

Enhancing Lives

SSAF speaker Joseph Michelli says storage industry should stress customer satisfaction.

By Jim McConnell

In an increasingly crowded field of corporate consultants, few can say they're on a first-name basis with leaders of such luminary companies as Starbucks, Ritz-Carlton and Mercedes-Benz.

Joseph Michelli can. It's just one of the ways in which the *New York Times* bestselling author and speaker has distinguished himself from his peers. But to hear Michelli tell it, his success couldn't have been accomplished without a healthy dose of good fortune.

"At some point in life, you get a break. You just have to hope you're ready when it comes," said Michelli, who will be the Foundation Forum speaker September 9 during the Fall Conference & Trade Show in Las Vegas.

Michelli holds a Ph.D. in forensic psychology from the University of Southern California. A member of the National Speakers Bureau, he makes presentations both nationally and internationally. He provides workshops and consulting services to a variety of industries on the subjects of customer experience, branding, service, leadership, customer loyalty, culture and innovation. He also shares insights and best practices acquired through research into some of the world's most respected companies.

"I highly recommend Joseph to any organization that is focused on providing the highest degree of customer service and obtaining world-class results," said Bernie Snow, director of organizational development for Texas-based St. David's Health-Care Corp.

Getting a Foot in the Door

Michelli's first big break came in 2002. He was working as

a radio talk-show host in Colorado when he started doing research for a book about businesses that had increased profit and market share by overhauling their corporate culture. After studying Southwest Airlines and Ben & Jerry's ice cream, Michelli landed an interview with John Yokoyama, owner of the World Famous Pike Place Fish Market in Seattle.

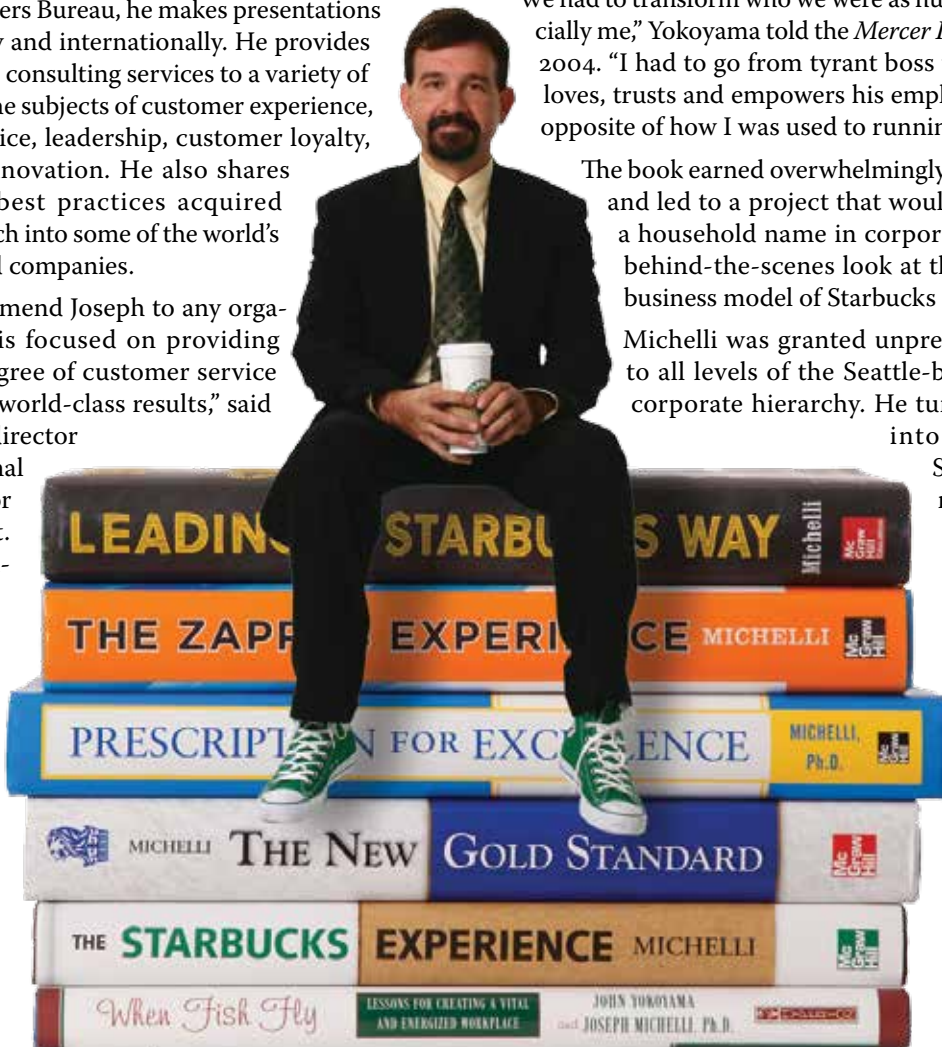
Michelli initially envisioned that Pike Place, where fish-mongers entertain customers by tossing giant salmon to each other, would be one chapter in his book. He quickly became fascinated by Yokoyama's story—particularly how the self-described "dictator" saved his floundering business by listening to his employees—and collaborated with him on the 2004 release of "When Fish Fly: Lessons for Creating a Vital and Energized Workplace."

"We had to transform who we were as human beings, especially me," Yokoyama told the *Mercer Island Reporter* in 2004. "I had to go from tyrant boss to someone who loves, trusts and empowers his employees. That's the opposite of how I was used to running my business."

The book earned overwhelmingly positive reviews and led to a project that would make Michelli a household name in corporate consulting: a behind-the-scenes look at the revolutionary business model of Starbucks coffee company.

Michelli was granted unprecedented access to all levels of the Seattle-based company's corporate hierarchy. He turned that access

into a book, "The Starbucks Experience: 5 Principles for Turning Ordinary into Extraordinary," that reached number three on the *Wall Street Journal* bestseller list for business books in 2006.



“Everything took off from there,” Michelli said.

Since 2008, Michelli has published similar books on the Ritz-Carlton Hotel Company, the University of California health system and Zappos, a clothing company that defied a decline of Internet-based businesses by generating more than \$1 billion in online revenue between 2000 and 2010.

Customer Care

In 2013, he published another book on Starbucks, noting how the company had evolved and continued to grow internationally despite the recession. His most recent project, a book scheduled to be released in December, chronicles the efforts of Mercedes-Benz CEO Steve Cannon to turn the luxury automaker into a world-class customer service provider.

“Mercedes-Benz is incredible at production and marketing, but in many ways their attitude toward their customers was, ‘You’re lucky to be getting a Mercedes,’ so their service wasn’t great,” Michelli said. “Lexus was built to serve and they were kicking Mercedes around on customer satisfaction. At some point, Mercedes decided that wasn’t good enough.”

Cannon was hired as chief executive in August 2012. The following year, Mercedes-Benz ranked fifth among luxury brands in J.D. Power’s new customer satisfaction survey. By 2014, it had leapfrogged Jaguar, Porsche, Lexus and Infiniti and vaulted into the number one position.

In addition to providing financial incentives for Mercedes-Benz dealerships to improve their customer service, Cannon also took the somewhat unusual step of studying best practices utilized by three elite hoteliers: Four Seasons, Ritz-Carlton and Mandarin Oriental. Asked during a 2013 webinar why he felt compelled to look outside the automobile manufacturing sector, Cannon noted there was much Mercedes-Benz executives and dealers could learn from their counterparts in the hospitality sector.

Likewise, there are customer-driven principles and strategies that are applicable to both large international companies and local mom-and-pop operations. The fundamental objective is to increase customer loyalty by forging emotional connections that transcend purely transactional relationships.

What does a company have to do to become a customer service superstar? It has to focus on its customers in a systematic way and include the entire organization in that effort. It must have a clearly defined vision for its typical customer experience and a strong training regimen, as well as tools to gain feedback from customers.

“As long as companies truly care about their employees and customers, good things happen,” Michelli said. “That may seem obvious, but my obvious is different than somebody else’s. Not everybody gets it.”

“I’ve picked really good clients to work with, and I stay away from people who don’t really have the heart for service,” he added. “I’m at a point in my life where I’m not chasing leads anymore. I’m not working for a paycheck and I can afford to turn people down. When that happens, it’s a very liberating thing.”

Before he agreed to speak at this year’s SSA fall conference, Michelli already had an interest in the self storage industry. He was a customer of a facility for four years;

during visits to the facility, he’d occasionally engage the general manager in conversation about the business and share some strategies he thought could help the facility gain market share.

During those talks, Michelli learned that the storage industry was evolving, becoming more focused on customer service and moving away from a business model based almost entirely on providing square footage at the lowest possible price.

“There’s an opportunity for the industry to continue to do more, make access more available and be more customer-friendly,” Michelli said. “You have to hire and inspire employees to believe that what they do makes people’s lives better.”

In a self storage marketplace that is as competitive as it’s ever been, the alternative is to send potential customers elsewhere.

“More companies are saying, ‘We have to elevate our game’ and teach their people to focus on empathizing with their customers,” Michelli added. “In some cases, it’s as simple as this: you’re at risk of losing your business if you don’t do it.” ❖

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