

# FORTUNE

## SMALL BUSINESS

**IMMIGRATION**  
The "Crackdown"  
on Small Employers

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# Extreme Customer Service

Entrepreneurs who deliver the human touch are stealing sales from big impersonal sites and stores. Here's how.

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**KASSIE REMPEL, 34**, owner of SimplySoles, lets online customers try on shoes and return them free of charge.

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gered. Trainers then decide how to respond case by case. Sometimes they call and gently urge the laggard to get back to the gym. Other times more subtle tactics are called for. Recently someone joined the gym planning to run a marathon, but stopped coming while in the throes of a messy divorce. After three weeks an alert went out. Rather than calling, Chapman e-mailed an article about marathon training. The man soon returned to the gym.

Chapman started HyperFit in 2004 and says he still has nearly all of his first 50 customers. Membership has since grown to about 300. This year it will collect \$400,000 in revenue and

is profitable, according to Chapman. Both a Bally and a Gold's gym are within a mile of his facility, yet he's been able to compete effectively. Next he wants to take HyperFit national.

### Apply a Human Touch

**W**HILE IT'S HARD ENOUGH TO GET GOOD SERVICE from brick-and-mortar businesses, finding it on the Internet can be ever tougher. The upside of e-commerce is that you can shop from the comfort of your home at 2 A.M. The downside: Just try finding a customer-service phone

number on the average website. Most online vendors promise e-mail support, but a recent study by JupiterResearch (jupiterresearch.com) found that more than a third took at least three days to respond, and many never did.

Inspired by the poor service she encountered on the Internet, Kassie Rempel, 34, quit her job as a financial planner and started SimplySoles (simplysoles.com), an online women's shoe emporium. Rempel's company, based in Washington, D.C., specializes in high-fashion shoes. Some notable designers, such as Bettye Muller (bettyemuller.com), have created designs exclusively for SimplySoles. Given the haute pricetag (average pair: \$275), you can bet there's a toll-free number, and it's even possible to reach Rempel directly. For certain customers SimplySoles will send out a selection of shoes—no charge, no commitment. To qualify, one doesn't have to be a loyal customer or place a huge order—although that certainly helps. Sometimes SimplySoles provides this service to a first-time customer who is unsure of her exact size in a particular brand. Other times the decision is made on a gut feeling. "I won't do this with everyone," says Rempel. "It's based on my comfort level and that of my staff."

These select customers can try on shoes in their homes to see which pair looks best with a particular outfit. Customers are billed only when they make a purchase; the remaining shoes can be sent back to SimplySoles in prepaid mailers at a cost of about \$12 a returned pair roundtrip. Kaethy Kennedy, 42, is an L.A. executive who is active online: shopping, banking, paying bills. She often orders European styles from SimplySoles and says the sizes don't always correlate to American



**SHOESHINE** Customers of Rempel's SimplySoles site can get free returns.

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makes. She appreciates the option of trying on several pairs at a time and keeping only the one that fits. "They're like a little neighborhood boutique, only they're online," she says.

SimplySoles also sends out handwritten thank-you notes to every customer who orders shoes. The notes address the customer and shoe by name: *Dear Amy, We hope you will enjoy your pair of Gaby slides by Tory Burch (toryburch.com).* Some days Rempel and her seven employees churn out as many as 200 of these notes, a huge time commitment. But Rempel says it pays off because feedback from customers indicates this little touch helps build loyalty. Rempel has even received notes thanking her for the thank-yous. "It's an important piece of who we are," she says.

SimplySoles, which also has a catalog business, is profitable, says Rempel, and

will post nearly \$2 million in revenues this year, a big jump from \$200,000 in 2004, its first year of business. Given the intense level of service, she feels there's a limit to how big SimplySoles can grow. Rempel says her goal is to build a \$10 million-a-year company, not a \$100 million one.