

Branded Customer Service: Implementing the Customer Per- spective of the Balanced Score- card to the Ranching Industry

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Ranch brands hold a rich and vivid place in American history, as well as a unique position in today’s ranching industry. Commencing in the late 18th century, cattle brands were in many ways some of the first trademarks used in commerce. These brands were a mark of ownership, termed the ironclad signature, distinguishing one rancher’s livestock from another. Many brands were simple; others were more descriptive and complex. For those familiar with them, most of these brands passively took on an entire legacy and contained an underlying story about the ranch they represented. As a result of this, the saying “riding for the brand” has a deep meaning to cattlemen. Riding for the brand signifies a way of life and a depth of character to which people in the ranching business aspire. Not surprisingly, many narratives, books, poems, and ballads have been written and told about brands.

As in times of old, ranch brands continue to portray a mental image of the ranch’s history, its people, products, and services. However, unlike the ranches of old, ranches in the 21st century are multifaceted and have an increasingly diverse customer base. Ranches today have an opportunity to take a proactive role when creating mental images by fashioning their ironclad signature to represent the ranch as they want their customers to perceive them. This means focusing the brand to represent the unique image, the public face, and the perceptions that come to mind when a customer thinks of a particular ranching business or sees its brand logo. The brand logo might not even be a hot iron brand, but could just be the name of the ranch. To the customer, the ranch’s brand should represent a one-of-a-kind promise or a series of promises on which the ranch will deliver. They can in-

Table 1. Example strategies and corresponding metrics for the customer perspective of the Balanced Scorecard for the ranching industry

1. Enhancing personal relationships	<ul style="list-style-type: none"> • Customer satisfaction • Customer loyalty
2. Create value	<ul style="list-style-type: none"> • Customer profitability • Customer loyalty • New products and service innovations
3. Facilitating the exchange of information	<ul style="list-style-type: none"> • Quality expectations • Customer satisfaction • Customer profitability
4. Share risk	<ul style="list-style-type: none"> • Customer retention • Customer satisfaction • Quality expectations
5. Acquire and retain customers	<ul style="list-style-type: none"> • New products and service innovations • Customer profitability • Delivery time expectations • Quality expectations • Customer loyalty

clude such things as performance expectations of livestock, their genetics, management, or services associated with ranch tourism and fee hunting operations. The brand should also symbolize the distinctive beliefs and values the ranch holds.

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Table 2: Example of customer service strategies with respective tactics that can be applied to various ranch enterprises

Strategies	Cow-calf	Seedstock	Hunting	Ranch tourism
Personal relationships	Learn customer's family's names	Host customer appreciation barbeque	Learn hunters preferred hunting style	Create data base of repeat customers
Create value	Implement verified health program	Performance tested	Give framed picture of hunt as memorabilia	Provide complimentary snacks in guest rooms
Exchange information	Provide carcass data	Provide catalog	Provide past harvest data	Develop detailed website
Share risk	Join alliance	Implement first-year breeding guarantee	Offer one-shot guarantee	5% discounts for program failures
Acquire and retain customers	Grow customer base by selling cattle on video auctions	Increase catalog distribution	Strengthen personal relationships and create value	Join dude ranchers association

If ranchers proactively work to develop their brand image, they will be branding their customer service.

Branded customer service is a tactful, organized maneuver ranchers can use to ensure that customer experiences are equal to the tangible promises associated with the product or service and representative of the ranch brand or name.¹ Branded customer service can assist ranchers in reaching their ranch vision much more effectively than does generic customer service. When ranchers implement the customer service perspective of the Balanced Scorecard to their operation, they are branding their customer service and creating their figurative brand image. According to Kaplan and Norton,² the customer perspective is integral in the ranch's ability to achieve long-term financial success. Without it, ranches will struggle to reach the ranch vision.

To help ranchers achieve a vision of a profitable, sustainable ranching operation, the following five examples are strategies that could be used on any ranch operation to brand customer service (Table 1). These strategies are 1) enhancing personal relationships, 2) creating value, 3) facilitating the exchange of information, 4) sharing risk, and 5) attracting and retaining customers. These five strategies easily can be applied to any segment of the production chain. They also can be used across all of the ranch's varying profit centers (see Table 2). Within each of these five strategies, there are several tactics that can be used to bolster each of the strategies. Furthermore, it is not adequate to have strategies unless there is some way of measuring the success of meeting the obligations tied to each strategy. Following the discussion of these strategies, several methods will be offered that can be used to measure the success of the customer perspective strategies.

Strategy 1: Enhancing Personal Relationships

Enhancing personal relationships with the business' customers is one of the most important strategies for the customer

perspective of the Balanced Scorecard. It is important for various reasons. For example, it allows for ranchers to sincerely know and understand their customer's needs, issues, and the challenges they face. Most importantly, by building a personal relationship with a customer, the customer is able to feel as though they have something more to garner from the relationship with the ranch, other than the product or service being offered to them. To do this, the business must become "customer-centric."³ This means treating the customer as though the world revolves around them. Focusing on these critical factors increases the likelihood that the customer will continue doing business with the ranch.

For ranchers with a generally small customer base, becoming customer-centric can be a simple task that does not require a lot of extra time; the ranchers need to know who their customers are. Branded customer service entails more than just knowing who they are; it involves getting to know as much about the customers as possible. Ranchers must be unique, but certainly genuine and sincere in this process. For example, ranchers should learn and remember where their customers are from; the ranch or business they represent; and the types of livestock in which they are interested, including genetics and preferred physical features. Ranchers can also probe for birth dates, anniversaries, family names, even the dog's name, hobbies, and customer preferences, such as black coffee versus coffee with cream and sugar. These are all small things that can go a long way to show the customer they are honestly cared about. A well-constructed personal relationship with a customer creates a relationship of trust and thus customer loyalty.

Strategy 2: Creating Value

Throughout the past decade, "value added" has become an industry buzz word. Ranchers and the beef industry have been striving to add value at all levels of the beef production

chain, from improving genetics to providing prepared meals. Ranchers have also been adding value in other areas as well. For example, the King Ranch weans, halter breaks, and works on gentling their weanling horses before selling them. These are all extra benefits to the customers because they no longer have to perform these tasks themselves. Creating value is a critical strategy because it generates customer loyalty. Creating value means finding out what it is the customer truly values and drives them to remain loyal.² Customers are more likely to repeat their business in the same place if they feel they are getting good value from the product or service.⁴ No matter the segment, creating value in your product or service shifts generic customer service to branded customer service.

Cow-calf producers may wonder how they can add value to their cattle. John McNeill, from Texas A&M, summarized it this way; “ranches need to know how their calf crop fits the needs of the beef industry and learn what creates value in the post-weaning phase of beef production.”⁵ (p. 46) It might take some innovation on the manager’s part, but there are ways this can be done. Some of the most common techniques being used today are improved verified health programs, age and source verification of commercial cattle (EID, or electronic identification system), genetic improvements for better growth and grade, and special offers or discounts.

Many seedstock producers create value by not only offering genetically superior bulls but also by offering bulls that are performance- and-fertility tested, ultrasounded, and range-ready. They also make special offers to reduce customer costs of delivery. Each of these items adds value to the product the customer is purchasing. Ranchers need to be innovative and develop some unique tactics that create value to the ranch’s products or services. As in all businesses, it is the uniqueness that distinguishes one ranch from the other.

Strategy 3: Facilitating the Exchange of Information

Providing customers with a lot of information might be considered good customer service. On the other hand, facilitating the exchange of useful information is branded customer service. Because receiving information about the ranch could be one of the first contacts a customer has with the ranch, this strategy becomes one of the most effective ways to begin branding customer service. For example, if a ranch were to implement a website as a means for exchanging information with their customers, the first task would be to find out what information their customers need. The second task could be finding a competent web designer who understands how to develop a website that is easy to navigate as well as being aesthetically pleasing to the user. When a customer finds the information on the website to be professionally presented and useful, the ranch establishes credibility and makes a good first impression.

The way the information on the website is presented can indicate to the customer that the ranch cares about their customer’s needs, which strengthens the first strategy of en-

hancing personal relationships. Facilitating the exchange of information, no matter whether it is done via a website or by some other means, can be the first tool used to establish a relationship of trust and confidence. This is why it becomes crucial to use the tool correctly.

Country Natural Beef (CNB) provides an excellent example of how an industry alliance correctly uses the tool to exchange information with their customers through the use of their website. When scanning their website, it becomes immediately apparent that CNB is about more than selling beef. It is about effectively exchanging with their customers the information the customer must have to understand that CNB strives to provide healthy beef while maintaining healthy animals, healthy landscapes, healthy ranch families, healthy partners, and most importantly, healthy customers. The information and the way it is presented by CNB is unique and stands out to their customers. Their website is an excellent example of branding customer service through the exchange of information.

There is plenty of information that can be offered to customers, and there are many ways it can be made available. The information a ranch provides could encompass each of the ranch’s varying enterprises, such as cattle, horses, hunting, and ranch vacations. The important point ranch managers need to decide is what information they need from their customer in order to make the product or deliver the service that is desired by the customer. Ranchers also need to know what information the customer needs or wants from the rancher so the customer is able to gain maximum results from the product or service. Finally, ranchers need to be able to turn all the information the operation generates into actionable knowledge.

Strategy 4: Sharing Risk

Sharing Risk can also be an important strategy to the customer perspective of the Balanced Scorecard. Sharing risk can be as simple as offering a guarantee to the customer that the product or service is what is promised or a refund will be granted. The most common example in the seedstock industry is the first-year breeding guarantee, where the bull is bought back by the seller if it did not perform as promised. Such guarantees will aid the customer in having a sense of security about what they are purchasing. As another example of sharing risk, Safeway Foods has teamed with Cargill Meat Solutions in producing Ranchers Reserve, a brand of beef that is guaranteed tender. Safeway guarantees their beef product to be tender and if it isn’t, they refund the customer their money and then give them another package of equal or higher value to try the product again. Giving a refund for the undesired package would be generic customer service. Offering another package plus the refund is an example of branded customer service.

The following are some other examples of sharing risk. Many ranches that offer stallion services promise their customer a live foal by their stallion or the customer’s money

will be refunded. These same ranches also offer a sight-unseen purchase of the calves sired by one of their bulls so their customers do not have to worry about the risk of marketing those calves. Where hunting plays an integral part in a ranch's operations, hunters are often promised at least one shot at a trophy animal. It is up to the hunter whether they succeed in harvesting the animal. Guarantees must be honored, even if at times they might seem to be abused, or the sharing risk strategy will not be effective in implementing branded customer service.

Strategy 5: Attracting and Retaining Customers

In general most ranches want to grow, be profitable, and be sustainable. A key strategy for this vision is to attract and retain customers. Acquiring customers can't be like roping a calf at branding time, where one is heeled, dragged to the fire, branded, and then quickly released. So what do ranches need to do to attract and retain customers? As previously mentioned, to gain customer loyalty it must be demonstrated to the customer that they are more important than anything else.³ This is done through building a friendship firmly founded on trust, integrity, and passion. Furthermore, attracting and retaining also requires exceeding customer satisfaction and expectations.⁶ Accomplishing this task is how the ranch brands customer service and sets itself apart from all the rest.

The attracting and retaining customers strategy is greatly connected to each of the other four strategies we have discussed. Through effectively branding customer service by applying the four previously mentioned strategies, chances of attracting new customers and gaining their loyalty are increased. The first four strategies provide an avenue the customer can follow, which leads to a feeling of attachment to the ranch brand.

Measuring Strategy Success

Measuring progress and success of strategies is critical to the successful use of the Balanced Scorecard as a management tool. If it does not have measurements, it can be as worthless as a valuable tool that hangs in the shop and never gets used. Without measurements, the ranch will not be able to determine whether they are moving closer to obtaining the vision. Metrics help to recognize areas of improvement and also help to develop future strategic decisions.

Measurements within the customer perspective can be quite simple. The key is the focus on the fulfillment of each of the tactics used for each of the strategies. For example, a ranch might decide that implementing an EID system is an excellent way to create value in their cattle for their customers. Once the ranch has implemented the program, they must then measure whether or not it did indeed create value in their cattle. In other words, were the cattle worth more to the customer, and was the customer willing to pay more for the cattle, because of the implementation of the EID system? The measurement thus becomes the market premium received.

In addition to measuring the value brought to the ranch, ranchers might also want to know if their customer was able to benefit from EID implementation or any other strategy implemented to create value. One way for ranchers to know whether it created value for their customer or not, is to survey the customers and inquire about whether or not they found the EID system useful and if they would continue buying cattle for the sake of having the EIDs. To find out if a strategy created value for the customer could be the most important metric of all, because it could be a leading indicator for repeat business from the customer.

Another example of a strategic metric is to measure customer acquisition and customer retention. This is done by counting the number of new and repeat customers to the business. The strategy can then be considered successful when it is determined that the new and repeat customers have generated or will generate more business income.

When developing metrics, ranches should strive to create metrics with links between the strategies. For example, customer satisfaction should be important to measure and has a direct link to customer retention. Customer acquisition and retention are linked to business growth. These linkages tie the strategies together and are what make a good Balanced Scorecard.² Other examples of metrics are also provided in Table 1.

Conclusions

Enhancing personal relationships, creating value, exchanging information, reducing risk, and acquiring and retaining customers are five customer service strategies that can be effective in realizing the accomplishments of a ranch's vision. However, they should only be used as a template in developing any ranch's customer perspective strategies. Ranchers should choose strategies that can most easily be applied to their operation.

Not every ranch will need five strategies; some might need less and some might need more. The objective is to have the most appropriate strategies to bridge the gap between the ranch's current situation and its vision of the future.

The cattle and ranching industry is moving from a traditional commodity market to an industry that also needs to provide intrinsic value to the customer. In order to do so ranches need to implement branded customer service, which is ranches doing more than mainstream generic customer service. In much the same way as their hot iron brand is unique, ranches need to discover something about their customer service strategies that sets them apart from all others. This makes the ranch's customer service exceptional from their customer's viewpoint. Branded customer service will then be a living representation of the ranch brand.¹ Once it is, the ranch's customers will ride for the brand.

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