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ONE 'HUG' AT A TIME

Little things make a big difference

M Magazine talks to the man behind the hugs, Jack Mitchell

BY MARK CYBULSKI

WHEN YOU VISIT MITCHELLS – THE HIGH-END CLOTHING store in Westport, Conn. profiled in the book *Hug Your Customers* – you feel as if you're in a movie version of the book, and you're the star of the show.

That's because at Mitchells (and at Richards, its sister store in Greenwich, Conn.), it's all about the customer. In one corner, you may find a sales associate asking a customer how his daughter is

doing in med school. In another, you'll find a customer being told how well that shirt would go with the sport coat he bought last month.

Aside from the people, there's also the space. You'll find touches at Mitchells you won't find in other stores – the pictures on the wall that tell the story of the three generations of Mitchells, the coffee station and soda



CEO Jack Mitchell in Mitchells, his family's high-end clothing store located in Westport, Conn.

At A Glance

- *M* magazine recently interviewed Jack Mitchell, author of *Hug Your Customers*.
- Mitchell believes that building and maintaining long-standing, personal relationships with your customers is essential to success.
- One of the best ways to build relationships is to deliver more than what is expected. That philosophy has turned Mitchell/Richards into a \$65+ million a year retail business.

fountain, the freshly made pumpkin bread and boxes of M&M's, the kid's corner with the big screen TV to keep children busy while mom and dad shop for Zegna or Giorgio Armani.

Of course, the man behind all of this is Jack Mitchell, Chairman and CEO of Mitchell/Richards and author of *Hug Your Customers*. When he greets you in the store with his signature tape measure around his neck, you quickly find he is as warm and engaging in person as he is in print.

Mitchell's passion for hugs is evident within the first two minutes of meeting him. When I arrived at the store for this interview, he had to momentarily slip away to greet a longtime friend, Jim Preston, the former CEO of Avon. The two go way back, having grown up in the same town. As Preston carried a blue sport coat into the dressing room to try on, they laughed and reminisced about a New York Mets game they went to some 30 years ago.

"Jim and I have been friends for years," he says. "Each relationship you have is different based on how long you've known someone or how close you are. But the important thing is to have a personal, long-term relationship with your customers. That's what the book and the whole 'hugs' concept is all about."

M magazine sat down with Mitchell recently to ask him about his book, his "hugs" philosophy, and how to apply it to a global, diversified financial services organization like MassMutual.

M: Where did the term "hugs" come from?

JM: I had sat on a panel/discussion at a conference for CEOs in the apparel industry about four or five years ago, and I was talking about some of the elaborate ways we exceed the expectations of our customers. Then someone on the panel said to me, "Oh sure Jack, the next thing you're going to tell us is that you and your associates actually hug your customers." And I answered, "Doesn't everyone?" Since then it's become a nice metaphor for personalizing the customer experience.

M: How did you go from clothing retailer to best-selling author?

JM: I had thought about writing a business book for a while, and I felt the "hugs" concept had some real potential. Jack Romanos, the CEO of Simon & Schuster, is a customer and friend, and offered me some time to pitch an idea to him. Fifteen minutes into the meeting, he felt I had the makings of a great business book.

M: Being a first time author, were you nervous when the book came out?

JM: Funny story about that. When the book was coming out, a reviewer from the *New York Times* called me at 5 p.m. on a Friday saying that he was reviewing it for the *Sunday Times*. He asked me two questions: first, my age (64 at the time, 65 now), and second, how many CEOs stopped at our store (about 500). I gave him the information, and he quickly, but politely, hung up. He gave me no idea what he thought of the book. I couldn't sleep at all Saturday night. I got up at dawn Sunday morning to get the *Times* on my doorstep, and to my delight, he loved the book. After that, we did many press interviews, including the "Today Show," and it just took off from there.

M: Why do you think the book has been so successful?

JM: I think one of the reasons it's taken off is that people understand how important it is to personalize the customer relationship. That's the magic, and that's why I love this business so much. This morning you saw one of our sales associates from the book, Phyllis, having coffee with an elderly customer who has been ill. She and Phyllis have coffee here every day. Regardless of whether she buys



something today, they still have that longstanding friendship. That mindset is second nature around here.

M: Many of the lessons and stories in *Hug Your Customers* seem ideal for a retail business, but may be somewhat difficult to apply in a big company like MassMutual. How can employees at MassMutual use the concepts of your book when they aren't in a retail environment?

JM: To me, the concepts are the same, regardless of where you work. In the book, we talk about "hugging the huggers," which is another way of saying that management should reward employees for a job well done. In a setting like MassMutual, management makes all the difference. Managers need to know everything about the people who work for them, and let them know they're doing a good job. If you catch someone doing it right, let them know about it. For example, there's a woman who works for us who has really blossomed into one of our best salespeople. I left her a voice mail the other day letting her know what a great job she was doing. A hug as simple as that can be very powerful.

M: Some customers can be more difficult to "hug" than others. How do you go about serving customers who may not be appreciative of your efforts?

JM: I hug them even more. Having customers who are easy to please is what we do every hour, every day of the week. The fun ones are the ones who are demanding. A good way to break the barrier is to take steps to build a personal relationship with them. Ask them about their family, their golf game, their pets, whatever. Some of them may not want to intrude on their personal space, and

there's nothing you can really do about that. In a sense, recognizing someone's personal space is a hug. But sometimes if you get beyond the business part of the relationship, it can make all the difference.

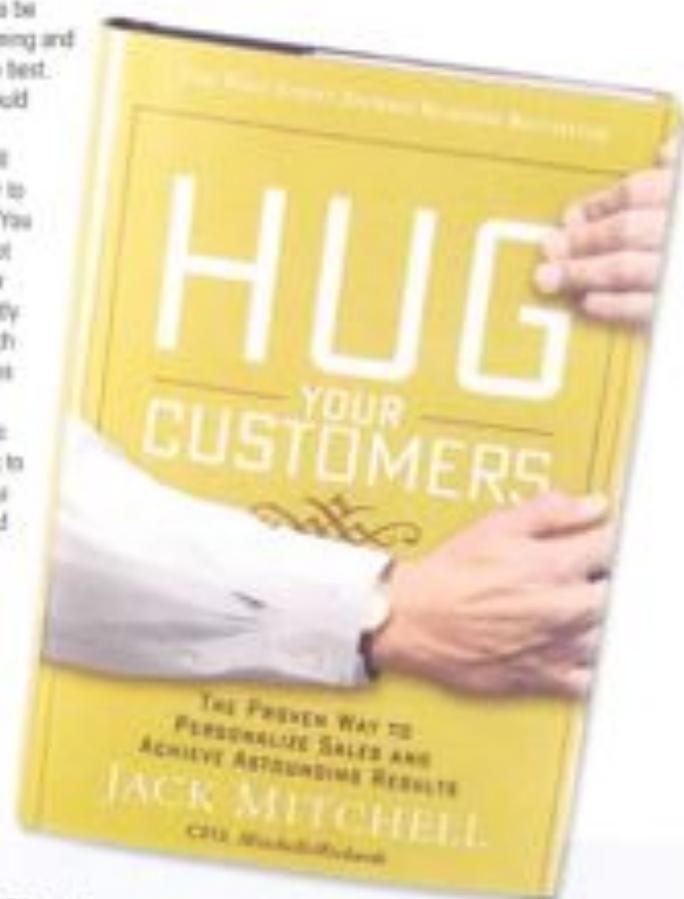
M: There is a big emphasis on customer service training at MassMutual. Do you feel that a customer-centric attitude can be learned, or are you just born with it?

JM: To an extent, you can teach employees about service concepts and how to handle certain situations, but in many ways, a good seller or employee just "gets it." They really have to be passionate about listening and growing and being the best. If they're not, they should probably find a job somewhere else. I still maintain the best way to learn is by watching. You also have to know a lot about the product. For example, we've recently brought in a new watch line where the watches cost anywhere from \$2,000 to \$25,000. Do you think you're going to sell one of these if you don't know the ins and outs of the features and benefits?

M: At MassMutual, we have multiple layers of customers. Some business lines view the agent as the customer. Others view the

agent as the customer. How do you prioritize and deliver service in this environment?

JM: Our situation is somewhat similar. We have customers who buy our merchandise, but we have vendors like Zegna, Giorgio Armani and Hickey-Freeman that we have to maintain great personal relationships with in order for them to give us great merchandise to sell. Again, the same principles apply regardless of the situation. You need to identify who the customer is, and then do proactive things to build the relationship that



From haberdasher to best seller

When *Hug Your Customers* was first published in June 2003, Jack Mitchell went from selling suits to the best seller's list.

Since receiving positive reviews in the *New York Times* and *Wall Street Journal*, *Hug Your Customers* also enjoyed runs on the *BusinessWeek* Business Best Seller List and the *Wall Street Journal* Business Books Best Seller List. In addition to the U.S., the book has been published in the United Kingdom, Brazil, Colombia, Japan, China, Korea, Taiwan, Russia and Estonia. Since the book debuted,

Mitchell has spoken at 90 companies (including MassMutual at the 2004 Leaders Conference) about his hug philosophy.

Despite the fact he is a best selling author, Mitchell doesn't forget his roots. You can often see him on Saturdays and busy days at Mitchell's or Richards on the store floor. In fact, you may find him with his wife Linda (the women's merchant for Mitchell's/Richards), his brother Bill, or one of his four sons, Russell, Bob, Todd and Andrew, who are all part of the family business.

fits the individual. In many businesses, price and product are very similar. It's the personalization that makes the difference.

M: You recently went through a major renovation at Mitchell's. MassMutual is going through a similar change on a larger scale – we are moving many employees to a new facility in Enfield next year. Any advice for keeping employees focused on the customer during times of change?

JM: If MassMutual feels that employees are the most important aspect of the company, they should go out of their way to make them feel comfortable during times of change. My father Ed recently passed away, and toward the end of his life, he spent time in a nursing home. He loved fresh flowers, and the staff there made sure that he had a fresh flower next to his bed every other day. We knew the nurses were hugging my dad. That's a different sort of example, but it's all about making people feel comfortable in an unfamiliar environment.

M: In your book, you talk about the importance of a good first impression. How do you recover from a bad first impression?

JM: If it's pretty obvious you made a mistake during a first impression, don't let it fester. Acknowledge it, apologize and move on. Funny story – my family and I were invited to an event in Italy by one of our vendors. The invitation said formal attire, so we all came dressed in tuxedos. Well, formal attire in Italy isn't the same thing as formal attire here. Everyone else was in dark business suits, and here we were, the only ones in tuxes. So instead of feeling inadequate all night, we went over to our host, acknowledged our mistake and we all had a good laugh over it.

M: Last question, and this has to do with your business. What's in – business dress or business casual?

JM: It's all about dressing appropriately. Clothing is so important; it sends a message about who you are. Sometimes business casual is appropriate. Other times, you need a suit. In general though, business dress has been making a comeback, especially after the dot-com era. I think there were some lessons learned from that. If you were a venture capitalist, would you invest your money in a guy wearing a T-shirt and jeans? ■

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