
Jaime Tardy: Welcome to Eventual Millionaire. I'm Jaime Tardy and I am so thankful to have my good friend Jay Baer back on the show. He has a brand new amazing book called *Hug Your Haters*. Can you hold it up so everybody can see it?

Jay Baer: This is where you show the book.

Jaime Tardy: I wanna hug my haters. I don't know if they wanna hug me back. Thank you so much for coming on the show today, Jay.

Jay Baer: Great to be here. Still a millionaire, thank God.

Jaime Tardy: It's actually kinda funny because sometimes people go up and down.

Jay Baer: So you're kicked off the show, you know.

Jaime Tardy: Still here, still loving it. So it's funny because I was just telling you right before that someone recommended your book to me and I was like, I know him. How amazing.

Jay Baer: Despite the fact that the book doesn't even exist yet, it comes out in a little while, March 1 is the release date, so as we record this the book does not exist anywhere. Only I have a copy of the book so if somebody's recommending the book to you before the book exists, I think that's good news.

Jaime Tardy: That's ridiculous. Well, you've been on so many interviews so they're like, oh, you should listen to the interview with him. I was like, that's hilarious. I'll just ask him the questions [inaudible] [00:07:19] ask him my own.

Jay Baer: [Inaudible] –

Jaime Tardy: What was that?

Jay Baer: You're gonna do your own, you don't need those people.

Jaime Tardy: I know. Geez, come on. So tell us a little bit about the book and why we should – because it's not just about hugging your haters. Don't get me wrong, like that's all [inaudible] –

[Crosstalk]

Jay Baer: No.

Jaime Tardy: -- but tell me more about it.

Jay Baer: See, here's the thing. Customer service is being disrupted the same way that marketing has been disrupted by mobile, by consumer technology, by consumer preferences. But yet customer service hasn't really changed in any major way since the invention of email.

Today, according to Forester, 80 percent – this is crazy – 80 percent of businesses say that they deliver superior customer service, not adequate, superior. Eight percent of their customers agree. So everybody thinks they're good at it but yet nobody is actually good at it. And so, lots of business books, in fact almost all business books and fundamentally all customer service books are essentially a collection of advice and anecdotes.

I think this is a good idea; you should do this because I say so. I didn't wanna write a book like that this time, Jaime, so I partnered with Tom Webster from Edison Research which is a very large attitude collection company. And we did a ton of research into the science of complaints, who complains, where they complain, why they complain and how.

And what we discovered was really remarkable. We discovered that one-third of all customer complaints are never answered, never answered. And what's weird is almost all of those complaints that are never answered are online in social media, discussion boards, **[inaudible]** **[00:08:44]**, review sites, where it's actually public.

See, customer service is a spectator sport now yet most businesses answer every phone call but never answer on Facebook or answer every phone call but won't participate on Yelp. We have it totally upside down and I really feel like customer service is the new marketing so I wrote a book about it.

Jaime Tardy: I feel like we push away from the negative though like, oh, maybe it's just not for me and ignore instead because it's kind of **[inaudible]** –

[Crosstalk]

Jay Baer: Right. Yeah, I don't even wanna go there.

Jaime Tardy: Yeah.

Jay Baer: Absolutely. Well, when businesses don't respond to these complains, it's not accidental, it's not like, oh, I didn't see it. It's a strategy. It's like this is how we have chosen to handle this which is to not reply. And as Dave **Kirpen** told me when I interviewed him for the book he said, "No reply is a reply. It's a reply that says, 'we don't care about you at all.'"

And so when we did the research for the book we found that if you don't answer a customer complaint, right, you ignore it for whatever reason, it actually decreases customer advocacy. So it takes a bad situation and it makes it worse. If you answer a customer complaint, it increases customer advocacy. It takes a bad situation and makes it better. And that's true every time and in every channel, phone, email, Facebook, Twitter, What's Up, it doesn't matter.

So the percentages are different a little bit. You get more credit for answering in different places but this idea of hugging your haters and being able to keep your customers, it really, really works. And, look, you know – I mean, you know this as well as anybody, we all know, we learn this on the first day in business, like the first day what you learn is, it makes way more sense financially to keep the customers you're already earned and you have them continue to buy from you than it does to continue to fill that leaky bucket, which is the metaphor that everybody uses. But we don't actually run businesses that way.

Globally each year we spend \$500 billion on marketing, give or take, and 9 billion on customer service. And that doesn't actually make sense, right. I'm not saying it should be the same but that ratio is out of balance and you can really differentiate yourself with customer service. Like, if I ask you right now, Jaime, who's really good at customer service, you can name somebody. Everybody watching can say, oh, these guys or these guys. And that's the problem.

You can name somebody because it's so rare and so exceptional that they're memorable to you. My vision, that after this book gets out there, in a couple of years from now if I say who's great at customer service, you won't be able to give me an answer because

so many people will be good at it that nobody is exceptional, nobody stands out. That's my vision for the future.

Jaime Tardy: That's amazing. Yeah, because we usually are all about, these people suck at customer service. That's everybody, airlines as far as when you go. But now I feel like it's really changing things. I have a question though, especially for an audience type business like mine.

Jay Baer: Yeah.

Jaime Tardy: If they're not your customer, do you still reply? Like I was on Yahoo's homepage once and I remember reading some of the comments and they were negative and I was like, oh, I don't wanna look at them anymore, right. So like A, sometimes it's just people being trolls and other times when do you respond? Because I feel like if you get into a battle – you know what I mean – that makes it worse **[inaudible]** –

[Crosstalk]

Jay Baer: Yes. You definitely should not get in a battle, okay. I'll explain a specific formula on that in just a second. But, yes, I have an audience the same way that you have an audience. And when people say, I don't like you, I don't like this, I don't like this content, I don't like this element of your show or your email or your website or whatever, I believe you should answer everybody. I believe that customers are not always right. Audience members are not always right. Nobody's always right but they deserve to be heard.

And when you do that, when you say, oh, I'm not afraid to respond to you and you do it rationally, you don't take the bait, the important thing to realize is that, yeah, you're talking to that person but online you're really not. Remember, it's a spectator sport. Who you're really talking to are the tens or hundreds or thousands, or in your case, tens of thousands of people who are watching that exchange, that's your real audience. And you're demonstrating what your values are and you're building loyalty and kinship amongst that much larger group, not just the one individual person.

We spend way too much time thinking about the one person, the one hater and we ignore the network effect of all the people who are watching from the sidelines.

Jaime Tardy: See, I love that though at the beginning I was so intent on making everybody like me. So I would go, no, no, no, we can – I would call people on the phone, like, no, no, I can make you like **[inaudible]** **[00:13:19]** –

[Crosstalk]

Jay Baer: We can work this out.

Jaime Tardy: I know. No, I got this. But is that worth my time?

Jay Baer: No, it's not.

Jaime Tardy: Okay.

Jay Baer: It's definitely not. **[Inaudible]** –

[Crosstalk]

Jay Baer: **[Inaudible]** so good.

Jay Baer: Two things I wanna tell you. One, in every book there is a poster which is called the hatrix. That's actually in the book. And so, the hatrix is all the key date from the research, like who complains and where and why and how to handle them and all this stuff. And so you can pull the poster out of your book, put it on your wall; keep it in your desk. It's really great to refer back to. I'm super psyched that my publisher let me put a poster in the book, which you don't usually see. I'm super psyched about it.

One of the sections in the book talks about kinda the key things to remember when you're hugging onstage haters, which is what we call people who complain in public, social media, etcetera. And perhaps the most important lesson there, and one that will resonate with you because you just talked about how you struggle with, is Jay Baer's rule of reply only twice.

And my rule of reply only twice says that you never ever, ever, ever, ever reply to anybody more than twice in public ever. So if somebody says, "Jaime, I love you and I love your show," you should answer back, "Thanks so much, delighted to have you." And then they answer back, "No, I really mean it, I really love your show," you should answer back, "Oh, that's really nice to

hear, I really appreciate it." If they are a super duper fan they come back a third time, you don't need to answer, right. You have been down that road.

Now, the more likely scenario of course is a negative scenario where somebody says, "Jaime, I hate you," and you answer back and say, "I'm really sorry. How can I help?" They answer back, "You really can't help, I just hate you." You answer back a second time, "Probably this merits a conversation that requires more nuance or time than we can play out here in a YouTube comment. So why don't you call me or email me. Here's how to get a hold of me."

If they come back a third time and say, "I don't need to call you, I don't need to email you, I just hate you," at that point you just walk away. You just walk away because doing more than that is A. a waste of time and B. nothing good's gonna come of it. You're gonna get sucked into more text of negativity that is counterproductive. You have already given that person not just one but two chances. You have given them remediation options. You've given them additional contact options. At that point you don't need to wrestle everybody to the ground because, again, you have now shown all the onlookers what your values are, that you do listen and that you do care.

Jaime Tardy: How do we do – so there's a lot of those. I mean, thankfully, I have to say, I don't feel like I have any haters, thankfully. I mean, knock on wood. Besides random Yahoo people that don't actually listen to my show or anything. People that listen to the show, most of them I've never heard anyone say, I hate you. Cross my fingers, right. Course they might not be just typing it but still – so we have people that are like, oh, can you fix this? And I wanna fix it as fast as humanly possible. But I also feel like we're not monitoring everywhere that we should be monitoring –

Jay Baer: Right.

Jaime Tardy: -- because I feel like sometimes they won't tag you or, you know what I mean, something like that. So how do we do that?

Jay Baer: That's tricky. So a couple points. One, when I say haters I really mean anybody who complains. So in the [inaudible] [00:16:23] of the book anybody who complains, anybody with negative feedback is a hater. Now, in day-to-day business if somebody just

said, hey, I'm not sure I liked that episode title, would you consider that person to be a hater? No, but *Hug Your Complainer* is a shitty book title so that's why it's *Hug Your Haters*. So [inaudible] [00:16:42] –

Jaime Tardy: [Inaudible] –

Jay Baer: -- but when I say haters I mean anybody who complains. You should, and I go through this in great detail in the book and sort of prove out the math of how this makes sense, you actually should be looking harder for all of those complaints, all of those comments, all of those mentions of Jaime or the show or your book or anything else that you do, for a couple reasons.

One, they don't know where you operate and where you don't. So if you ignore a customer or an audience member just because you're not active in that channel, they don't know necessarily that you're not active. They're just like, well, Jaime doesn't even care about me enough to respond. So you've gotta look harder and look more comprehensively.

And the second thing, and I think this is really, really important for entrepreneurs, is that look, Jaime, the most overrated thing in business, in fact I would say the most overrated thing in life, is praise. Because every time somebody says, Jaime, you're so great at this, Jaime you're so great at that, it makes you feel amazing but it teaches you nothing because you already know what you're good at. You already know.

Wheat teaches you something, what makes you better is negative criticism, is feedback that is uncomfortable or complaints, right. Complaints are the Petri dish for improvement. And you may not always agree with the complaint but there's almost always a kernel of truth there. I've discovered that personally.

You know, your first reaction is like, how dare they say that. And then you take a second, you know what; there's probably a little truth to that. And so that's what makes you better.

One of my favorite examples in the book is there – you might know these guys. They're up in that part of the world. There's a brand called Le Pain Quotidien and they're based in Belgium. There's about 220 locations. It's like a bakery café kinda thing. There's some in northeast and there's some in Southern California.

And their director of customer experience, a lady by the name of Erin Pepper, she started there a couple years ago I guess. And so when she started this job, director of customer experience, she said, "My goal is to triple the number of complaints that we get. Think about that.

Jaime Tardy: Yes.

Jay Baer: Think about that, right. So it's not about let's get fewer complaints, it's about how can we get more complaints. Because every time we get a complain it's an opportunity to do better. And most customers, most audience members, most friends, most anybody you know doesn't complain. The data shows that only 5 percent, only 5 percent of unhappy customers or audience members ever complain in a way that you'll find it. They might bitch privately to their friends but they won't – only 5 percent actually complain in a way that you can even find it.

So that makes that group really, really valuable. They're going out of their way to use their time to tell you what you can do better, and that should not be dismissed.

Jaime Tardy: I love the reframe on that. That does make me go, oh, you're right. So I feel like you have to get really good at handling them or not letting it get to you. Because if you get that many complains you'd be like, okay, is there anything that is good, right?

Jay Baer: It's one of the biggest challenges especially for entrepreneurs in small business is that when somebody complains, even though it probably isn't about you personally, it feels personal, right. It feels like somebody's telling you, your baby's ugly, and that's really difficult.

One of my favorite pieces of the book is we actually interviewed psychiatrists and said, "Hey, so what happens when you're confronted with negativity like that? Why do so many people choose to ignore it or handle it really poorly, right, take a bad situation and make it worse? And they fire back and like, 'How dare you.' You know, you get all indignant and all that. You see that all the time."

And what we heart from these psychiatrists is that when you're confronted with negative criticism like that, your brain chemistry

actually changes and it triggers a fight or flight response that happens really similar if you're like in a car crash or if there's a cop behind you or whatever. It's the same kind of endorphins and all that. But here's the crazy thing. That brain chemistry change can last for as many as 26 hours.

So here we are saying, hey, we need to respond to people quickly, especially in social media, and you should. There's lots of research about that in the book, but yet your brain's all haywire for much longer than the response window should be. And that's how people either choose to ignore it like, I can't deal or they say something that's probably inappropriate and then they sorta get really defensive in their reply.

Jaime Tardy:

Okay. So that's the thing that's interesting. Like I want – again, I want everybody to be happy, probably to a fault. I'm like, I will fix it, I will make you happy, right. But then it affects me, even if it wasn't my fault, right. Like we had scheduling errors and then I felt horrible. I was like, no, let me fix it, right. But then I feel horrible for like five more hours or even more after that. How do I make it better faster? So I just know that we can just take care of problems and then I don't feel so horrible [inaudible] [00:21:31] –

[Crosstalk]

Jay Baer:

Well, one thing that might help you, and we discovered this in the research, and this really surprised me. So we tested consumers in multiple different points of their scenarios. So we said, how likely are you to advocate on behalf of a brand before you had a problem? Now, you had a problem, now how likely are you to advocate? And of course it goes way down. And then the brand or the company or the individual answered you, it goes back up and then they actually solve the problem, it goes back up. So we tested it four ways.

And what we found is that replying gives you the overwhelming majority of the credit. So what that means is that when you answer somebody's complaint or question, they give you tons and tons of emotional credit, loyalty credit [inaudible] answer. And if you actually resolve it, you just get a little bit of gravy on top.

So the answer is chicken. Making them happy is just like peas on the side. So if you feel like, hey, I've gotta take this to a perfect resolution, that's great and that's why you're successful because

you're that kind of person. But emotionally you're going to great lengths for a very minimal additional benefit. So you would be just as fine to say, hey, I hear you but I don't necessarily feel the need to solve this. Does that make sense?

Jaime Tardy: Yes, but I don't know that I could do that, right.

Jay Baer: I know, I know. But, again, that's how you are wired but I'm saying from a consumer mindset perspective, you could probably reduce how far you'll go and have no negative impacts on loyalty.

Jaime Tardy: Oh well, that's good. Thank you. At least that makes me feel better, even if I still am like gritting teeth going, no, I will fix this gosh darn thing. Let's change subjects a little bit. I want like SOPs, like how can I make my customer service team stellar? Or do I have them specifically write back to people or do I have to be the one writing back? Like tell me more about what I can actually implement in a very small business to make this better.

Jay Baer: Well, the key, of course, first is to find them. And so listening harder and looking everywhere –

Jaime Tardy: How do I do that?

Jay Baer: And so it requires in some level, some degree of software in most cases, right, so certainly some sort of social listening software. Of course there's millions of social listening packages out there for all sizes, Buffer, Hoot Suites, [Inaudible] [00:23:55], I mean, there's millions of them out there. So you've gotta kinda pick one that makes sense for you.

In your case I don't think you've got a lot of ratings and reviews, like people aren't talking about you on Yelp or places like that. So that actually helps because those sites are really important in a lot of businesses, like really important. In fact 80 percent of Americans say that they trust online ratings and reviews as much as they trust recommendations from real people, which is crazy, right. So in many, many – in most businesses those are a huge issues and it's hard to find them because there's not great APIs so you've gotta kinda manually search.

I would also be really aggressive about doing Google searches, Google alerts, all those kinds of things for your name because you're probably getting mentioned in some other places that you

just don't spend time, whether it's blog comments or discussion boards and forums, places like that. There's probably some chatter that you don't see. the one place where you would wanna think about from a ratings and review standpoint is Amazon and Barnes and Noble. If you see any book reviews that perhaps you should respond to, that would be one circumstance that perhaps you're not doing today that you probably could.

So the software though, there's lots of different versions of and we could do like four hours on which software's right. But it's not so much the wand as it is the wizard. There has to be a process in the organization that says, okay, you're in charge of all these venues or certain people are in charge of different venues.

You've gotta kind of triage and assign communities to individuals, so it's somebody's job. It might be your job but it's somebody's job to say, every day I'm going here, here and here and making sure that if there's any comments about us that we know about it and we can answer and we can reply. So that operational part of it is really the best first step.

And then I would, in your case, spend time with the team and say, okay, in general if somebody says something like this here's kinda how we wanna handle it. If somebody says something like this here's kinda how we wanna handle it. So not scripting because I think scripting is evil. I talk about that in the book that in our desire to be everywhere, as you should be according to the book, we tend to say, well, here's the five things that we have already written out. We copy and paste.

Jaime Tardy: Standard responses, yea.

Jay Baer: Copy and paste is not empathy, right, I mean, by definition. And empathy rules so – but I think you do wanna do some scenario modeling so that when you come across something like, I don't know, we've never had this before, how do we handle it, it just saves you time, so that desktop scenario modeling. Those are the first two things to do.

And the third one would be to say, are there conversations and comments and feedback about us from the past? And the past could be yesterday or two years ago. And should we go back and engage those people now even if it's been a long time? And I say if it's a place that has a shelf life, so ratings and review sites for

sure, discussion boards and forums for sure, social not so much because it's poof, gone.

But if somebody, for example, left a negative review about your book and you didn't answer it and that was a year ago, I would go back today to Amazon and answer that person and say, hey, I know it's been a year. I wasn't previously answering these reviews but I read this amazing book by Jay and I'm gonna do that. I'm really sorry the book disappointed you and I would love to have a conversation with you about what you didn't like and help me be better the next time, etcetera.

Jaime Tardy: I love that. Yeah, I have one two-star review that talked about how bad the proofreading was. And I was like, yeah, I suck at that **[inaudible]** [00:27:25] –

Jay Baer: Yeah, what do want from me? I had –

[Crosstalk]

Jaime Tardy: **[Inaudible]** –

Jay Baer: I had a guy give me a one-star review on my book *Utility* and he said, "My 13-year-old son could write a better book than this bozo." And I answered back, I said, "I'm really sorry that you were disappointed in *Utility*. I would be delighted to buy you any other book on Amazon. You just let me know what book you want and I'll take care of it for you. And by the way, if your son if that good of a writer, I would love to see a resume because we're always looking for contact contributors."

Jaime Tardy: **[Inaudible]** see because then everybody reading that review is like, oh my gosh, I love Jay. He's amazing.

Jay Baer: It's the audience, it's the audience, it's the audience, it's the audience. Look, there's a great story in the book from Discover Card, okay. So Discover Card is incredible at customer service. You might not know that. People don't think of them that way but they are incredible. And this was a strategy.

Two years ago they said, look, we're gonna be the best customer service in all of financial services and we're gonna do whatever it takes to make that happen. We're gonna add resources, we're gonna people, we're gonna be everywhere, we're gonna answer

fast. This is going to be our calling card. We're gonna be known as the best. We're better than AmEx, we're better than MasterCard and all that.

So one of the things that they do is, you know how many brands have on Twitter @CompanyNameHelps or @CompanyNameCares, like a special Twitter handle for customer service. And why brands do that is they're trying to shunt the negativity off over here where there's fewer followers, right. That's why they do that.

Well, Discover's like, well, wait a second, that's totally stupid. If we commit to being great at customer service and we can answer everybody in five minutes and we can do it in a really terrific way, why would we wanna hide that? So they do all of their customer service right on their main Twitter account, which is really smart. And I think it's a good lesson for everybody that if you're good at this and you commit the time and resources to do it, then you want it to be public, like you wanna shout it from the rooftops because it makes this big contrast between you and your competition.

Jaime Tardy: What about the good reviews? Do we reply to all of the good reviews also or the good things?

Jay Baer: So I'm a little mixed on this. Ideally yes, okay. Now from a priority standpoint you should always answer negative first, okay. that's where you should deploy your resources first. I believe that you should answer all your positives, especially in places that do have a shelf life, okay. So if it's a review side as a discussion board forum, ideally you should. I have not done that yet. I need to go back and answer all the five-star reviews on *Utility*, which I have not done yet. But per my own advice, I absolutely should be doing that.

It's especially important in places that do have an audience. So there's an example from the book that I love. There's a business in Southern California called Fresh Brothers Pizza and they have 14 pizza locations. And their owner Debbie Goldberg is just super great. She really gets the whole *Hug Your Haters* formula.

And so when she gets reviews, and for her it's typically Yelp or Trip Advisor or Urban Spoon, those kind of places, and so when she gets a five-star review she answers them back in public and says, oh, I'm so delighted that you had a great time at Fresh

Brothers. Hey, can I send you a gift card and next time will you bring somebody with you who's never visited us before? That'd be awesome.

Jaime Tardy: You just gave me chills, wow. Customer service gives me chills, that's [inaudible] [00:30:36] –

[Crosstalk]

Jay Baer: It's so smart and it creates like this geometric multiplier effect. And some of it's just understanding where people might have issues and getting in front of that. One of my favorite pieces towards the back of the book is this whole idea of the future of customer service and how right now Facebook Messenger and What's Up and We Chat and all this stuff, we gotta get onboard with that too soon, if not now. But some of the best customer service is just being wise about, whoa, what could be a problem and how can we get in front of that.

So there's a guy in Connecticut and he's an oral surgeon. His name's Glen Gorab. And so what he does is so incredibly – it is so incredibly simple and so brilliant that I literally cannot believe that other people don't do this. I hope everybody steals this idea. So he's an oral surgeon. Nobody wants to go get mouth surgery. That's below average as –

Jaime Tardy: I know, yea, write a good review –

Jay Baer: So – and people who haven't done that, they're afraid, right. Like, my god, I've gotta get mouth surgery, yikes. And so what happens is every Friday afternoon his team pulls him a little list of all the patients who are coming in the following week who have never visited the office before. And then over the weekend, Saturday, Sunday he's going to lunch, he's watching football, whatever, he calls all of those patients. It's usually five, six, eight people a weekend.

He says, "Hi, I'm Glen. I'm the oral surgeon. I understand you're coming into my office for the first time next week. I just wanted to see if you have any questions before you get here." And it blows people's minds because nobody thinks that a doctor would do that, would spend the time, would be that humane, would just be that approachable. And he said it's been the best thing ever for his business. He said people come in constantly and say, I'm here and

I chose you because you called my friend Mary before she ever showed up at your office, right. And I'm like, oh my god, that's seriously like ten minutes a weekend. Like why doesn't everybody do that?

Jaime Tardy: It shows that he actually cares and I feel like the sad thing is that nowadays it feels like people don't care anymore. You know what I mean?

Jay Baer: Well, and that's the hard part, right. So I talk about that a lot in the book where why do people – everything I've said makes sense, right. There's nothing I have told you that doesn't make sense. Somebody read the early **[inaudible] [00:32:56]** of this book is common sense. I said, exactly, but yet it's not so common because nobody does this.

And so the reason that we don't hug our haters now is that there's more complaints than ever because of technology. It's way easier to complain. I can complain in two seconds on my Smart Phone. I don't have to wait on hold, so there's more complaints than ever in more channels than ever and we're forced to respond faster. And we just can't keep up. So like, ah, screw it, right.

And I understand how that happens, right. People tell me all the time, and we do a lot of consulting on this stuff now in my consulting firm. And people say, well, that's great, Jay, but we don't have the resources to answer every complaint. And I'm like, that's absolutely bullshit. Of course you do. You just choose to not deploy your resources that way.

Look, I am deceptively youthful looking, Jaime. When I started in business we didn't have email.

Jaime Tardy: What?

Jay Baer: Like we did not have email. We had like AOL but we didn't have real email.

Jaime Tardy: Really? Okay.

Jay Baer: And I remember being in meetings when people would say, well, how are we gonna answer all these electronic messages from customers? We don't have the resources to do that. And of course we found those resources because we discovered that that's how

customers demanded that we interact with them. And the same thing is happening now, the same disruption. We as business people, as entrepreneurs, as leaders, as millionaires cannot continue to say, look, I will engage with you in the channels that I prefer. We have to say, I will engage with you in the channel that you prefer.

Jaime Tardy: What do you see as the next level **[inaudible]** **[00:34:31]** future of customer service? So like five years from now what are the customer service things that we're gonna be doing? Because five years ago we wouldn't have predicted Facebook and that sorta thing.

Jay Baer: Yeah, no doubt. Well, email and phone are gonna go way down in terms of the percentage of your complaints that are in those channels because your people have no interest in –

[Crosstalk]

Jaime Tardy: **[Inaudible]** email, woo.

Jay Baer: Yeah, I have high school students at home and they don't talk on the phone. They have literally no interest. You can't get my son to talk on the phone at bayonet point. He has no interest. I mean, like **[inaudible]** and email the same way. They don't wanna email anybody. It's crazy. So that's gonna change how people deploy resources.

But beyond that, that idea of predictive service is gonna be huge. So using big data to say, okay, based on our analysis there's likely to be some issues with this. So let's proactively contact customers and say, hey, we're sorry or here's how to fix this before they even know there's a problem. So that predictive service is gonna be huge because that really uses big data and applied science to solve problems before they become a problem.

The second thing that's gonna happen, and you're already seeing a lot of it, is community-based service and self service. So how can I create a database, create a mobile app, create whatever so that you can get answers to whatever issues you have yourself without contacting another human being. Which is efficient for you and also fits sort of our own kind of passive aggressive world now where I don't wanna actually talk to a human being.

And what's interesting about self service, there's a great research project about this. It's not from my research but I cite it in the book. It turns out that you think, well, it seems kinda like half-assed to say, well, why don't you just go find this answer yourself in a knowledge base, right. You're like, well, that sounds like a dereliction of duty. It turns out though, Jaime, that people who can answer questions or problems themselves are actually more loyal than if they have to talk to a person to get those questions or problems answered. It makes me feel kind of like, hey, I did it.

So you're gonna see a lot more moves to that kind of click here and then look around and we'll find the answer or having customers provide answers for you. Have you ever heard of the company Needle?

Jaime Tardy: No.

Jay Baer: It's the crazies most amazing thing. So they take actual customers, okay, real customers and they train them to be customer service agents. One of the best examples is Royal Caribbean Cruise Lines, right. So Royal Caribbean has like a million ships, a million itineraries. It's super complicated if you've ever tried to book a cruise. There's all these options. It's nuts, right.

So there's this lady, her name is Barry, and Barry's been on like every cruise that there is. She is the queen of cruising. She knows everything and she only cruises on Royal Caribbean. She's like a super fan. So Needle is a company that takes customers, turns them into customer service people and you just do it from your kitchen, right, in your bathrobe.

So if you go to the Royal Caribbean site you'll get a popup that says, hey, do you wanna talk to an actual customer? Do you have any questions? You're like, yeah, I wanna talk to a real customer, not a corporate person. That's awesome. Click, you're connected to Barry. She answers all your questions. Last year she, by herself in her bathrobe sold \$12 million worth of cruises.

Jaime Tardy: What?

Jay Baer: Yeah.

Jaime Tardy: Oh, my gosh, that's insane.

Jay Baer: So this idea of community-based support, right, customers solving each other's problems is going to be huge. And that is very much one of the keys to the future.

Jaime Tardy: How does she make money – so is that like an affiliate or does she works for them? Okay. Does she ever say like, I get a commission on – you know what I mean?

Jay Baer: No, I don't know. I'm not certain how that works on the disclaimer but, yeah, she gets a piece –

[Crosstalk]

Jaime Tardy: **[Inaudible]** [00:38:07] yeah, okay. Oh, my gosh, that's crazy. When you were talking about this before, it makes me feel old. I'm like, I wanna talk to somebody on the phone. When I find – you go to an FAQ or whatever and you're like, I don't care about your questions. I just wanna ask **[inaudible]** –

[Crosstalk]

Jay Baer: I know, I'm the exact same way. And I'm way older than you. You're an old soul though for – you are. Everybody knows that. You are. You're not that sort of distant techno millennial freak like so many are. And I'm not saying that they're bad, it's just different. It's like they process information differently and they want to interact with the world differently. And that's not good or bad, it just is, right.

And as I said at the beginning, customer service is being disrupted. We spent so much time talking about marketing disruption, I've written multiple books about it, but now it's time to talk about customer service disruption. If you think you've got this covered, you don't. And that's what's hard about writing a book about customer service, right. People are like, why would I wanna read a book about customer service? **[Inaudible]** –

[Crosstalk]

Jaime Tardy: **[Inaudible]** –

Jay Baer: Yeah, but you actually don't.

Jaime Tardy: Yeah, that's crazy. Okay. What about like net promoter score and stuff like that? Do you think there's gonna be new things coming out or is that a good one or what should people do?

Jay Baer: You know, we used actually that methodology for some of the research that we conducted for the book because it's sorta nice to have that baseline. The promoter score can be really useful. It doesn't necessarily measure customer service aptitude because it can incorporate a lot of other things that kind of roll in to that.

One of the problems with customer service historically, I think, is the measurement. In many cases it's been on volume, like how many calls did you take? How long did it take you on average to complete a call? All these things that don't emphasize good service, they just emphasize churn and burn.

I really like a metric that's talked about in the book by Joe Gagnon who runs a company called Aspect Software, which has a lot of really advanced customer service software stuff. And they really believe in this metric, they call effort score. So what you do is after you interact with a customer anywhere, Facebook, phone, email, smoke signal, whatever you take a random sample of those customers and you send them a really brief survey and say, hey, on a scale of one to ten or one to a hundred, how difficult was it for you to get your question answered or your problem solved?

And what they're trying to do is make it easier, easier, easier, easier to just kinda take hassle away. If you take hassle away that equals customer support and customer love. So I really like that approach.

Jaime Tardy: That makes total sense. I was in tech support when I was younger and it was about how fast the calls were.

Jay Baer: Of course.

Jaime Tardy: It was horrible because the people **[inaudible]** **[00:40:49]** –

[Crosstalk]

Jay Baer: **[Inaudible]** –

Jaime Tardy: Well, that's the thing, they have to call back like seven times and like, this is horrible. I'd rather stay and fix it and make them happy than make them call 17 times. They're gonna hate us.

Jay Baer: Yeah.

Jaime Tardy: It didn't make logical sense back then and I'm so thankful like going [inaudible] [00:41:04] –

[Crosstalk]

Jay Baer: Now it wouldn't happen. Now they wouldn't call back because what happens all the time now. And we've got lots of evidence of this in the research, people call or email and they don't like what they hear or they've gotta wait too long or whatever the circumstances are. And then they go to social media. So to raise the stakes like, I'm taking this public, Jack. And now you're dealing with somebody who's twice pissed off whatever you did to begin with that they're upset about and then they didn't like the phone or email support. And so now we tend to overlook the fact that the people who are reaching out in social sometimes are at the end of their rope, right.

And so that's where empathy is really important because I see this all the time and it's a total misstep where the first response on social media is, in a tweet for example, why don't you call us at and like, bro, I just got off the phone and I didn't like those guys, which is why I'm on Twitter. And the first thing you tell me is to call? I mean, people go bananas [inaudible] they're like, I will kill you. And you can see why. They're like, quit jacking me around.

And what happens in a lot of cases operationally, and then this is getting solved by some big companies but it's a real challenge now for large companies, is that the software that powers calls and emails is totally different than the software that powers social support. And they don't talk to one another. So if somebody calls and then they tweet, there's not ability to connect those dots, right. And it's really hard and you get a lot of missteps and delays and it's very cumbersome right now.

Jaime Tardy: Someone should create that as a software.

Jay Baer: [Inaudible] it's coming [inaudible] –

Jaime Tardy: Well, exactly, right. So that's the – I mean, and it's so sad because I was just thinking as you were saying that, I have threatened – I have 32,000 Twitter followers. I'm gonna tell all them how bad you suck.

[Crosstalk]

Jay Baer: [Inaudible] [00:42:46] to punish you.

Jaime Tardy: Yeah, don't you know – anyway, it is kind of a weird transition period that we're in because I feel like it hasn't really hit yet. You know what I mean? And that's probably why you're writing the book.

Jay Baer: Yeah, if it was already hit there'd be no point to write a book, exactly. So you gotta write a book as it's important, not after it's important. That's been my – that's my free book lesson right here for the day.

Jaime Tardy: You're like, I'm smart. I'm a trending guy. Thank you so much and we have to start wrapping up in just a second. So I'm gonna ask the same last question. But before I say that, everybody should get the book *Hug Your Haters* Jay Baer and then leave a really positive review and make sure he actually writes back.

Jay Baer: Yeah, thank you. And get the book at Amazon, Barnes and Noble, your local bookstore, airports, HugYourHaters.com if you wanna get it directly from me. I'll send you all kinds of cool bonus stuff that you can't get anywhere else and I'll ship it free in U.S. and Canada. Audio book always available read by yours truly.

Jaime Tardy: Really? Ah, I wanna get that just in case. Okay. So last question. I told you I wasn't gonna give you a heads up. I asked it to you last time. I'm sure you don't remember. All right. What's one action, besides buying your book that listeners can take this week to help move them forward towards their goal of a million?

Jay Baer: One action that people can take this week, I would perform what we call in my company an honesty audit. And an honesty audit is where you go through and take a random sample of phone calls, of emails, social media interactions. Pull those out, put them on one piece of paper and say, did we answer these people, how long did it take us to answer and did we tell them the very best possible

thing that we could say? Did we make them feel as great as we possibly could? And if not, why not?

Jaime Tardy: Ouch, the data will show you in the face whether or not you're good. I really appreciate that. I know, nobody wants to look at that stuff because they're afraid. I really appreciate that. Make sure everybody actually do that. If customer service is a big thing for you, make sure you do what Jay says. And of course go grab the book. Where is the best place to get it? Is it your site or is it Amazon? Like, should we preorder it? Tell me what the best thing is.

Jay Baer: I would be delighted to take your order anywhere but I think if you get it from me at HugYourHaters.com you get free stuff you can't get anywhere else. So that's always nice.

Jaime Tardy: Awesome. Make sure everybody checks that out. Thank you so much, Jay. I really appreciate it. Now we're in a master mind group so we get to chat again later.

Jay Baer: I know, **[inaudible]** **[00:45:03]** exciting.

Jaime Tardy: I know it's so exciting. Have an amazing day and thanks so much.

Jay Baer: Thanks. Bye guys.

Jaime Tardy: Bye.

[End of Audio]

Duration: 39 minutes