

The importance of customer service at Enterprise Rent-A-Car

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Introduction

Enterprise Rent-A-Car does just that – rents out cars. But it does not see itself as just a car rental firm. It is a business that provides a service. Its focus is the same as other service companies. It aims to satisfy its customers. A service business is one that meets needs. For people, this could be needs like a haircut or car hire. For a business, it could be needs such as transport and finance.

Customer service

This refers to the process of providing the customer with what s/he wants. Customers have an idea of what they want. These are called expectations. If these are met or more than met, customers are happy. Enterprise wanted to know what customers wanted. It created a questionnaire to do this. This is short (just two questions) in order to get a good response. First, it asks customers to rate their experience with Enterprise. Second, it asks if they would use the service again. The results are used to build the Enterprise Service Quality Index (ESQi). This is a measure by which each Enterprise branch can be judged.

Collecting data

Jack Taylor is the founder of Enterprise. He said, 'Take care of your customers and employees first and profit will take care of itself.' As the company grew, this became harder. A way to measure customer service was needed. The first survey was in 1994. This turned out to be too long. It did not give clear data so was cut down to the two questions above. 'Completely satisfied' customers were contacted by telephone. Enterprise found that these were three times more likely to use the business again. The survey showed that customer satisfaction had a direct influence on repeat business. This has a direct impact on sales and profits.

By 1996, Enterprise had become the number one car rental business in North America. Jack Taylor saw that the challenge was for the business to stay there. They decided to use ESQi to reward branches for good service. They also used it to see who should be promoted. Enterprise only promotes from within the company, so this was a huge incentive to do well.

Good service

Customers often see more value in good service than in lower prices. ESQi shows that customers particularly valued:

- * the attitude of employees
- * the speed of the transaction and
- * the cleanliness of the car. Enterprise has used ESQi to write a 'cycle of improvement'. This is used to help train employees to provide good service. Customers who are not happy are also contacted. Enterprise tries to find out the problem and work out a solution. Employees within a branch are also asked to judge the other employees on their level of service. This is done weekly, through a system called 'The Vote'. Tables and awards help branches to see where they are and encourage them to improve.

Cost and benefits

All businesses have to weigh up the costs and benefits of their actions. The ESQi survey involves making over two

million customer contacts a year. This is carried out by an outside company. There is therefore a high cost to the survey. This is balanced out by the gains. These include a better reputation, happy employees, better quality and, of course, satisfied customers.

Conclusion

ESQi helps Enterprise to reward employees for knowing what customers want and giving it to them. Its number 1 spot is a direct result of this good customer service.