



Webinar Summary: Customer Service Matters

June 10, 2024

The webinar, organized by the Alliance for Nevada Nonprofits (ANN), highlighted the importance of customer service as a competitive edge in the nonprofit sector. It provided tools and techniques to enhance customer service for all types of organizational customers, ranging from clients to high-end donors.

Moderator:

Kimberly Kindig

Board Member, Alliance for Nevada Nonprofits

Facilitator:

Felicia Lindquist

Director of Guest Experience, MGM Resorts International

Introduction of the Facilitator

- **Felicia's Background:** Felicia Lindquist is the Director of Guest Experience at MGM Resorts International, overseeing customer experiences at Bellagio and Park MGM. Her career in hospitality includes seven years at the Mob Museum as Senior Director of Guest Experience, where she also managed membership and donor programs. Felicia is active in the nonprofit sector, volunteering extensively and serving as the executive sponsor of MGM's Social Impact and Sustainability Council. Notably, she recently raised nearly \$100,000 for UNLV scholarships in memory of her brother.

Key Topics Covered on Customer Service in the Non-Profit Sector

1. Identifying Customers

- Nonprofits have a diverse range of customers including:
 - Clients
 - Donors



- Volunteers/Staff
- Board Members
- Community Members
- Society

2. Why Customer Experience Matters

- **Customer Satisfaction, Retention and Loyalty**
 - Focusing on customer centricity elevates satisfaction, encouraging repeat interactions and fostering loyalty. Satisfied customers are less likely to switch to competitors and more likely to recommend your brand, boosting retention. This is also true for volunteers, who are more likely to stay and bring others if they have positive experiences.
- **Brand Reputation and Cost Savings**
 - Positive customer experiences enhance brand reputation through word-of-mouth marketing, which is particularly valuable for attracting new customers and donors. Investing in customer experience also leads to cost savings by reducing the need for extensive marketing and sales efforts. Research shows that even a small increase in customer satisfaction can significantly reduce sales costs.
- **Differentiation**
 - In competitive markets, exceptional customer experiences set your organization apart, becoming a key differentiator when products or services are similar. This is crucial for both nonprofits and for-profits, as positive experiences can distinguish your organization in crowded sectors like veteran services.
- **Increased Revenue, Reduced Churn and Long-Term Growth**
 - Providing positive customer experiences decreases churn, ensuring customers and donors stay with your organization rather than moving to competitors. This loyalty supports long-term growth by fostering a stable and committed customer base.
- **Customer Insights, Adaptability and Innovation**
 - Prioritizing customer service provides valuable insights into customer needs, preferences, and pain points. Engaging with customers helps gather feedback that can inform improvements and drive innovation. This adaptability is crucial for meeting changing demands and ensuring continuous improvement and success.

3. Elements of Good Customer Service

- **Anticipation**
 - Anticipation involves proactively addressing customer needs before they arise. This means staying a few steps ahead, like having necessary items like bags at a food distribution site or providing volunteers with essential information and



bottled water in advance. For donors, it could involve regular updates on the impact of their contributions.

- **Communication**

- Effective communication is crucial in customer service, encompassing both verbal and written interactions. It's about ensuring customers have all necessary information and that their questions are answered clearly and promptly. This might involve pre-arrival calls to guests, post-visit surveys, or providing clients with timely updates and information in their preferred communication channels, be it social media, email, or flyers.

- **Responsiveness**

- Responsiveness means addressing customer issues or inquiries swiftly and efficiently, respecting their time and demonstrating urgency. It's not just about what is communicated but how it's done, ensuring the information is relevant and provided through the customer's preferred channels. Promptly acknowledging a customer's request and following up ensures they feel valued and heard.

- **Problem Solving**

- Effective problem solving involves identifying issues, understanding their root causes, and taking actionable steps to resolve them. Sometimes, resolving a problem can turn a dissatisfied customer into a loyal one. For instance, addressing a past complaint led to a long-term relationship with a museum member who eventually became a top donor. Successful problem solving includes empathizing with the customer, finding solutions, and taking steps to ensure the issue is resolved satisfactorily.

- **Empathy**

- Empathy is the ability to understand and share the feelings of customers. It involves acknowledging their concerns and showing genuine care for their situation. For example, understanding a client's need for rent assistance and exploring alternative ways to help, like connecting them with other resources. Treat each interaction as unique, demonstrating empathy and concern to make customers feel valued and understood.
- Recovery is important in demonstrating empathy. Recovery in empathizing is about effectively managing and rectifying mistakes.
- The HEART principle—Hear, Empathize, Apologize, Respond/Recover, and Thank—serves as a valuable framework for navigating challenging situations. By actively listening, demonstrating empathy, offering genuine apologies, providing



solutions, and expressing gratitude for their patience and understanding, this approach effectively rebuilds trust and preserves strong customer relationships.

- **Patience**
 - Patience involves managing difficult situations without frustration, anger, or negative emotions. It is essential when dealing with angry or upset customers, as remaining calm helps de-escalate the situation and allows for a more effective resolution. Maintaining patience ensures that employees can address concerns thoughtfully and thoroughly.
- **Listening**
 - Active listening is about fully concentrating on what the customer is saying, ensuring they feel valued and understood. This can be applied in face-to-face interactions, phone calls, emails, or even through social media monitoring and surveys. Effective listening helps gather valuable feedback, which can be used to improve service and address customer needs more accurately.

4. **Elevating Customer Service**

To elevate customer service, start by engaging directly with your customers and stakeholders to understand their needs and gather feedback.

- **Gather Input:**
 - Begin by reaching out to your constituents—board members, volunteers, donors, and clients. Personal calls can be effective for direct engagement.
 - Use a shortlist of questions focused on understanding what's working well and identifying areas for improvement. Tailor these questions to the specific concerns or goals you have, such as audience reach, service launch, or volunteer engagement.
- **Deepen Efforts**
 - **Gather participation in scale or design of programs by asking the following:**
 - **Board Members:** Ask them what's working and what could be improved. Their strategic insights can guide overall organizational improvements.
 - **Volunteers:** Inquire about their experiences and how volunteering could be made easier or more fulfilling. This feedback can help retain and attract more volunteers.
 - **Donors:** Seek their opinions on new projects or services you're planning. Their input can inform your strategies and ensure alignment with their expectations.



- Clients: Ask them how you can better reach people in their networks. Understanding where they and their peers get information can help refine your outreach strategies.
- **Personalize Communications**
 - **Segment Needs:** Recognize that different groups have different needs and insights. Customize your communication and engagement strategies for each segment to address their unique perspectives and requirements.
 - **Weekly "Power Hour" Practice:**
 - Dedicate one hour each week to calling 10 volunteers or donors.
 - Goal: Express gratitude, solicit feedback, and build stronger relationships.
 - Benefits: Provides valuable insights and boosts morale and engagement.

5. Measuring Progress

- **Response Time**
 - Monitor the time it takes to respond to customer inquiries. For instance, if you have an email inbox that receives a high volume of messages, set a standard response time, such as 48 hours, and ensure you consistently meet or beat this timeframe. If you find you are consistently responding faster, adjust the timeframe to further improve service.
- **Resolution Time**
 - Track the duration from when a customer issue is reported to when it is resolved. Additionally, measure first contact resolution—how often issues are resolved on the first attempt. Reducing the number of interactions needed to solve a problem can enhance customer satisfaction.
- **Top Topics**
 - Identify the most common reasons why customers, volunteers, or donors are contacting you. Address these issues proactively by creating an FAQ page or providing relevant information in initial response emails. By tackling the top issues, you can reduce the frequency of these inquiries over time.
- **Abandonment Rate Survey Results**
 - Measure how often customers abandon interactions, such as hanging up on a call or not receiving a timely email response. Aim to reduce abandonment rates by strategically scheduling staff during peak times or improving response efficiency.
 - Implement a survey program to gather customer feedback. Analyze survey results to identify areas for improvement and action on them. This process can



provide valuable insights into customer satisfaction and areas needing attention.

- **Customer (Donor/Volunteer) Retention Rate/Churn Rate**
 - Monitor how often you retain volunteers and donors versus how often you need to recruit new ones. Reducing churn rates saves time and costs associated with orientation and training. Aim for higher retention rates to ensure long-term engagement and support.
- **Customer (Donor/Volunteer) Lifetime Value**
 - Evaluate how long volunteers and donors remain active with your organization and how their contributions or engagement levels evolve over time. Success can be measured by increased volunteer involvement and donor contributions over extended periods. This metric helps gauge the long-term value and loyalty of your supporters.

6. Q&A Session

- **Leveraging Customer Satisfaction for Funding:**
 - **Using Feedback for Funding Appeals:**
 - Share success stories and testimonials with donors to demonstrate impact.
 - Highlight substantiated needs and successful outcomes to attract funding.
 - **Presenting Data to Donors:**
 - Use customer satisfaction data to show the effectiveness and necessity of your programs.
- **Starting with Customer Feedback Collection:**
 - **Simple Strategies to Begin:**
 - Personalized calls: Dedicate time to call volunteers/donors to thank them and ask for feedback.
 - Start small: Collect feedback from a manageable number of people and gradually expand efforts.
 - **Actionable Steps:**
 - Take note of feedback and make a list of actionable items.
 - Implement changes based on feedback and monitor improvements.