also has its advantages. The deficiencies found in the research regarding management training and evaluation could be reinforced before implementing the customer service training programme. If these improvements are taken into consideration, the training programme will become an efficient entirety made especially to meet with the requirements of the case company.

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