



Tailor Made Customer Service

Today's consumers value the experience as much as they do the product. John Tellis from Germanicos, Australia's leading and premier bespoke tailor, explains how surcharging undermines even the best customer experience and discusses the benefits his company has experienced since scrapping surcharging in late 2015.

If our customers don't leave our store feeling like \$1,000,000, then we've not done our job properly.

Most Australians will only buy one or two tailor-made suits in their lifetime – often linked to a key milestone, such as their wedding – so we're committed to making the experience of buying a suit a positive one they'll always remember.

A key factor in achieving that is trust. Our customers want to know they're dealing with an expert. They want to be assured we know how to make them look great by recommending different styles and colours best suited to their bodies. Lastly, customers want to trust they are getting a premium product and service which simply can't be bought anywhere else.

Trust is the foundation upon which Germanicos is built. So how then can we expect to gain this trust if we're charging our customers more than the listed price simply because they've decided to pay by credit card?

Payment surcharges undermine the entire experience delivered until that point. No matter how good that experience was, surcharging ends the interaction on a sour note. What I've learnt is that customers will only truly remember how you made them feel at the end of the transaction – potentially affecting return sales or word of mouth marketing.

We used to surcharge but it always left a bad taste in my mouth, which is why in December 2015 Germanicos decided to stop surcharging customers when they opted to pay by card. We realised we were stepping over dollars to pick up pennies, and you don't need me to tell you this isn't the best practice when it comes to running a successful business.

I'm pleased to say Germanicos is already reaping the rewards of this decision such as improved customer loyalty and advocacy – with the financial rewards far exceeding the previous costs involved with surcharging.

Not surcharging also allows us to give back to our customers beyond the price charged. Many credit cards today offer a points-based reward program built around card use. We know customers want to pay by card to accrue points to get the benefits – especially for big ticket items like tailor-made suits – and understand it's a critical part of the overall shopping experience. Therefore, our customers aren't just shopping with us just because of our products, but also because we're helping them achieve a bigger goal.

Our advice to businesses that do surcharge – or are thinking of introducing it – is to consider how it will impact the experience you provide to your customers. Do you want them to leave remembering the superior service you delivered from beginning to end or to recall how you charged more than the original price because they opted to pay by card?