

Better, Cheaper, Lasts Forever

By T. Scott Gross

In the barn there is a Sears Craftsman scroll saw. It was an expensive gift in 1972. Amortized over three decades you'd have to admit it was a pretty good investment. My guess is that it will still be sawing long after I have turned to dust.

Also in the barn are the shipping cartons for the three VHS tape players in our house. I kept them in case I had to return them for repairs; a bad idea. A new VHS-VCR costs less than an hour of a technician's time. When the VCR goes, it will go completely—into the dumpster!

In 1980, 1.1 percent of U.S. households had VCRs. By 1990, the percentage was 72 percent; just about all who were going to buy had bought. Introduced by Sony in 1975 at a price of \$1,600, the venerable entertainment machine could be purchased today at an everyday Wal-Mart low price of sixty bucks.

Why? DVD has arrived.

If you are working in a factory where they only make VCRs, it's time to shop the resume. It's not that VCRs have failed. It's quite the opposite. VCRs are a product that has succeeded spectacularly. Everyone who might want a VCR has a VCR. Now they are done, finished, toast. It's time to make way for the next new thing.

What happened to the VCR may be happening to the desktop computer, travel-sized hair dryers, CD players, even irons and ironing boards. The Sharper Image is selling an electric nose-hair trimmer! Once all of us who have nose hairs get trimmed, the Sharper Image will have to go looking for the next big thing.

Acknowledging that products will become cheaper and better brings us to point number two. As

products come and go with increasingly shorter life-cycles, the need for workers with specific skills will increase exponentially.

In the future there will be two types of workers: service workers and knowledge workers. The knowledge workers will have but one specialized ability, the ability to learn new tasks and technologies on a regular basis. The service workers, the successful ones, will be masters at providing a service experience.

There may even be room for an all-new career, a customer experience engineer. Even manufactured products will require ever more clever customer service and experience components. From customer service help-lines to customer affinity programs, to bells and whistles intended to add-value, a whole host of service and experience elements will slow a product's slide to commodity status.

Better, Cheaper, Faster Customer Service

What we are saying is this—better, cheaper, faster no longer only governs manufacturing; it now applies to customer service. The folks who figure out how to provide a killer service experience (we call it Positively Outrageous Service), better, cheaper, and faster than the competition will rule the market.

Here's the complicating factor. Seventy million minus forty million equals zero. It's quite possible that as technology continues to leave Americans awash in stuff, there will be fewer jobs in manufacturing and more jobs in the service industry. We'll probably have all the bodies we'll need to run the economy but will they be the right kind of bodies?

Will they have the psychological make-up service employers will need to be service competitive?

Read on and we'll show you how to avoid being left behind.

Thinking Point

How could you increase the knowledge content of your product and the experience content of your service?

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