

'Backyard globalization' expands customer base

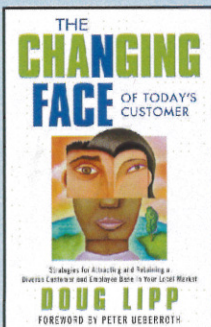
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By Mildred L. Culp

Imagine being a person whose first language isn't English, shopping at an office products retailer. Your presence and the money in your pocket certify you as a bona fide customer, but you're standing in a sea of people who know English and little else. Your English is far superior to their knowledge of your native tongue. You — and they — can't miss the linguistic gulf. This situation makes you part of "backyard globalization," a phrase coined by Doug Lipp, author of "The Changing Face of Today's Customer" (Longstreet Press, \$22.95). You represent an opportunity for expanding the retailer's customer base.

Most companies today are looking for new business development opportunities, but they can't always identify which ones might be good and how to maximize them. Failure to explore options requiring sensitivity to cultures and backgrounds is contributing to a potentially severe labor problem. Employees lacking the correct skills and cultural awareness are undermining productivity, contributing to the national labor and skill shortage predicted by the Employment Policy Foundation (EPF), a non-partisan research organization. EPF is predicting 35 million — largely managerial and professional — unfilled jobs by 2030 (see graph). Increased productivity, EPS indicates, can help avert this catastrophe. How does that apply to backyard globalization?

"In short," Lipp writes, "providing good customer service to individuals from different cultures is not only good business, but a powerful way for any company to gain leverage against competitors and increase their share of the pie." Good customer service can extend to underrepresented customer groups nationwide.



The author explains in simple terms what companies need to do to prepare for the backyard global customer:

- Develop (not mimic) workplace behaviors

- compatible with the target customer group;
- Overcome a sense of strangeness that may result by reminding yourself of the benefits of doing business this way ("cultural sense");
- Understand and use the concept of time as the customer group does, replacing efficiency and speed with other factors for compatibility; and
- Communicate with an understanding of the major concepts behind the target group's words, even if you speak the same language.

AWARENESS

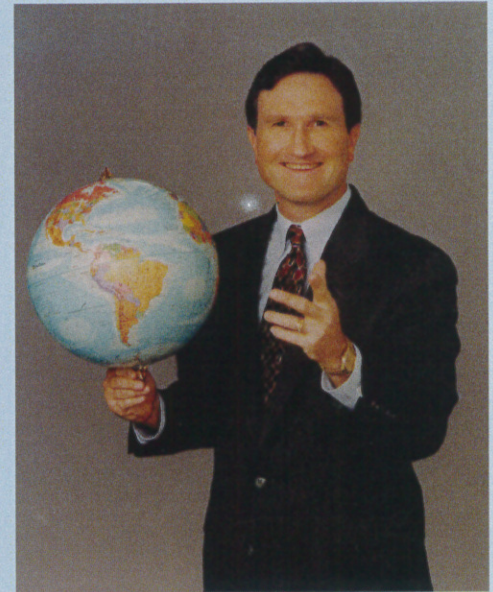
The author focuses upon front-line employees, "the ones providing that immediate contact with the customer in the store, the office or on the phone." He advocates training with representatives of the particular communities served at a company, because many Americans assume that "today's globalized world has created a standardized culture based on Americans . . . a cultural arrogance that is a prescription for economic disaster in a culturally diverse global world."

In addition, Lipp points out that when sensitivity is lacking and employees aren't culturally aware, mistakes are likely to occur out of ignorance and the company's inappropriate scripts and forms. The fact that employees are often completely unaware of their mistakes makes improvement unlikely. Again, sales can wilt.

Obviously, everyone has to increase awareness. Doing so at an Orange County Starbucks accelerated growth from 40 to as many as 600 customers on Friday nights. The shop asked some of its hard of hearing and deaf customers how to make ordering easier. Virtually cost-free laminated menus attached to the cash registers now enable these customers to circle orders with a red — not black — grease pen. A signing employee fulfills the customer service as soon as he sees the correct color.

CONFIDENCE

If awareness is important, so is confidence. Companies need to increase the confidence of front-line employees who serve global backyard customers, according to Ron



Swift, vice president of Strategic Customer Relations at NCR's \$1 billion Teradata Division in Dayton, Oh.

"We must empower employees to interact (effectively) with (backyard global) customers," Swift maintains. Technology can increase productivity by giving employees access to almost immediate information about a product or service, what it is, how it's used, and whether it's available. Companies with thousands of items to sell, he points out, can't train front-line employees about every item.

"Beyond confidence," Swift continues, "think about how we involve employees in a practice, an interactive environment, whether electronic or human-to-human, so they can understand variances, like variances in conversation. Technological tools enhance their communication skills so they get really good." He predicts that telephones with video will soon be standard for front-line employees.

The Starbucks story indicates that even the most basic tools can draw new customers. In large organizations, that may mean technology. In small business, that may mean creativity. In both cases, new tools can invite expansion.

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