

# SERVICE EXPERIENCES

## WHERE THE RUBBER MEETS THE ROAD

### at the retail level – part 1

Keith W. Strandberg

**F** For some time, we at *Europa Star* have been following the service issue with our special section, “Service, Please!” We have profiled brands and their after sales service efforts, we have talked with end consumers and focused on how retailers handle their after sales service. In this issue, for BaselWorld 2014, we bring you the first article in a two-part series that goes directly to the source to find out what key retailers around the world think about after sales, what their memorable experiences, both good and bad, have been, and how their business has been impacted by their service experiences.

#### HERE'S WHAT THEY HAD TO SAY:

**Lisa Lyons,**  
Graduate Gemologist GIA,  
Clarkson Jewelers  
(Ellisville, Missouri, USA):

I must say that I can't quote a specific after sales experience on either instance – good or bad. I can tell you with confidence that Rolex has the very best after-sales customer service of any watch brand that we represent. Their take-in procedure is the most thorough, containing a very detailed description of the watch, history of service and more, and their service estimates are easy to understand and relate to a client. The repair turn-around time is very quick – four weeks from the time

it is received, and that includes return shipping via USPS registered mail! They also have the most liberal warranty repair I have seen – I have personally seen them cover a repair under warranty when it is outside of the two-year warranty by almost 12 months! They also give price considerations quite often if a client is just too far outside of the warranty. All of these things make it very easy for our sales associates to stand behind this brand and have confidence in the product.

With all of this being said, it is hard to compare other brands to them – it almost isn't fair. I can say, far and away, that the worst service we receive is from Victorinox Swiss Army. Considering that the watches are typically quartz, 12 weeks for a repair is absolutely ridiculous. The pricing is always appropriate, but their turn-around time is abysmal. Also, the staff they have taking calls is generally clueless.



**Joachim Ziegler,**  
president, Les Ambassadeurs  
(Switzerland):

After Sales Service is for us a key component. A few weeks ago, a client came to collect his watch, after servicing by our internal watchmaker Erik Schurink. The client highly appreciated our very professional services. The mentioned watch has a profound emotional value for him, as it was



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a gift from his grandfather when he was a little boy. Sharing his grandfather's passion for watches, the client mentioned his grandfather's dream watch, a rare timepiece by a famous brand. Since we always carry a very large selection of watches, we had exactly this particular model in store and the client's dream came true. He bought the watch! Just another watch sold? No! Sharing our client's passion for watchmaking and combining emotions with professionalism, these are the moments we live for at Les Ambassadeurs.

As part of our services we accept any watch for servicing, regardless whether we offer the brand or not. In some particular circumstances it may occur that servicing an external brand

might take longer than expected. Long waiting times are not what Les Ambassadeurs stands for. Accordingly, we are constantly trying to improve our connections with third brands and watchmakers, to reduce delivery periods and enhance the collaboration. Customer expectations have never been higher than nowadays and it's a daily challenge to not just meet these expectations, but to exceed them. Our watchmakers share their experiences in After Sales daily with our sales staff and help them to further improve their knowledge and the experience for the customer.

Customer satisfaction leads to customer loyalty and After Sales Service plays a key role in this. A client sharing his positive experiences is a priceless advertisement. We are proud to have several master watchmakers in all our stores, ready to share our customers' passion and to ensure their satisfaction long after a watch has been bought. Every watch we sell and service has its own story, and Les Ambassadeurs is proud to be part of this special bond.

**Alon Ben Joseph,**  
**Ace Jewelers**  
**(Amsterdam, The Netherlands):**

As the major groups consolidated the distribution (read: take over wholesale activities from independent wholesalers), the brands obviously also took over local after sales service. After some years, as publicly listed companies do, they needed to cut costs, which resulted in centralized after sales centres. In some situations it worked to our benefit: Richemont does it for seven North-West European countries in Amsterdam, 100 metres from our flagship boutique; for us, a blessing, for a colleague in Norway, though, a headache. Swatch Group decided



to centralize all after sales activities in Brussels for all accounts in the BeNeLux region. LVMH decided to cater to all dealers from Germany. In general, they all try to maintain a turn-around time of 21 working days, but this is more often an exception rather than the rule. Someone that has been guaranteeing these deadlines is Breitling for over 20 years in The

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Netherlands already. They really invest in their local after sales centres. We hear this about Breitling from all our colleagues and consumers in Europe, and even US and Asia!

Our worst experience is a generic one that goes for all of us in the industry: We as an industry do not take after sales service serious enough and don't see this as a part of marketing. In our industry we are much too focused on sales and not focused enough on after sales service. Brands should not focus so much on other watch brands, but benchmark with other industries. I refer to after sales service in the IT industry for example. We all know what well-oiled after sales machines Apple, Dell and Vodafone are, for example. They all have four hour replacement services, they work with RMA (real time & online) tracking numbers on consumer level and have turn-around times of seven working days on average (more the rule than the exception)! We are losing ground to these guys and not to other brands in our own industry. We really need to wake up! And, I don't think this is exclusive for the IT industry, same goes for the car industry, they really improved their after sales service and communication on consumer level on this subject! Jewellers have come into a catch-22 situation: On the one hand brands stopped supplying original spare parts, so jewellers have to send in watches to the brand's service centres. On the other hand, the barriers/demands/rules and investments are so steep to set up an in-house repair centre, it is nearly impossible to accomplish for family owned business with approximately five points of sale or less. The result is that jewellers are 100% relying on brands, but in the EU, retailers are by law responsible for every item they sell, their hands are tied when there is a dispute with an after sales issue. On top of that the brands have jacked up prices drastically and screwed down profit margins for jewellers to sometimes less than 10%. The impact of this

situation is a triple lose situation: the consumer loses faith in his watch and the brand (lost consumer faith); the jeweller does not only lose money, as the 10% margin brands permit is never enough to cover shipping, handling, insurance and sales activities (as a consumer never accepts a price quote in one go today, image lost for jeweller); and, finally the brand faces negative goodwill (reverse effect of marketing). To answer the question how important after sales service is for our business is very simple. Our father always told us: to gain a customer is very easy! To retain one is very difficult. So, our business philosophy is to do whatever it takes to solve an issue with a

consumer and retain their faith and business. Hence after sales service is a pillar in our operations and important part of our turn-over, but I need to emphasize that it is a negative ROI factor. Hence, we treat it as marketing, as it costs money and we see it as an investment in our customer base.

**Denis Asch,**  
**owner, L'Heure Asch**  
**(Geneva, Switzerland):**

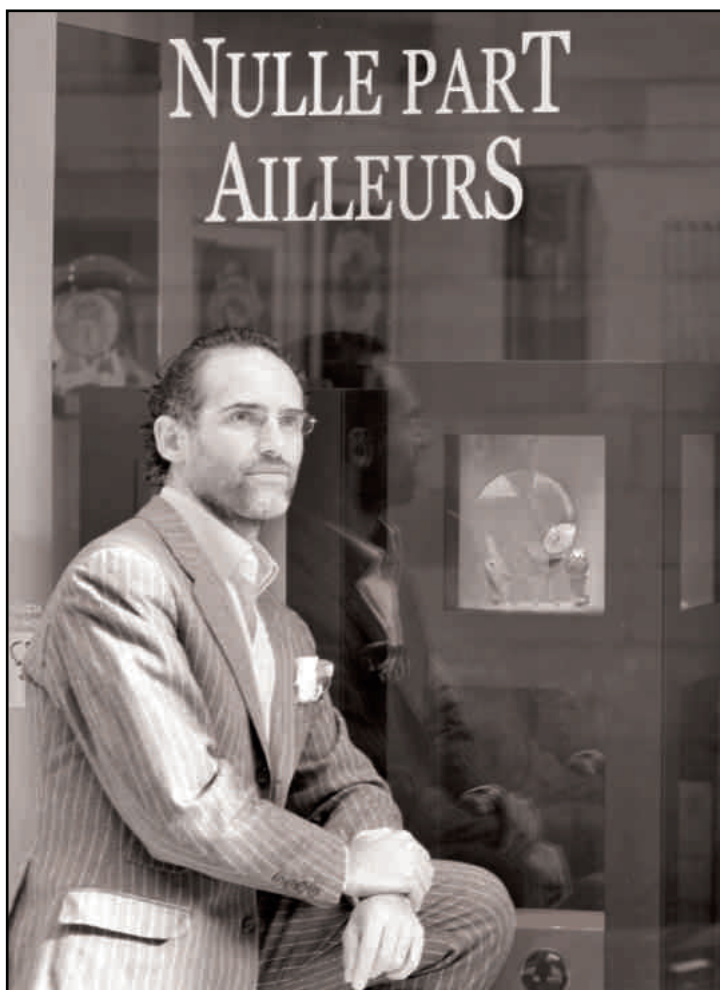
One of my best experiences was with Greubel Forsey. When I received the ordered piece, I called the client and he came in to pick it up at my store. Because I knew my client well, I made a special Macassar ebony custom-made

watch box that had space for 12 pieces. He came in the store and when he saw the custom-made box he was really surprised. He told me, "Normally all the stores I go to, they abuse and take everything for granted, as if it was normal that I'm spending money. This is the first time that a store has showed such generosity. And how did you know that the Macassar Ebony was my favourite

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Denis Asch

wood?" He was so overwhelmed by what we did that he bought another tourbillon from another brand! My worst experience was when a client had to make a deposit to the brand in order to pre-book a complicated model from a niche brand. After more than two years after the promised deadline, the client asked for his money back. The brand didn't have that money anymore, so I had to sue the brand to get the money back for the client. This bad experience is a bad image for the brand and the store, even if in that situation I'm not responsible, the client will always blame the store indirectly. You can lie only once to a client, and if you don't take good care of him, he will forget you very quickly. Now that you can find anything on the web, more and more clients know more than you know about the watch. Too many stores are fooling them or taking advantage of them. In after sales service the most important word is "Service". Clients have more and more choice to buy their watches. Even for niche brands. What will make the difference is the personal touch, the service that will make you UNIQUE. It can be a service before sale





or after sale. Some people don't care about discounts, the service makes the difference, like organizing a manufacture visit with a chauffeured car or with a helicopter. Details will keep him coming back, like remembering a birthday or a wedding anniversary, for example. I had another client who wrote me to thank me for his purchase. When he first came he was very badly dressed with dirty clothes. He said I was really badly dressed and you treated me like a king. The lesson is don't judge the client by the way he looks, we have to listen to him very carefully first!

**Chiara Pisa,**  
**CEO, Pisa Orologeria**  
**(Milan, Italy):**

My best experience relates to a pocket watch from the 1800s that we received for service – this was a piece of high cultural and historical value. The owner, who was a passionate collector, was desperate to fix the damage as this timepiece had been passed on in his family from one generation to another. It was an historical watch, char-



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acterized by interesting complications such as a chronograph, hour-minute repeater and perpetual calendar. Pisa's laboratory, thanks to its competence, managed to repair this priceless watch in just 15 days.

My worst experience relates to an historical dive watch from the 1960s. This important timepiece, carefully analyzed by us, was brought in to replace the dial, which was worn out,

as often happens after such a long time. Unfortunately, the original dial design was out of production and the manufacturer sent it back with a brand new modern dial that granted a perfect functionality but deprived the watch of its historical value. The

hardest part was to inform the client of the technical choice made by the manufacturer.

Our after sales service increases the value of products we offer – our passionate technicians are always ready to manage different customer needs thanks to a passion that originated through a path of study and technical knowledge of watchmaking. Thanks to this, our customers have the opportunity to receive a quality service that can preserve and keep the value of their precious timepieces. In fact, such valuable items that are passed on through generations need to be taken care of and sent in for maintenance every four or five years for a complete check-up. For us, after sales service is very important because it allows us to provide the client with a total assistance that begins with the sales but does not end there. (...)

*You can read the second part of this article on the best and worst of customer service in the next issue of Europa Star.*