

Banking On Customer Service

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Protecting the customer experience should be at the top of any chief executive officer's agenda. If it isn't, consumer spending habits will make it obvious. The least-expensive customer a business can attract is an existing customer. Keeping these ideas in mind, let's look at a few publicly traded stocks among the top 10 rankings on the 2008 Customer Service Elite list from J.D. Powers & Associates of McGraw-Hill(NYSE:MHP).

Luxury Ride

The Lexus brand of vehicles from Toyota (NYSE:TM) holds a top spot on the list. It's no wonder given the level of quality and longevity associated with Toyota vehicles. Lexus customers have several options to choose from ranging from the entry-level IS Sedan, starting at \$31,155, to the super-low-emission LS Hybrid, starting at \$105,885. Toyota is down approximately 8% since the beginning of the year through March 10, while the broad SPDR S&P 500 Index (NYSE:SPY) has fallen approximately 20%. (To learn more about investing in companies with "green" initiatives, read our Green Investing Special Feature.)

Favorite Coffee

Starbucks (Nasdaq:SBUX) is not just about the coffee. It's also a matter of status for customers willing to pay a handsome sum for their blended cup of "Joe". Even with store closings, Starbucks has managed to stake out key locations in high-traffic areas like Rockefeller Center in New York, in downtown locations of major U.S. cities and in foreign countries including Turkey, Peru and Japan. Starbucks is down approximately 3.5% since the beginning of the year through March 10.

Pass The Headphones

A complimentary bag of blue potato chips, along with the option of watching 36 channels of DirecTV (Nasdaq:DTV) or listening to 100 channels of Sirius XM Radio (Nasdaq:SIRI), are a couple of reasons why customers must have kept JetBlue Airways (Nasdaq:JBLU) in their good graces. Despite customer applause, JetBlue stock has still fallen more than 50% since the beginning of the year through March 10. (Check out our Airline Industry Handbook to learn what to look for before investing in companies such as this.)

Detroit Luxury

Just missing one of the top 10 spots was the Lincoln brand of vehicles from Ford Motor Co. (NYSE:F). If you've ever ridden in a Lincoln, you've felt its smooth ride. Gentle transport, mixed with additional features like its Invisible Keypad Entry system on the MKS Sedan and the standard PowerFold third-row seat functionality available in the Lincoln Navigator, offer a glimpse of why customers have appreciated the luxury comforts the Lincoln offers. Ford has fallen 19% year to date through March 10.

Final Thoughts

Investment research that delves into the price-to-earnings ratios and the betas of individual stocks can make some investors' eyes glaze over. However, people can relate to how they feel about a particular product or service and whether they would recommend it to a friend. Investors interested in building a portfolio of investments could find a great list of investments to consider simply from the recommendations they have given in the past.