

Cooperative Marketing

Level - I

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Standard**



Module Title: - Delivering Service to Customers

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Introduction to the Module

Dear learner, the Ethiopian TVET system is now focused on the labor market demands and industry relevance. This translates that the main objectives of the TVET system is to qualify its graduates according to the occupational requirements of the industry. This module describes the skills and knowledge required to identify customer needs and wants, deliver service as per the need of a customer, monitor customer service provisions and sort out improvements in the provision of customer service.

LG #17

LO #1- Overview of Customer and customer service

Instruction sheet

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:

- Concept and meaning of Service
- Meaning of Customer and customer service
- Principles of customer service

Customer Approaches This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Understand the Concept and meaning of Service
- Understand the meaning of Customer and customer service
- Identify Principles of customer service

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described below.
3. Read the information written in the information Sheets
4. Accomplish the Self-checks

Information Sheet 1

1.1. Concept and meaning of Service

One of the first to define services was the American Marketing Association which as early as in 1960 defined services as “activities, benefits, or satisfactions which are offered for sale, or provided in connection with the sale of goods.

”.

The other definition which was proposed in 1963 by Regan suggested that “services represent either intangible yielding satisfactions directly (transportation, housing etc.), or intangibles yielding satisfactions jointly when purchased either with commodities or other services (credit, delivery, etc.)”. Robert Judd defined service as “a market transaction by an enterprise or entrepreneur where the object of the market transaction is other than the transfer of ownership of a tangible commodity”.

In 1973 Bessom proposed that “for the consumer, services are activities offered for sale that provide valuable benefits or satisfactions; activities that he cannot perform for himself or that he chooses not to perform for himself”.

Another definition given by Blois in 1974 says that, “a service is an activity offered for sale which yields benefits and satisfactions without leading to a physical change in the form of a good. Stanton proposed a definition in 1974 and defined service as “Separately identifiable, intangible activities which provide want satisfaction when marketed to consumers and/or industrial users and which are not necessarily tied to the sale of a product or another service”.

Kotler and Bloom in 1984, defined service as, “any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product”.

Gronroos defined a service as “an activity or series of activities of more or less intangible nature that normally, not necessarily, take place in interactions between the customer and service

employees and/or physical resources or goods and/or systems of the service provider, which are provided as solution to customer problems.

We may conclude service as, “an activity or series of activities rather than things which has some element of intangibility associated with it, which involves some interaction between the customer and the service provider, and does not result in a transfer of ownership. Customer has a vital role to play in the production process as the services are provided in response to the problems of customers as solution. The production of the service may or may not be closely associated with a physical product.

- **Natures of services**

It is utmost important to explore the distinctive features of services, because recognition of these special characteristics will provide insights for enlightened and innovative management. One reason for the poor quality of service levels across different service industries is that managers often tend to solve service marketing problems with tools and techniques that are essentially meant for tangible products. It happens because of inadequate understanding about the nature of services. As our knowledge of the characteristics of services grows, so does our ability to deal with them from both an economic and marketing perspective. Services have a number of unique characteristics that make them different from products.

Some of most commonly accepted characteristics are as follows:

(i) Intangibility: The most basic and universally cited characteristic of services is intangibility, because services are performances or actions rather than objects, they cannot be seen, felt, tasted, or touched in the same manner that we can sense tangible goods. For example, when we buy a cake of soap, we can see, feel, smell and use to check its effectiveness in cleaning. But, when we pay fees for a semester in the university, we are paying for the benefits of deriving knowledge, skills and education which is delivered to us by teachers. Teaching is an intangible service. When we travel by a plane, the benefit which we are deriving is a service (transportation) but, it has some tangible aspects such as the particular plane in which we fly (Boeing, Avro, Concorde, etc.) and the food and drink which are served.

The broad definition of services implies that intangibility is a key determinant of whether an offering is or is not a service. While this is true, it is also true that very few products are purely tangible or purely intangible. Instead, services tend to be more intangible than manufactured products, and manufactured products tend to be more tangible than services.

Intangibility presents several marketing challenges. Services cannot be inventoried, and therefore fluctuations in demand are often difficult to manage. It cannot be patented legally, and new service concepts can, therefore, easily be copied by competitors. It cannot be readily displayed or easily communicated to customers, so quality may be difficult for consumers to assess. The actual costs of a ‘unit of service’ are hard to determine and the price/quality relationship is complex.

(ii) Inseparability: In most cases a service cannot be separated from the person or firm providing it. A service is provided by a person who possesses a particular skill (singer, doctor, etc.), by using equipment to handle a tangible product (dry cleaning) or by allowing access to or use of a physical infrastructure (hotel, train, etc.). Services are typically produced and consumed at the same time. The relationship between production and consumption, therefore, dictates that production and marketing are highly integrated processes. The telephone company produces telephone service while the telephone user consumes it. A plumber has to be physically present to provide the service; the beautician has to be available to perform the massage. The service provider and the client are often physically present when consumption takes place.

Generally, most goods are produced first, then sold and consumed. On the other hand, services are usually sold first and produced and consumed simultaneously. Firm is unable to store or transport services that only direct distribution is possible, thereby potentially limiting the number of markets that firm can cover. Apart from the stress laid on ‘right place’ and ‘right time’ in case of distributing goods, there is additional importance given to the performance of service in the ‘right way’ as well. Another outcome of simultaneous production and consumption is that service producers find themselves playing a role as part of the product itself and as an essential ingredient in the service experience for the consumer.

(iii) Heterogeneity: Since services are performances, frequently produced by human beings, no two services will be precisely alike. The human element is very much involved in providing and rendering services and this makes standardization a very difficult task to achieve. The doctor who gives us complete attention in one visit may behave a little differently in next visit. The new bank clerk who encashes our cheques may not be as efficient as the previous one and we may

have to spend more time for the same activity. This is despite the fact that rules and procedures have been laid down to reduce the role of the human element and ensure maximum efficiency. Airlines, banks, hotels, etc. have a large number of standardized procedures. Human contact is minimal in the computerized reservation systems, but when we go to the hotel there will be a person at the reception to hand over the key of the reserved room. The way that person interacts with us will be an important factor in our overall assessment of the service provided by the hotel. The rooms, the food, the facilities may be all perfect, but it is the people interacting with us who make all the difference between a favorable and unfavorable perception of the hotel. Heterogeneity also results because no two customers are precisely alike; each will have unique demands or experience the service in a unique way. Thus, the heterogeneity connected with services is largely the result of human interaction (between and among employees and customers) and all of the vagaries that accompany it.

Services are heterogeneous across time, organizations, and people and as a result, it is very difficult to ensure consistent service quality. Quality actually depends on many factors that cannot be fully controlled by the service supplier, such as the ability of the consumer to articulate his or her needs, the ability and willingness of personnel to satisfy those needs, the presence (or absence) of other customers, and the level of demand for the service. Because of these complicating factors, the service manager cannot always know for sure that the service is being delivered in a manner consistent with what was originally planned and promoted.

(iv) Perishability: Perishability refers to the fact that services cannot be saved, stored, resold, or returned. Since services are deeds, performances or act whose production and consumption takes place simultaneously, they tend to perish in the absence of consumption. Goods can be stored and sold at a later date in the absence of a customer. Services, on the other hand, go waste if they are not consumed. A seat on an airplane or in a restaurant, an hour of a professor's time, or telephone line capacity not used cannot be reclaimed and used or resold at a later time.

A primary issue that marketers face in relation to service perishability is the inability to hold inventory. Demand forecasting and creative planning for capacity utilization are, therefore, important and challenging decision areas. The fact that services cannot typically be returned or resold also implies a need for strong recovery strategies when things do go wrong. Kurtz and

Boone observed that the utility of most services is short lived; therefore, they cannot be produced ahead of time and stored for periods of peak demand.

The perishability of services is not a problem when demand is steady because it is easy to staff for the service in advance. When there are wide fluctuations in demand there should be a highly flexible production system or idle productive capacity.

(v) No Transfer of Ownership: When we buy a product, we become its owner-be it a pen, book, shirt, TV or Car. In the case of a service, we may pay for its use, but we never own it. By buying a ticket one can see the evening film show in local cinema theatre; by paying wages one can hire the services of a chauffeur who will drive his car; by paying the required charges we can have a marketing research firm survey into the reasons for our product's poor sales performance, etc. In case of a service, the payment is not for purchase, but only for the use or access to or for hire of items or facilities; and transfer of ownership does not take place.

The difference between goods and services can be best understood from the table below:

Physical Goods	Services
A thing	An activity or process
Tangible	Intangible
Homogeneous	Heterogeneous
Production and distribution are separated from consumption.	Production, distribution and consumption are simultaneous process.
Core value produced in factory	Core value produced in buyer-seller interactions.
Customers do not participate in the production process.	Customer may participate in the production
Can be kept in stock.	Cannot be kept in stock.

1.2. Meaning of Customer and customer service

1.2.1. Meaning of Customer

A customer is a person or company that receives, consumes or buys a product or service and can choose between different goods and suppliers. Customers are persons, businesses or government

departments to whom your organization sells its services, products or other outputs. Customers may be the very reason for which your position in the organization exists. Without customers, many businesses would not exist.

The main goal of all commercial enterprises is to attract customers or clients, and make them purchase what they have on sale. They also try to encourage them to keep coming back. At the core of marketing is having a good understanding of what the customer needs and values.

We often refer to customers who have a relationship with the supplier as clients. Also, people who hire the services of a professional are clients, not customers. For example, a lawyer has clients. When a customer buys something, the seller immediately focuses on the next one. However, with a client, the aim is to cultivate the relationship.

In many cases, the client-supplier relationship becomes similar to a partnership. This does not tend to happen with customers.

1.2.2. Types of Customers

Customers play a significant role in any business. To understand customer behavior and better allocate resources to different customers to generate the highest profit, it is necessary to identify and segment different types of customers. By better understanding the different types of customers, businesses can be better equipped to develop successful strategies.

There are two main types of customers in business:

- **Internal customers**
- **External customers**

Internal customers

Internal customers may be persons or a group to whom you pass your processed work for them to complete. For example, in a financial institution, the bank teller or customer service officer may follow the documented procedures for a customer to apply for a personal loan; however, it is not their job to authorize the loan, so they pass the application form to the Loans Department to process.

The Loans Department therefore has an internal customer, being the branch teller or customer service officer, whereas, the branch teller or customer service officers customer is the external customer seeking the loan. Some other examples of internal customers are: You may work

within the photocopying or printing department of your organization. You rely on other employees in your organization to supply you with the material to copy or print. The other employees are therefore, your internal customers. You will have deadlines to meet to suit the needs of your customers.

If you were the graphic designer in an organization, you would rely on the marketing department to supply you with details of marketing materials they need designed. The marketing department is therefore your internal customer.

The research team may need to wait for other departments to provide them with a brief of the information they require and then the research team sets out to obtain that information. The other departments are therefore the customers of the research department.

External customers

The external customers of your business are those persons or groups external to the business, who pay for your goods or services. Depending on the service you provide or the goods you sell, the frequency of contact with customers will depend on the life cycle of that product or service. For example, hairdressers may see their customers every six to twelve weeks, however, the mechanic who services your car may only see you once or twice a year.

External customers are an important part of any business as the success of the business often depends on those customers returning.

Your external customers may be classified into different groups:

- Past customers
- Present customers
- Potential customers.

Your organization may continue to communicate with your past customers through mailing of brochures and notification of sale campaigns and new products. This technique is used as a trigger to remind the customer that your organization is still in business and still interested in servicing their needs.

With your present customers, your organization would continue to nurture the relationship with the customer, through the use of their name when greeting them and by preparing for their visit in anticipation of their needs. For example, regular customers to a coffee shop on the way to work may be greeted by the café attendant with their order as soon as they walk into the café.

Potential customers are those customers your organization believes will be interested in your products or service, if you continue to remind them of what you have to offer. They may not have purchased anything from you at this stage, but they have indicated their interest in continuing to be informed.

In the retail industry, customers can be segmented into five main types:

- a. Loyal customers: Customers that make up a minority of the customer base but generate a large portion of sales.
- b. Impulse customers: Customers that do not have a specific product in mind and purchase goods when it seems good at the time.
- c. Discount customers: Customers that shop frequently but base buying decisions primarily on markdowns.
- d. Need-based customers: Customers with the intention of buying a specific product.
- e. Wandering customers: Customers that are not sure of what they want to buy.

i. Loyal Customers

Loyal customers are the most important segment to appease and should be top-of-mind for any company. This type of customers generally represents no more than 20% of a company's customer base but contributes the majority of sales revenue. Loyal customers, as the name implies, are loyal and value a product heavily.

In addition, loyal customers are likely to recommend the company's products to other people. Therefore, it is important to solicit their input and feedback and involve them in a company's decision-making process. Heavy emphasis should be placed on loyal customers if a company wants to grow.

ii. Impulse Customers

Impulse customers are the best customers to up sell to and are the second most attractive segment (after loyal customers) to focus on. Impulse customers do not have a specific shopping list in mind and purchase products spontaneously. In addition, impulse customers are typically

receptive to recommendations on products. Impulse customers are second to loyal customers in the generation of sales revenue. Keeping these customers in the loop on new product offerings goes a long way in improving a company's profitability.

iii. Discount Customers

Discount customers play an important role in turning over a company's inventory. Therefore, discount customers are a key contributor to a company's cash flow. This type of customer seldom purchases products at full price and shops around for the best markdowns.

Discount customers are resilient to up selling, are usually the least loyal segment of customers, and generally move on when better markdowns are available elsewhere.

iv. Need-Based Customers

Need-based customers are driven by a specific need. In other words, they enter the store quickly, purchase what they need, and leave. These customers buy for a specific need or occasion and are hard to up sell. It is important to note that need-based customers can be easily drawn to other businesses. Therefore, it is important to initiate positive personal interaction with this customer segment in order to retain them. Converting need-based customers to loyal customers is attainable with proper positive personal interactions.

v. Wandering Customers

Wandering customers draw the largest amount of traffic to the company while making up the smallest percentage of sales revenue. They have no specific need or desire in mind and are attracted by the location of the business more than anything else. These customers enjoy the social interaction of the shopping experience.

1.2.3. Meaning of Customer Service

Customer service is meeting the needs of customers dependably and accurately, in a manner that is timely, responsive, courteous, proactive, and sensitive to the customers' needs; projects competence; and builds relationships of trust and mutual respect.

Customer service is the provision of service to customers before, during and after a purchase. The perception of success of such interactions is dependent on employees "who can adjust themselves to the personality of the guest". Customer service concerns the priority an organization assigns to customer service relative to components such as product innovation and

pricing. In this sense, an organization that values good customer service may spend more money in training employees than the average organization or may proactively interview customers for feedback.

Effective customer service is an important part of any business, if you are to remain in business. There are many organizations that promote their exceptional customer service as one of the reasons why customers choose that business over other similar businesses. Price is not always the determining factor for customers. If a customer is not able to source information or products, they will choose to go elsewhere, where they can find what they are seeking.

Customer service is more than serving or servicing the customer. Customer service involves the entire experience the customer has from the time they may contact with your organization to the time they receive the product or service they require.

Customer service therefore involves:

- Initial contact with the client, via telephone, via written correspondence, entering a store, entering the reception or service area.
- The processes used to attend to the needs of the customer – recorded information on the telephone, call waiting facilities, greeting the customer, establishing the customer's needs, time it takes to attend to the customer.
- The store, service area or reception area – the layout, furniture, noise, privacy, cleanliness, and aromas.
- The quality of the goods produced – their ability to perform the purpose for which they were intended.

1.3. Principles of customer service

The key to good customer service is building good relationships with your customers. Thanking the customer and promoting a positive, helpful and friendly environment will ensure they leave with a great impression. A happy customer will return often and is likely to spend more.

The key principles of Customer Services are as follows:

- a. **Understand their role is in customer service.** Every employee needs to understand they have customers whether the customer is external or internal. Some employees deal only with other employees inside the company, but serving them well is just as important as serving outside customers.

- b. **Treat every customer with respect.** It's not necessary to call people "Sir" or "Mam," but it is essential that everyone realize that without customers the employee wouldn't have a job.
- c. **Smile.** A smile can work wonders to alleviate tension and create a positive customer experience. You have the opportunity to influence the tone of every interaction — so use your smile to make it positive.
- d. **Respond promptly.** Acknowledge a customer's presence, even if engaged in serving another customer on the phone or in person. It helps a customer feel valued and appreciated.
- e. **Listen.** Most customers recognize that not all situations can be addressed immediately, or by the customer service employee. But active listening works wonders to build trust and confidence that something will get done in a timely manner.
- f. **Offer an empathetic ear.** The complaint itself is seldom as important in the customer's mind as how the complaint is handled.
- g. **Customers may not always be right, but they should never be made to feel they are wrong.** Regardless of the situation, customers should always be treated with dignity and employees must never see an interaction as an opportunity to prove our superior knowledge.
- h. **Take ownership for the situation.** If a customer complaint is outside an employee's realm of authority, seek assistance. This demonstrates that the employee understands the customer's need and is willing to do everything within their power to meet that need.
- i. **Go the extra mile.** Many companies require employees to guide a customer to a product they are looking for rather than simply point them in the right direction. Think what a positive customer experience it creates when we apply this principle to all our activities!
- j. **Empower employees to deal with customers' outcomes.** Employees that focus on the customer as a person with a real need enable them to continually seek new ways to improve that customer's experience. When every employee lives that philosophy, a company quickly becomes known for its superior customer service and creates an atmosphere rich with customer-focus.

1.4. Customer Approaches

Acknowledge and greet customers

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Greeting customers

The customer has finished what they Customers may contact your organization by:

- Written correspondence received in the mail
- Email
- Fax
- Telephone
- Personal visit (face-to-face).

You are just one of the opportunities that can make a great impression on the customer at that first point of contact.

- **Written correspondence**

If a customer contacts your organization via a letter, reply-paid form or other document in the mail, you should ensure the request is attended to immediately. If the client's needs are going to take some time to process, you could advise the client, either in writing or by telephone, that you have received their order and expect to have the order completed by a certain date.

- **Email**

If a customer contacts your organization via an email, you should forward the email to the relevant person to attend to and send a reply to the customer immediately, acknowledging that you have received their request or order and forwarded the request to the appropriate person for processing.

- **Fax**

If a customer contacts your organization via a fax, you should acknowledge their enquiry or order and advise them either by return fax or telephone, that you are processing their order.

- **Telephone**

When you answer the telephone, you should use the opening message preferred by your organization. The opening message may include:

- A greeting e.g. "Good morning, good afternoon"
- The name of the organization eg. "Sunshine Motors"
- Your name e.g. "This is Tom. How may I help you?"

That translates to: “Good morning, Sunshine

Motors. This is Tom. How may I help you?

Your organization may have a list of preferred statements to be made when staff are not available to take a call.

For example:

I’m sorry; John Joseph is in a meeting and will not be available for the next hour. Could someone else assist you?”

John is out of the office today; however, I can contact him on his mobile and provide him with your details to return your call.”

If a customer contacts your organization via telephone and does not nominate a person with whom to speak, you will need to determine the purpose of their call before you can transfer the call to the relevant person, or commence to attend to the enquiry. If the person required to attend to the call is not available, you should advise the customer of the situation and ask the caller if someone else could assist or if the person they required could return the call later. Do not give out mobile telephone numbers for staff unless you have the authority to do so. It is better that you take the caller’s number, contact the staff member yourself on the mobile and give them the caller’s details.

- **Face-to-face or personal visit**

If a customer visits your store, office or reception area in person, you will need to project a professional image that reflects the type of business you are in. Customers will judge a business by their first impression. If your organization gives the impression that they do not care about their customers, then you would fail to attract new customers or repeat customers.

Your personal image is important when you dealing with customers. Personal image is the image you project about the business.

This includes:

- Your grooming e.g.. nails, hair, make-up, tidiness of your clothes
- Your personal hygiene e.g. body odor, perfume, scent, teeth
- Your clothes e.g.. uniform, style
- Your accessories e.g.. Jewelry

- Your manner and non-verbal communication messages, e.g. aggressive, friendly, caring, rude, impatient, gestures, posture, stance, proximity to the customer
- Your personal habits e.g.. chewing gum, tapping on the desk, fidgeting

- **Use your voice**

The way you say something can be as important as the words you actually use. The tone of your voice, the speed at which you speak and the volume and pitch of your voice all affect the impression you make on your customer. When talking with customers, use a positive language and tone of voice. By the end of the day, you may be tired and may not feel enthusiastic or patient. However, maintain your professionalism and remain positive.

Below are some examples of positive phrases to use and negative phrases to avoid when talking with customers.

Positive phrases

Yes, I can certainly do that for you.'

I'm sure I can arrange that. Just a moment and I'll find out for you.'

Negative phrases

We can't do that.'

'I'm not sure about that.'

- **Maintain Personal dress and presentation**

Employers expect their employees to be presentable and to maintain an acceptable standard of professional appearance. Acceptable means being neat and clean, in both personal hygiene and dress style. The way you dress depends on the type of business your organization operates in and the customers it deals with. For example, some organizations require you to wear a uniform and some have strict rules that discourage staff from wearing piercings or unusual clothes. Other organizations are more informal and are happy as long as staffs are neatly dressed.

Standards of presentation may be documented in a policies and procedures manual under 'dress code'. This code describes the minimum level of presentation required. Some organizations may not have a written dress code, but expect you to know what the dress standards are. Before starting any job, make sure you know the organization's requirements.

- **Project a good image**

Every time you speak to a customer, talk with your supervisor, attend a meeting or conference, or deal with a supplier, you present an image of yourself and your organization. As an employee, it is your job to always present yourself in the best possible way.

- **Build meaningful relationships**

Using interpersonal skills leads to meaningful relationships with customers and assists you to meet their needs. Make interpersonal skills an integral part of everything you say and do. It is important that you are aware of the importance of these skills and aim to consciously develop them over time. Thinking about how you interact with friends, about your previous work experiences and about how other people interact helps you develop your own interpersonal skills.

- **Rephrase**

Rephrasing is another way of making sure you understand what your customer is asking. It means putting what you think the customer is saying into your own words. You can keep doing this until you are both satisfied that you understand each other. However, when thinking about questions you could ask, remember this do not rush in before want to say. People can get very annoyed if they are interrupted.

- **Integrity and respect**

If people feel you are being dishonest or less than honest with them, they will soon decide to take their business elsewhere. Trust is essential. If people think you lack integrity, they will assume the whole organization does too; otherwise you would have been dealt with by your supervisor. Respect for others is a basic interpersonal skill and there are times when you need to be sensitive to the particular needs of your customers.

You should be open and honest. This may put you in some difficult situations if your organization as a whole does not work this way and may cause you to compromise your values.

A lack of integrity can be displayed by: trying to force a customer to take a product or service they clearly don't want, just because you need to sell more of it pretending a product or service does things it does not do promising things you know you cannot deliver doing things that are not in the best interests of a customer.

- **Use questioning and active listening**

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When receiving a request, listen carefully so as to understand exactly what is being asked. Identifying what the customer needs is an important skill. Often a customer asks for information and this seems like a straightforward request. However, by asking questions it may become apparent that the customer really wants something different or they need more information. If the customer has written, faxed or emailed your organization, you may need to telephone them to clarify exactly what they want.

- **Good questioning techniques**

Ask questions to find out precisely what the customer wants. A customer may not know what is available from the organization and so may ask for more details about products or services. Explain to the customer what information is available and what can be sent to them. Sometimes a customer may ask you to send them information about a specific product without knowing there are other products and services that may better suit their needs or that an improved service at the same price is now available.

Ask questions if the customer has not provided information. For example, your supervisor may have asked you for your industry's latest employment figures, which your organization keeps on a central database. The database has a range of employment figures divided into gender, age, type of work, weekly and monthly breakdowns, etc. In this case, you would have to ask questions to find out exactly what figures your supervisor needs.

- **Improve your performance**

It is also important that you continually improve your performance by taking control of your own learning and seeking ways to develop or learn new skills. Self-management is a crucial skill in today's business environment and one that employers value highly. Seek learning and development opportunities whenever possible.

Self-check 1	Written test
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Name..... ID..... Date.....

Directions: Answer all the questions listed below.

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Test I: Choose the best answer (4 point)

1. One is not included in a good customer approach
 - A. Acknowledge and greet customers
 - B. Maintain Personal dress and presentation
 - C. Integrity and respect
 - D. Good questioning techniques
 - E. None
2. Are Customers that make up a minority of the customer base but generate a large portion of sales
 - A. Discount customers
 - B. Need-based customers
 - C. Loyal customers
 - D. Impulse customers
3. One of the following best describes a service
 - A. Tangibility
 - B. Separability
 - C. Homogeneity
 - D. No Transfer of Ownership
4. Identify the false statement
 - A. Effective customer service is an important part of any business, if you are to remain in business
 - B. When receiving a request, listen carefully so as to understand exactly what is being asked
 - C. The way you dress depends on the type of business your organization operates in and regardless of the customers it deals with
 - D. Rephrasing is another way of making sure you understand what your customer is asking
5. Customer service involves, but
 - A. Initial contact with the client, via telephone, via written correspondence
 - B. The processes used to attend to the needs of the customer
 - C. The store, service area or reception area
 - D. The quality of the goods produced
 - E. None

Test II: Short Answer Questions

1. write the basic characteristics of a service
2. Explain briefly the Principles of customer service
3. Recall the means that your organization use frequently to contact with your customer
4. list the type of customers in retail Industry

LG #18

LO #2 Identifying Customer needs

Instruction sheet

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:

- Meanings of customer needs, wants and demand
- Assessing customer needs
- Determining customer needs

This guide will also assist you to attain the learning outcomes stated in the cover page.

Specifically, upon completion of this learning guide, you will be able to:

- understand the meanings of customer needs, wants and demand
- Assess customer needs
- Determine customer needs

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
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3. Read the information written in the information Sheets
4. Accomplish the Self-checks

Information Sheet 2

2.1. Meanings of customer needs, wants and demand

Needs, wants and demands are 3 important terms in marketing. No matter how similar they might seem, there are more differences in these terms that you might think. There are many layers within them and they play a vital role in arriving at segmenting the TG, targeting a particular target group and most importantly defining a sharp positioning for a brand.

Needs

“Needs” is the basic human requirements like shelter, clothes, food, water, etc. which are essential for human beings to survive. If we extend this further, other needs are education, healthcare or even a social thing, for example, belonging to a certain society or self-expression. One can say that the products which fall under the **needs category** of products do not require a push. Instead the customer buys it themselves. But it’s actually not true. in today’s world with thousands of brands competing in the same categories with identical offerings satisfying the same needs, even the “needs category product” has to be pushed in the consumers’ mind. Example of **needs** category products / sectors – Agriculture sector, Real Estate, Healthcare etc.

We all know about Maslow’s hierarchy of needs which categorizes needs into 5 levels starting from physiological needs at the bottom and going up to self-actualization needs. But what’s important as a marketer to know which level of need is your brand targeted to. Let’s look at some of the examples of brands which are targeting different levels of needs

- I. Physiological Needs – Food companies (Nestle, Pepsi, Coca Cola)
- II. Safety Needs – Insurance companies (ICICI Prudential, Tata AIG, HDFC Life)
- III. Social Needs – Social networking sites (Facebook, Twitter, Instagram)
- IV. Esteem Needs – Luxury brands (iPhone, Mercedes, Estee Lauder)
- V. Self-actualization needs – Non-Profit organizations and NGOs

In marketing, there is another way to categorize needs. There are basically five types of consumers' needs:

- a. **Stated Needs** – As the name suggests, in this case, the consumer explicitly states what he wants. For e.g. “I need a phone”.
- b. **Real needs** – This is more specific. So when the consumer wants a phone to remain connected to his friends, family and colleagues, the actual need be a phone with high battery backup and not high camera resolution.
- c. **Unstated needs** – The consumer also expects warranty and other sorts of after sales service when buying a phone which he might not say explicitly.
- d. **Delight needs** – The consumer would like the phone manufacturer or the dealer to give him some free gift or a promotional item (phone case, tempered glass, free SIM etc.), but he doesn't clearly express that he wants something with the phone.
- e. **Secret Needs** – These are the needs which the consumer feels reluctant to admit; for example the consumer wants the phone for his status symbol but he feels uncomfortable to admit that status is important to him.

In the above example, responding to only stated need ie., “I need a phone” doesn't help in arriving at a right product proposition. As a marketer, it is important to dig deeper and uncover not only the real, but also his other needs: unstated need, delight need and secret needs.

Wants

"Wants" are a step ahead of needs. Wants aren't essential for humans to survive, but it's associated with needs. Simply put, A want is a product desired by a customer that is **not** required for us to survive. So, want is the complete opposite of need, which is essential for our survival. Wants aren't permanent and it regularly changes. As time passes, people and location change, wants change accordingly.

Wants are directed by our surrounding towards reaching certain needs. Therefore, human's wants can be varied depending on each individual's perception, environment, culture, and society. For example, an Indian needs food but he may want a Dosa or Paratha while an American may want Burger or Sandwich. Example of **wants** category products / sectors – Hospitality industry, Electronics, FMCG, Consumer Durables etc.

Demands

Wants turn to be Demands when a customer is willing and having the ability to buy that needs or wants. The basic difference between wants and demands is desire. A customer may desire something but he may not be able to fulfill his desire. Consequently, for people, who can afford a desirable product are transforming their wants into demands. In other words, if a customer is willing and able to buy a need or a want, it means that they have a demand for that need or a want. You might want a BMW for a car or an I phone for a phone. But can you actually buy a BMW or an I phone? You can, provided you have the ability to buy them. Example of demands –Luxury cars, 5 star hotels etc.

Many people want a BMW, but only a few can buy one. So, it's very crucial that one must measure not only how many people want their product, but also how many are willing and have the ability to buy it.

2.2. Assessing customer needs

A Customer needs assessment is a detailed look at the needs and expectations of your customers.

What is a customer needs assessment?

A customer needs analysis or assessment is a process through which you gain a detailed understanding of the precise wants and needs of your current and/or prospective customers. This allows you to understand whether a market exists for current/future products and services and how to best attract your target audience or customer base.

If you don't know what is most important to your customers, it is difficult to fulfill their needs and meet their expectations. It is easy to assume you know what your customers want and what is important to them. But even if you are in regular contact with your customers, their true needs and wants are not always on the surface.

The goal of a customer needs assessment is to understand what customers want and what their true needs are, which are sometimes different than their stated needs. The method of discovery, personal interviews, is limited because of the time and costs of conducting the interviews. Thus, a second phase is necessary when you have a larger customer base. In this case, the second phase involves conducting a broad-based assessment of your customer base to validate the results obtained in the first phase, the personal interviews.

Understanding customer needs before developing solutions.

Steve Jobs said, “You’ve got to start with the customer experience and work backwards to the technology. You cannot start with the technology and try to figure out where you are going to sell it.” Understanding customer needs before developing solutions is the hallmark of success.

With a complete set of desired outcomes in hand, a company is able to evaluate a proposed solution to determine just how much better it will get the job done. Using this customer needs approach; companies can quantify the potential value of a proposed solution, thus making it possible to predict in advance which ideas will succeed in the marketplace.

Your customers want to be heard. Don’t just survey your customers, connect with them and respond to their needs. We recommend conducting a Customer Needs Assessment prior to initiating any customer survey or customer satisfaction survey in order to ensure that you are starting with a clear picture of what is most important to your customers and what they feel their most critical needs are. This makes sure that your customer survey talks to your customer and asks the right questions of the right people in the right way.

How to Conduct a Customer Needs Assessment

In order to successfully serve customers, businesses must have an acute understanding of customers’ needs. Through primary and/or secondary market research, you can uncover the precise customer needs, how these needs are currently being fulfilled, and what is required to improve your customer satisfaction and the overall experience for your customers.

- **Define Your Target Market**

Start by defining exactly which customers the company is serving. This requires specificity. For instance, rather than saying that a company serves small businesses, it may be more appropriate to identify and assess its more precise market, perhaps, small businesses with 5-25 employees in large metropolitan areas.

- **Identify Your Customer Segments**

Once you have defined your target market, it’s time to segment your customers. This means grouping them together based on shared characteristics, which can include demographics (age, gender, income, etc.), psychographics (personality, values, attitudes, interests, and lifestyles), geographic (location), or behavior (purchasing patterns, usage, loyalty, etc.).

Assess the customers' needs by answering questions such as:

- What is the average revenues/income of these customers?
- Where are these customers geographically based?
- What products or services are these customers currently purchasing to fulfill their needs?
- What factors drive the decision-making of these customers (e.g., price, service, reliability)?
- How do these customers make purchase decisions (e.g., multiple decision-makers, multiple bids)?
- What is the customer journey from awareness to purchase?
- What are the specific customer needs that our products/services could address?
- How satisfied are these customers with their current solutions?
- What is our company's competitive position within this market?

- **Conduct Primary Research**

Now that you have a good idea of who your customers are and what they want/need, it's time to start conducting primary research. This research will help you to validate your assumptions about the market and uncover any unmet customer needs that you may be able to address.

There are a number of ways to conduct primary research, but some common methods include surveys (online, mail, in-person), interviews (telephone, in-person), focus groups, and ethnographic studies. Conducting customer interviews is perhaps the best way to uncover detailed information about customers' needs. However, customer surveys, focus groups, and/or market analysis can also provide valuable insights.

- **Conduct Secondary Research**

In addition to primary research, it's also important to conduct secondary research. This type of market research will help to provide context for your primary research findings and can be used to support your hypotheses about the market.

Secondary research can be conducted in a number of ways, but some common methods include desk research, online research, and interviews with industry experts.

- **Analyze Your Findings**

Once you have collected and analyzed your data, it's time to start making sense of it all. This is where you will want to look for trends and patterns in the data that can help you to understand your customers' needs.

- **Develop Recommendations**

Based on your customer needs analysis, you should develop recommendations for how the company can better serve its customers. These recommendations should be specific and actionable, and they should be based on a thorough understanding of the data.

- **Implement Your Recommendations**

The final step is to put your recommendations into action. This may require making changes to your products or services, your marketing strategy, your sales process, or the way you deliver customer service. Whatever changes you make, be sure to monitor the results so that you can continue to improve the customer experience.

Conducting a customer needs assessment is an important first step in understanding your customers and ensuring that you are able to meet their needs. By taking the time to understand your customers, you can develop better products and services, improve your marketing and sales efforts, and deliver a better overall customer experience.

By truly understanding customer needs and brand perception, you can better assess the feasibility of a new business opportunity and/or modify it as needed, and create action plans that maximize the probability of market success.

2.3. Determining customer needs

There are a number of strategies that can be used to determine the needs and expectations of your clients. If you understand the needs and expectations of your customers, you can then develop procedures or processes to ensure your organization addresses those needs and expectations.

Some strategies that can be used to determine customer needs and expectations are:

- A survey to gather information on customers' needs and expectations of service
- Give information to customers about the organization's activities – in the form of a newsletter or brochure
- Develop a climate and a cultural awareness of good customer service within the organization through communication, staff training and development
- Plan to meet the customers' needs and expectations
- Create a set of customer service performance standards

- Review the customer service outcomes and be willing to improve the service

Techniques to determine customer needs

When you are in contact with clients, whether you are using the telephone or in a face-to-face situation, you need to ask questions of the client to provide you with further information about their needs. When you fully understand their situation and needs, you are then able to provide the client with better and more relevant information.

- Greet the customer and show empathy
- Listen and provide feedback
- Use appropriate verbal and non-verbal behavior
- Problem-solve and consult customers.

a. Greet the customer and show empathy

If you are in a face-to-face situation with the client, you should greet the client as you approach them and address them by their name, if you are aware of it. If you are a new representative of your organization, you could introduce yourself and shake hands with the client.

Communicate in a way that shows you respect the customer, their values and their opinions. Be positive and considerate towards the customer, e.g. “I will be with you in five minutes” and not “I can’t help you for another five minutes”.

b. Listen and provide feedback

Use your listening skills and questioning skills to find out the needs of the customer and how they expect the product or service to be of benefit to them. You can ask the question open questions, such as “How many units would you require?” and not closed questions such as, “Will you need more than one unit?” Avoid questions that will only give you a ‘yes’ or ‘no’ response or a response that will require you to ask further questions.

To let the customer know you have understood their situation, you can respond by saying, “What I hear you saying is ...” and repeat what you understand they have said. If you have heard incorrectly, they will correct you immediately.

Use active listening skills that enable you to obtain further information from the client and provide you with the opportunity to check your understanding of their situation.

Look at the customer when they are speaking and try to avoid distractions when dealing with customers.

c. Use appropriate verbal and nonverbal behavior

Your nonverbal behaviour should demonstrate confidence and professionalism in what you do and say. Your verbal message should match your nonverbal behavior.

d. Problem -solve and consult customers

Problems you may encounter with customers include, communication barriers – language barriers, angry customers, rude customers, and boring customers. You need to determine the cause of the barrier to the communication process and then implement techniques to overcome those barriers. If, as a junior member of staff, you find that a customer is being too difficult, you should seek assistance from a senior person in your organization and observe that person handle the situation.

e. Telephone enquiries

Some telephone enquiries should be managed using an appropriate strategy, such as:

- Answer the call within three rings, open with a greeting, state the organization's name and your name
- Listen to the customer's initial enquiry
- Provide the relevant information
- Sound interested in the customer's needs
- Explain how the organization can help to satisfy the need

If you agree to follow up the customer's enquiry, ensure you do and inform the client of your progress.

Self-Check 2	Written test
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Name..... ID..... Date.....

Directions: Answer all the questions listed below.

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Test I: Short Answer Questions

1. Differentiate between need, want and Demand
2. list the type of need in marketing
3. explain the strategies that can be used to determine customer needs and expectations

Test I: Multiple choice

Part I: choose the best answer from the given alternatives

1. _____ are the needs which the consumer feels reluctant to admit
 - A. Stated Needs
 - B. Real needs
 - C. Delight needs
 - D. Secret Needs
2. _____ refers to the willing and the ability to buy a product/service
 - A. Want
 - B. Demand
 - C. Need
 - D. Desire
3. Techniques to determine customer needs includes
 - A. Greet the customer and show empathy
 - B. Listen and provide feedback
 - C. Use appropriate verbal and non-verbal behavior
 - D. All

Note: Satisfactory rating - 5 points Unsatisfactory - below 5 points

You can ask you teacher for the copy of the correct answers.

LG #19

LO #3 Providing Customer service

Instruction sheet

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:

- Classification of customer service delivery
- Establishing and maintaining rapport with customers
- Options for meeting customer needs
- Handling customer complaints

This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:

- Classify of customer service delivery
- Establish and maintain rapport with customers
- explain options for meeting customer needs
- Handle customer complaints

Learning Instructions:

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described below.
3. Read the information written in the information Sheets
4. Accomplish the Self-checks
5. Perform Operation Sheets
6. Do the “LAP test”

Information Sheet 3

3.1. Classification of customer service delivery

Customer service can be categorized as:

a. Information

New customers and prospects need information to make decision about a product. They want to know what product will best meet their needs. The existing customers also need information regarding the usage maintenance of the product during the life of the product. The prospects in online buying also need information that will guide them to make decisions.

b. Consultation

Providing information suggests a simple response to customer's question. Consultation involves dialogue to probe customer requirements and then develop a tailored solution. The services under consulting covers advice, personal counseling, tutoring and training in product usage managing or technical consulting.

c. Order Taking

Once the selling process is over acceptance of application, orders, reservations are components of order. Unless the organization is accessible to its customers, the real business may not happen. Some service providers establish formal member relationships with customers like retailers, insurance companies and utilities, credit card companies and clubs. A reservation is a special type of order taking. Examples include the airlines, cinema halls, and restaurant tables.

d. Hospitality

Retailing as well as some other services requires customers to enter the service factory and stay there till service delivery is complete. Well-managed businesses try to treat the customers as guests. Examples of hospitality elements include greeting, food and beverages, toilets and wash rooms, bath room kits, waiting facilities and amenities, including lounges, waiting areas, seating facility, weather protection, magazines, entertainment and newspapers.

e. Safekeeping

While visiting a service site customers want assistance with personal possessions. Unless certain care taking services are provided, they might find the support services not feasible. The examples

of safekeeping include provisions for baggage, safekeeping of the valuables and childcare. The second category of safekeeping involves the physical delivery of goods when the consumers buy them over phone or internet. Support services of this nature may include packaging; pick up, delivery, assembly, installation, cleaning and inspection. Customers buying consumer durable are also looking for safekeeping in the form of maintenance and warranty and whether they can purchase the maintenance contract as a part of insurance.

f. Exceptions

It includes a group of services that fall outside the routine of the normal service delivery. The exceptions include special request where individual or corporate customer may request some degree of customized treatment that requires a departure from the normal operating procedures. Advance requests include personal concerns related to stages in lifecycle or personal disabilities. Problem solving involves situations when normal service delivery fails to run smoothly as a result of accidents, delays, equipment failures or customers experiencing difficulty in using the produce. Handling of complements requires well-defined procedures. When the customer wants to express dissatisfaction, offer suggestions for improvement, or pass on compliments, it should be easy for the customer to do so and the service provider should be able to respond at the earliest to the problems. Restitution is the process by which the customer complaints are redressed. Customers expect to be compensated for serious performance failures. This compensation may take the form of repairs under warranty, legal settlements, refunds, an offer of free product service in the future or other form of payments in kind.

g. Billing

It is common to almost all services unless the service is provided free or as a part of the deal. Inaccurate, illegible or incomplete bills offer an opportunity to disappoint customers. Billing should be also done timely so that it will result in faster payments. Various of billing procedures exist including verbal billing practices to machine driven billing and online billing procedures. Different kind of billing services include periodic statement of account activities, invoices for individual transactions, verbal statements of amount due, machine display of amount the customer and the online billing.

h. Payments

A bill requires a customer to take action on payment either on personal basis or through the bank advice. Customers expect ease and convenience of payment including credit when purchasing goods. The eight customer services explained above may not be equally important for all organization.

3.2. Establishing and maintaining rapport with customers

Building rapport with customers is all about creating a common bond of trust, particularly over the phone. So, you must learn to empathize with your customers, have a genuine interest in their situation and make them feel valued. So, here are some of our tips on how to build rapport with customers, along with pieces of advice from our readers.

a. Get their name first

Debbie, one of our readers, suggests asking “for the customer’s name first, rather than reference number, address, etc.” “It is easy to get the details we need after we have their name. This makes the customer feel like an individual and advisors feel as if they are speaking with a person, not a caller.” Also, it is equally important to get the customer’s name right, as Carolyn Blunt, from Ember Real Results, says that “many people accidentally call me Caroline and when they do that they completely lose rapport with me.”

“This is because as it seems as though they haven’t paid enough attention or haven’t cared enough to get that right.” So, Carolyn instead suggests another rule that “if the customer has an unusual name, write it down phonetically when the customer is saying it, instead of reading it off the CRM system.”

b. Speak with a smile

In Tony’s contact centre, advisors are asked to “always start the call with a smile – the customer will notice this in your voice.”

Jeanette Coulthard agrees, saying that “it creates a warmth in your voice which a customer or prospective customer can hear. It makes it far less likely that the customer will be rude to you.”

“Think how hard it is to refuse to take a call when someone rings up sounding sunny and warm.” always start the call with a smile – the customer will notice this in your voice.

“Even if you want to refuse the call you are more likely to listen to someone who sounds like they are smiling than someone who sounds like they are just going through the motions.”

It is also good for the advisor as well as smiling has been proven to release endorphins in the brain and consequently lift the smiler’s mood.

And if an advisor’s mood improves, they will be more likely to be invested in the rapport-building process.

c. See it from the customer’s perspective

Showing empathy is often a crucial part of building rapport, as it helps to create trust and mutual understanding, while it enables advisors to show the customer that they are the priority.

But some advisors will find this more difficult to do than others.

So, Gareth, one of our readers, suggests encouraging “advisors to imagine themselves in the customer’s shoes. Or, if they are really struggling to display empathy, ask them to imagine the customer as a close friend or family member.”

d. Share their priorities

Michael, another one of our readers, says that “every customer, particularly in an emergency situation, will have a list of priorities.”

“Making them also your priorities and addressing them in the right order (mirroring them) will reassure them that you know what they want and are taking care of them.”

This follows a key principle in any customer service field: people like other people who are similar to themselves.

This is why Carolyn Blunt says advisors “need to be really focused on what the customer is saying to us and what clues and signals there might be about how we can say similar things to demonstrate commonality.”

A trick that many contact centre use to find a shortcut to this common ground, is to ask advisors to make a note of any interests that they discover the customer has in the Customer Relationship Management (CRM) system.

Then, if the same customer were to ever call back, the next advisor will have this information, which they can subtly use in their next conversation with the customer, to build rapport.

e. Allow them to ‘get it all out’

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Angry customers are the most difficult callers to build rapport with, but it's not impossible, as long as the advisor lets them "get it all out" first. Jennifer, a frequent visitor to our site, recommends this, saying: "when the customer is angry, allow them to vent without interruption. Use this time to figure out what you can do to fix their issue."

If they interrupt, the advisor will only be making the customer more irate. So, it is perhaps best to wait, and when the angry customer finally takes a breath, an empathy statement could be used to highlight that the situation has been recognized and understood. Also, if the advisor uses this time to figure out what needs to be done to fix the issue, it is easier for them to present solutions to the customer instead of problems. For more on this topic, read our article: Dealing with Angry Customers.

f. Repeat back

In many contact centre, advisors are encouraged to use reflective listening.

This – according to Sarah-Jane, whose contact centre does so – is where the advisor "repeats sentences or important details back to the customer, saying 'Okay, just to recap...'"

"This reassures them that you are paying attention."

While mirroring these words, it is also important to mirror the customer's tone, as Carolyn Blunt says, "sometimes it's about stopping and just moving on, thinking about how to match and mirror the customer's mood and use similar words, phrases and tone."

listen out for the words and phrases that are being used, and if the customer has the same accent as the advisor, they should play to that.

"The only time that you don't do that is when the customer is aggressive. But if the customer is really bubbly and enthusiastic about a holiday that they are going on or a wedding that they are going to, then that enthusiasm should be mirrored."

"So, listen out for the words and phrases that are being used, and if the customer has the same accent as the advisor, they should play to that.

"Equally, if the accent is not the same, make sure colloquial language is not used."

g. Make their problem your problem

According to Veronica, who is one of our readers, advisors must take “ownership of the enquiry, especially if it is a complaint.” “It’s important to have a one-to-one relationship with your customer so that they have a point of contact that they can come back to.”

So, when a customer voices their issue, it is important acknowledge it and signal that their concern has been understood, so the customer feels as though the problem has been “lifted from them”. Advisors can use statements such as: “I realize that this situation is difficult, but let’s try and find a solution,” to do this. Such a statement begins with personal recognition using “I”, while also finishes with “we” to create a notion of teamwork, which can boost rapport.

It is also good in terms of turning a negative to positive, is more authentic than saying “I understand” and creates a sense of action, to show that the matter is important to the advisor and company. For more examples, read our article: [The Top 12 Acknowledgement Statements for Customer Service](#)

h. Understand the customer’s emotional drivers

When we discussed how to improve your emotional connection with customers, we concluded that customers will have two very different emotional drivers behind calling the contact centre.

These drivers are: movement away from pain or discomfort and movement towards pleasure. Normally one will be the dominant force.

When a customer seems worried, negative or agitated, their dominant driver will be to move away from pain, and, if the advisor recognizes this, it is best to use empathy statements. While if a customer is more upbeat, having called for a feeling of contentment, relief or peace of mind, their dominant driver will be movement towards pleasure. So, if the advisor recognizes this, it is best to stay enthusiastic.

If the advisor can tell which is the dominant driver behind the call and alter their style accordingly, they will increase their emotional connection with the customer and consequently build rapport.

i. Use positive scripting

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While many are against the use of scripts in contact centre, as they are often seen as a barrier to natural conversation, letting advisors know what they should not be saying and providing them with a list of positive alternatives can be beneficial. This aids the rapport-building process, turning negative language, which can cause the customer to worry, into positivity that can instead trigger optimism.

So, show advisors how to turn negatives into positives by using examples like those below:

This helps to evoke positive emotions. And if advisors can speak naturally but refer to the list when they feel the urge to use a “negative” phrase, rapport can be built. For more on this topic, read our piece: [How to Create a Positive Scripting Experience in Your Contact Centre](#)

j. Minimize dead air time and use “stock book phrases

Dead air time can damage rapport, as it takes the natural flow away from the conversation.

According to Carolyn Blunt, it is most common for dead air time to occur “when an advisor thinks that ‘I don’t know what to say to that’”, instead of due to knowledge gaps or slow systems.

Carolyn uses the example of when she “was listening in to a call from an organization who booked hotels for people over the phone, and the customer said to the advisor: ‘I’m taking all my friends away and we are going to York for the weekend to have a divorce party’.”

“The advisor could not think of anything to say in response. After all, should they be giving congratulations or commiserations?”

“So, have a list of stock book phrases for advisors to revert to, as the worst thing is often to just say nothing.” In the example that Carolyn gave, perhaps the advisor could have given a “stock book” response, such as “well, that’s a first,” to move forward in the conversation.

3.3. Options for meeting customer needs

Customer needs and customer satisfaction can be considered as something that is at the centre of every successful business. Every business needs a reason for their customers to buy from them and not their competitors. This is called a Unique Sales Proposition (USP). Your USP can be identified by completing the phrase “Customers will buy from me because my business is the only...”. Your USP can change as your business or your market changes, and you can have different USPs for different types of customer. Any USPs is important because they are driven

by what the customer looks for when making a buying decision. It's very important to review our USP as well as the competitor's USP to win the market.

- **Customer**

A customer can be defined as the person/organization who buys goods & services. He is the most important asset of any organization. Customers will expect to be given accurate and reliable information about products and services. Customer service is an organization's ability to identify and supply their customers' wants and needs. How important a customer is to a business can be well identified with help of some famous quoting. "There is only one boss. The customer and he can fire everybody in the company from the chairman on down simply by spending his money somewhere else"- Sam Walton (founder of wal-mart). "The purpose of a business is to create and keep a customer" – Peter Ducker (an Austrian-born American management consultant, educator, and author)

- **Customer Needs**

Customer needs can be defined as the problems that customers intend to solve with the purchase of a good or service². Steve Jobs, CEO of Apple Inc., once said, "Get closer than ever to your customers. So close that you tell them what they need well before they realize it themselves". Knowing the customer and his needs is most important for a successful business. The more you know about your customers, the more effective your sales and marketing efforts will be. Customer needs can be assessed by analyzing the factor such as who they are, what they buy, and why they buy it.

The major heads that a business firm has to be aware about its customers can briefly pointed as follows¹:

- **Who they are:** A firm must be aware of the gender, age, marital status and occupation of the customers, if it is the firm should be aware of the selling its product directly to individuals. The firm should be aware of the size and kind of business,
- **What they do:** It's worth knowing the occupations and interests of the customers as well as the aim of the businesses, to which the product is sold
- **Why they buy:** If you know why customers buy a product or service, it's easier to match their needs to the benefits your business can offer.
- **When they buy:** A business can massively increase its chances of success if it approaches a customer just at the time they want to buy.

- **How they buy:** For example, some people prefer to buy from a website, while others prefer a face-to-face meeting.
- **How much money they have:** A business can be more successful if it can match its offering to what it knows its customer can afford.
- **What makes them feel good about buying:** If you know what makes them tick, you can serve them in the way they prefer.
- **What they expect of you:** For example, if your customers expect reliable delivery and you don't disappoint them, you stand to gain repeat business.
- **What they think about you:** If your customers enjoy dealing with you, they're likely to buy more. And you can only tackle problems that customers have if you know what they are.
- **What they think about your competitors:** If you know how your customers view your competition, you stand a much better chance of staying ahead of your rivals.

The requirements of a customer can be further categorized into three;

- Normal Requirements – requirements typically what one gets by just asking customers what they want.
- Expected Requirements – these are the obvious /compulsory requirements. For example, if a meal is served hot, customers barely notice it. If it's cold or too hot, dissatisfaction occurs. Expected requirements must be fulfilled.
- Exciting Requirements– These are beyond the customer's expectations. If provided, customer would be excited. If not, they would hardly complain. Customer satisfaction

Customer satisfaction can be defined as a marketing term that measures how products or services supplied by a company meet or surpass a customer's expectation. According to J. Willard Marriott, the founder of Marriott corporation, "Customer needs may vary, but their bias for quality never does". Customer satisfaction can be used as a metric to manage and improve the businesses and hence it is very important for the marketers and business. It can also be defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals".

The top six reasons which make customer satisfaction much important can be briefly explained as follows.

i. It's a leading indicator of consumer repurchase intentions and loyalty: Customer satisfaction is the best indicator of how likely a customer will make a purchase in the future. Asking customers to rate their satisfaction on a scale of 1-10 is a good way to see if they will become repeat customers or even advocates. Any customers that give you a rating of 7 and above, can be considered satisfied, and you can safely expect them to come back and make repeat purchases. Customers who give you a rating of 9 or 10 are your potential customer advocates who you can leverage to become evangelists for your company. Scores of 6 and below are warning signs that a customer is unhappy and at risk of leaving. These customers need to be put on a customer watch list and followed up so you can determine why

their satisfaction is low. Hence, satisfaction is one of the leading metrics businesses use to measure consumer repurchase and customer loyalty.

ii. It's a point of differentiation: Businesses who succeed in the cut-throat environments of a competitive market are the ones that make customer satisfaction a key element of their business strategy. Companies who offer amazing customer experiences create environments where satisfaction is high and customer advocates are plenty.

iii. It reduces customer churn: An Accenture global customer satisfaction report found that price is not the main reason for customer churn; it is actually due to the overall poor quality of customer service. By measuring and tracking customer satisfaction you can put new processes in place to increase the overall quality of your customer service.

iv. It increases customer lifetime value: A study by Info Quest found that a 'totally satisfied customer' contributes 2.6 times more revenue than a 'somewhat satisfied customer'. Furthermore, a 'totally satisfied customer' contributes 14 times more revenue than a 'somewhat dissatisfied customer'. Satisfaction plays a significant role in how much revenue a customer generates for your business. Successful businesses understand the importance of customer lifetime value (CLV). If you increase CLV, you increase the returns on your marketing dollar.

v. It reduces negative word of mouth: Customer satisfaction is tightly linked to revenue and repeat purchases. What often gets forgotten is how customer satisfaction negatively impacts your business. It's one thing to lose a customer because they were unhappy. It's another thing completely to lose many other customers because of some bad word of mouth. To eliminate bad word of mouth you need to measure customer satisfaction on an ongoing basis.

vi. it's cheaper to retain customers than acquire new ones: This is probably the most publicized customer satisfaction statistic out there. It costs six to seven times more to acquire new customers than it does to retain existing customers. Some major customer retention strategies such as blogs (to educate customers), email (to send special promotions), customer satisfaction surveys, Delight customers by offering personalized experiences, etc can be carried out.

How to increase customer satisfaction?

In a business world where customer acquisition costs are sky-rocketing, small and medium businesses must focus on building a customer experience to increase customer satisfaction.

Some of the ideas are pointed below:

- a. **Treat your customers like they are your boss:** Thank all your customers for their business
 - ♣ Go out your way to help customers
 - ♣ Try to impress your customers as if you want a pay raise
 - ♣ Think about your paycheck every time you talk to a customer
 - ♣ Keep your promises and integrity
 - ♣ Focus on measuring customer satisfaction

b. Build customer loyalty to increase customer satisfaction: According to Jeffrey Gitomer, the eminent American author and business trainer, "Customer satisfaction is worthless whereas Customer loyalty is priceless⁵. Businesses should focus their efforts on creating loyal customers that are sticky and not easily influenced by competitors.

c. Avoid making these customer retention mistakes: No business is immune to unhappy customers. In fact, even companies with the best customer service in the world will still lose up to 9% of their customers to competitors by ignoring customer feedback, taking customer feedback too personally, or using long, boring customer feedback surveys.

d. Set customer expectations early: Setting expectations too high, making ridiculous promises to push a deal over the line, etc are the common mistakes that kill the customer satisfaction. There's no better feeling than as a customer to have your expectations exceeded.

e. Learn how to survey your customers the right way: A customer feedback survey is the best way to find out how satisfied your customers are, find ways to improve your product or service, and identify customer advocates who really love your product. A quick and relevant survey will help increase survey response rates.

f. Tap into social media to track and monitor customer satisfaction so you can keep your customers happy: Social media provides a great opportunity to increase customer satisfaction. Use social media monitoring tools to keep track of positive and negative feedback, and resolve them accordingly. It can also be used to monitor brand mentions and sentiment, as a customer support channel, and to hold Q&A sessions with customers.

3.4. Handling customer complaints

What is a complaint?

An expression of dissatisfaction by one or more customers about the product/service or lack of action, or about the standard of service provided by the organization or on its behalf. This definition demonstrates that the organization is focused on the needs of its customers, placing responsibility for resolving their dissatisfaction on the organization, rather than requiring the customer to initiate a complex and formal process which may not be necessary

A complaint could include one or more of the following problems:

- A delay in something that has been done
- A failure or refusal to do something
- Poor quality of something that has been done
- A mistake that has been made
- Provision of an inappropriate service or product

- Removal or withdrawal of a service or product
- Safety concerns about a service or product
- A staff member's behavior
- A policy that is wrong, has been unfairly implemented, or has been incorrectly applied

Principles of good complaints handling

There are a number of fundamental principles which should underpin a good complaint handling process. Good complaints handling should:

- **Be customer-focused**

The process should be designed to meet and understand both the needs of those who complain and the outcome that they are seeking.

- **Be free, simple and easy to use**

The process should be available and easily accessible to all of those who may need to use it.

- **Be clearly communicated, and understood by all involved**

The process should be well publicized. It should be communicated, and capable of being accessed, through a variety of channels. It should be understood by all staff within the organization.

- **Be responsive, timely and flexible**

Complaints should be dealt with promptly within clear timescales, and complainants should be kept informed about their progress. While consistency in decision-making is important, there should be room for some flexibility when required in the circumstances.

- **Be objective, impartial and fair**

The process should be objective, impartial and evidence based. Complainants should be treated with respect and fairness. Staff who have been complained about should also be treated fairly.

- **Be proportionate and consistent**

Investigation processes and decision-making should be proportionate and appropriate to the circumstances. They should also be consistent, while allowing for flexibility to meet the needs

- **Be open and accountable**

Clear and accurate information should be published about the complaints handling process, and the standards applied. Decisions should explain clearly the reasons why they were reached, and what will be done to put things right, where appropriate.

- **Put things right, so far as possible**

Where the organization has failed to get things right, it should so far as possible take steps to put things right and return the complainant to the position they were in prior to their complaint.

- **Seek early resolution**

The process should aim to resolve complaints at as early a stage as possible.

- **Deliver continuous improvement**

Organizations should learn from the complaints they receive in order to improve the services they offer.

Complaint Handling Process:

i. Stage one: Frontline resolution

Frontline resolution aims to quickly resolve straightforward customer complaints that require little or no investigation. Any member of staff may deal with complaints at this stage unless they are the subject of the complaint or have a clear conflict in the matter. In this instance the complaint should be handed to a first line manager within the faculty or support area for resolution. The main principle is to seek early resolution, resolving complaints at the earliest opportunity and as close to the point of service as possible. This may mean a face-to-face discussion with the customer, or asking a suitable member of staff to deal directly with the complaint.

In practice, frontline resolution means resolving the complaint at the first point of contact with the customer. This can be done by the member of staff receiving the complaint or other appropriate staff.

In either case, you may settle the complaint by:

- providing an on-the-spot apology where suitable, and/or
- explaining why the problem occurred and, where possible, what will be done to stop it happening again.

You may also explain that we value complaints and may use the information the customer has given when we review service standards in the future.

A customer can make a complaint in writing, in person, by telephone, by email or online, or by having someone complain on their behalf. You must always consider frontline resolution, regardless of how you have received the customer's complaint.

ii. Stage Two: Investigation.

Not all complaints are suitable for frontline resolution and not all complaints will be satisfactorily resolved at that stage. Complaints handled at the investigation stage are typically complex or require a detailed examination before we can state our position. These complaints may already have been considered at the frontline resolution stage, or they may have been identified from the start as needing immediate investigation.

An investigation aims to establish all the facts relevant to the points made in the complaint and to give the customer a full, objective and proportionate response that represents our final position.

What to do when you receive a complaint for investigation

It is important to be clear from the start of the investigation stage exactly what you are investigating, and to ensure that both the customer and the appointed college staff understand the investigation's scope.

It may be helpful to discuss and confirm these points with the customer at the outset, to establish why they are dissatisfied and whether the outcome they are looking for sounds realistic. In discussing the complaint with the customer, consider three key questions:

- a. What specifically is the customer's complaint or complaints?
- b. What does the customer want to achieve by complaining?
- c. Are the customer's expectations realistic and achievable?

It may be that the customer expects more than we can provide. If so, you must make this clear to the customer as soon as possible.

Where possible, you should also clarify what extra information you will need to investigate the complaint. The customer may need to provide more evidence to help us reach a decision.

You must record details of the complaint on the CHP system. Where appropriate, do this as a continuation of frontline resolution. Update the details when the investigation ends.

If the investigation stage follows attempted frontline resolution, all case notes and associated information must be made available to the staff member responsible for stage two, and it should be recorded that this has been done.

The following deadlines are appropriate to cases at the investigation stage:

- Complaints must be acknowledged within three working days
- You should provide a full response to the complaint as soon as possible but not later than 20 working days from the time you received the complaint for investigation.

Self-check 3

Written test

Name..... ID..... Date.....

Directions: Answer all the questions listed below.

Test I: Choose the best answer (4 point)

1. _____ refers to an expression of dissatisfaction by one or more customers about the product/service or lack of action, or about the standard of service provided by the organization.
 - A. feedback
 - B. customer service
 - C. customer complaint
 - D. Customer approach
2. _____ compliant process aims to quickly resolve straight forward customer complaints that require little or no investigation
 - A. Investigation
 - B. Frontline
 - C. Survey
 - D. Focused Group
3. Principles of good complaints handling involves all, but
 - A. customer-focused
 - B. proportionate and consistent
 - C. objective, impartial and fair
 - D. free, simple and easy to use
4. A complaint might arise because of
 - A. delay in something that has been done
 - B. failure or refusal to do something
 - C. Poor quality of something that has been done
 - D. All

Test II: Short Answer Questions

1. write the classification of customer service delivery

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2. write the mechanism which used to Establish and maintain rapport with customers

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3. explain briefly on how to increase customer satisfaction

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4. list the principle of Principles of good complaints handling

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Operation Sheet 3

Procedure of customer complaint handling

A. Materials

- i. paper
- ii. pen

B. Procedure

- a. Listen to the complaint.
- b. Stay calm, provide customer with the opportunity to complain
- c. be empathetic
- d. be aware of the guests self esteem
- e. give customer your full and undivided attention
- f. take note
- g. tell the guest what can be done
- h. set appropriate time
- i. monitor the progress of the solution
- j. Follow up.
- k. thank the customer bringing the complaint to your attention

Lap Test 3	
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Name.....

ID.....

Date.....

Time started: _____ Time finished: _____

Instructions: Given necessary templates, tools and materials you are required to perform the following tasks within **1** hour. The project is expected from each student to do it.

Task: Handle Customer Complaint

LG #20	LO #4: Evaluating Customer Service Delivery
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Instruction sheet
<p>This learning guide is developed to provide you the necessary information regarding the following content coverage and topics:</p> <ul style="list-style-type: none"> • Obtaining customer feedback • Improving the quality of customer service <p>This guide will also assist you to attain the learning outcomes stated in the cover page. Specifically, upon completion of this learning guide, you will be able to:</p> <ul style="list-style-type: none"> • Obtain customer feedback • Improve the quality of customer service
Learning Instructions:
<ol style="list-style-type: none"> 1. Read the specific objectives of this Learning Guide. 2. Follow the instructions described below. 3. Read the information written in the information Sheets 4. Accomplish the Self-checks

Information Sheet 4

4.1. Obtaining customer feedback

Customer feedback is the information, insights, issues, and input shared by your community about their experiences with your company, product, or services. This feedback guides improvements of the customer experience and can empower positive change in any business even (and especially) when it's negative.

Why is customer feedback important?

Customer feedback is important because it serves as a guiding resource for the growth of your company. Don't you want to know what you're getting right and wrong as a business in the eyes of your customers? Within the good and the bad, you can find gems that make it easier to adjust and adapt the customer experience over time. In short, feedback is the way to keep your community at the heart of everything you do.

Effective customer feedback methods

Before you begin collecting feedback from customers, you need to pinpoint why you're seeking their input. Identifying your desired outcomes and outlining the process for getting there sets the ground work for a worthwhile investment of your time and your customer's time. Without a clear intention, your feedback may not serve anyone.

Jot down the answers to these questions and talk about them with your team before getting started:

- What part of the customer experience would you like to improve (on boarding, content marketing)? Target the aspect of the customer journey that would most benefit from customer insights.
- What's your plan for the data you collect? There's no reason to gather customer feedback unless it leads to actionable change. Let's say your customer survey reveals that your product's UI is confusing. Ensure that you're willing to invest in fixing it before collecting feedback.
- Which customer feedback channel works best for your goals?

Don't worry about that last question. By the end of this post, you'll have all the information you need to answer it.

- **Customer feedback surveys**

Developing a useful customer survey may be more challenging than you think. There are a ton of questions you could ask customers. The good news: you can choose between short slider surveys (which help you target specific issues) that pop up on your site or longer, traditional surveys.

For one-question surveys, you can use a tool like Qualaroo to gauge the response of customers who are already active on your website.

For longer-form surveys, there are a ton of options. Survey King offers a free platform for small businesses that's just starting to explore the power of feedback. Alchemer adapts to everyone from solopreneurs up to larger organizations, and at the enterprise level, Qualtrics yields dynamic, sophisticated insights. If you want customers to follow through on completing a survey, make sure you follow some simple best practices.

- Only ask questions that help you meet your goals.
- Write thoughtful open-ended questions.
- Create consistent rating scales.
- Avoid leading or loaded questions.

Email and customer contact forms

Email is one of the easiest ways to gather candid customer feedback. Because it's a support channel for most companies, you can use each interaction as an opportunity to gather feedback. To maximize the likelihood of hearing back from a customer, do these three things:

Set clear expectations

Sometimes, customers don't offer important feedback because they don't think anyone cares. Is it any wonder most companies don't hear from unhappy customers? Many of those same customers may be willing to leave feedback if they knew they'd hear back — and exactly when to expect a response.

Consider adding a short sentence to your emails that tells people how soon they can anticipate hearing back from you. "We'll get back to within X hours/days" will go a long way to set expectations and build trust with your community.

Organize email feedback

At Help Scout, we use Trello to create “boards” your whole team can access and contribute to with great customer feedback. It’s a clear process ensuring that no helpful insights slip through the cracks. Here's the system:

- Create boards within Trello titled “Product Ideas” (feature requests), “Up Next” (what’s being worked on) and “Roadmap” (what you plan to work on).
- Build individual cards within each board to categorize requests. For our Product Ideas board, we use sections like “Inbox” (new ideas), “Rejected” (discarded ideas), “Someday/Maybe” (good ideas, but not urgent), and “Apps” (integration requests).
- Add email addresses within cards for the people who requested the idea. For instance, anyone who asked us for Reports upgrades will be added to a list within a card so that they can be notified when the upgrade is complete. Here’s an example card (with emails blocked out for privacy):

This system enables you to keep tabs on requests and their requestors, as well as ideas you’ve already passed on. The process also gives employees a clear roadmap to guide future customer interactions.

Send personalized responses

The best way to get a candid response from a customer is to simply ask for one. Since email enables you to send a one-to-one request, you can ask for more personal feedback than in a survey. When customers sign up for more information about your services, for example, you can send out an auto-responder email asking a single question. Inquire into the issues that customers are struggling with most, what features they would love to see, or just ask why they signed up!

The trick is to make sure you team has a set process for replying to these emails; otherwise, your customers will feel let down.

You can also use a help desk to transform every email into an opportunity to tune into customer feedback with happiness ratings. When your customers rate a reply from Help Scout, they can also add extra comments: You can sort the rating and comments into happiness reports that capture the performance of individuals and teams.

Usability tests

For usability testing to bring deep insights to your company, it requires more upfront planning. With a clear strategy, though, you can uncover challenges that customers don't know they're facing and actionable insights that make their experiences better.

You may even want to consider rewarding your user research participants the way Google does. At Help Scout, we leverage usability testing to refine design details or new features. When we're 90% finished with the updates, these tests guarantee we get that last 10% right.

When our team prepared to launch major improvements to our Beacon product, they opened Beacon 2.0 to a small number of beta participants based on their current implementation of Beacon 1.0. We transformed their feedback into product adjustments that improved the product before we rolled it out to everyone.

Even though most of us associate user testing with web-based products, the fundamentals apply to any business. Let's say you run a gym. Offer a customer a free month to visit your gym three to five days a week and keep a diary about their experiences. Learning about the business from their perspective uncovers small tweaks that make a huge difference to the customer experience. The book *Rocket Surgery Made Easy* by Steve Krug can help you start to understand the power of usability testing. For web-based testing with people who don't know your business, check out *User Testing* — they do an outstanding job, too.

Exploratory customer interviews

Does direct outreach translate to beneficial feedback from customers? Absolutely! Reaching out to customers directly opens up conversations that otherwise wouldn't happen. Qualitative stories from customers bring color and nuance to quantitative feedback (data). These personal experiences help a team understand the feelings behind customer decisions and the community response to a company's brand or decisions. When you conduct customer interviews, you create the opportunity to challenge false assumptions that developed over time.

Keep the following tips in mind when you sit down to talk to customers:

- Start an open-ended dialogue. When you're talking to customers, open-ended questions are your best friend. These queries give your customers the flexibility to dig into their experiences with more detail. Plus, they're less likely to be biased or leading questions.
- Get more specific as you go. Begin the conversation with wider impressions and get more detailed in your questions as the dialogue evolves. Every piece of feedback they give you is an opportunity for another more specific follow-up.
- Practice active listening. To receive insights that can help your team, you need to be open and receptive. Maintain eye contact and mirror back the key takeaways you're hearing from clients, always keeping the spotlight on them.

Don't let distance stop you either. Help Scout uses Zoom to speak to a diverse group of customers no matter where they are.

Social media

Social listening can give you access to an otherwise untapped reservoir of candid feedback from customers. Direct comments or mentions on social networks aren't the only way for your business to collect customer feedback either — many networks include built-in polling tools. Look at this quick poll on Instagram:

The Dogist Shop created an “Ask us any questions about our holiday lines” survey on Instagram stories. A customer asked The Dogist Shop on Instagram if they planned on making ornaments of the team's dogs this year. Not only could the team clarify the answer to the entire community, but Dogist also asked the community if they wanted ornaments next year in a one-question Instagram poll. This kind of natural engagement ensures that their team's product decisions align with the purchasing behaviors of their community.

On-site activity (via analytics)

Analytics reveal what customers don't know about how they use your product. Especially if you sell a digital product or service, you benefit from leveraging analytics to understand how users interact with your company. For example, if you offer self-service content as a form of customer service, you could see the number of people visiting each article.

If one article has an 0:09 average time on page and an awful bounce rate, you know something isn't sticking about your messaging. Reporting tools like like Help Scout's Docs Report give you

insights about failed searches, most frequently visited pages, and so on so you can improve your customer's self-service experience.

Instant feedback from your website

With an embeddable on-site widget like Beacon, you can collect instant customer feedback without asking the customer any questions.

At Help Scout, for example, we pulled nine articles into a webpage that could be valuable to potential customers on the page. Instead of asking customers which articles they preferred, Beacon collected the data on the most popular articles. If none of the articles helped, the customer could email the team — and that's valuable information, too.

4.2. Improving the quality of customer service

Customers are the core of every business and should always be your top priority. Happy customers can help you build credibility and bring in more business. Research shows that 77% of customers are likely to recommend a company to a friend if they have a positive experience. And, that's why you should focus on keeping your customers happy and satisfied with great products and excellent service.

“Today's consumers do not buy just products or services more and more, their purchase decisions revolve around buying into an idea and an experience.” In fact, according to a study by Walker, by 2020, customers will value experiences more than prices and products, and 86% of shoppers will spend more for a better customer experience. So if you want your customers to like you, you need to deliver the best customer experience, at all times.

Here are four strategies that can help you improve your customer service standards.

a. Seek Customer Feedback

To provide excellent customer service, you first need understand their needs, experiences, and pain points. For these, you need to ensure that you provide your customers multiple ways to share their feedback. You can do this through telephone surveys or a feedback form sent via email. Other than surveys, you can also establish a complaint system, which will better enable your customers to raise their issues.

This will let you know all about their good, bad, and ugly experiences when interacting with your brand. Through this, you gain real insights into what you're doing well, and which areas require improvement.

Connecting with your customers to gather feedback also has another important benefit. It makes them feel that you value them, and are willing to resolve their issues. This can help to establish trust, and may even prevent them from sharing their concerns or negative comments on social media.

b. Strengthen your customer service team

Improving your customer service begins with building a strong customer service team. Here's how you can strengthen your service performance.

c. Hire and train professionals with the right skills

No tool or AI element will compensate for the lack of a skilled workforce - when you hire people for your customer service team, you should look for individuals with the right skills.

You should also organize training sessions for them to improve their skills once they're on board - some notable skills every customer service representative needs to have are:

- **Empathy and Patience** - A customer service rep has to deal with different types of customers: Some may be annoying or confused, while others may have a lot of questions. A customer support representative needs to deal with all of them patiently and professionally.
- **Good Communication skills** - The people you hire must be confident and possess excellent communication skills. They should be able to convey what they mean in a positive way, and they should strive to never end conversations in a way that leaves a customer dissatisfied.
- **Knowledge** - Ensure that your customer service representatives have complete knowledge of your product, services, and pricing plans. If they aren't sure of something, it's best to say, "I'll get back to you after checking with our product team," than to provide incorrect information.

d. Track performance of your customer service representatives

Are you unsure of exactly how skilled your customer service representatives are? You should ask your customers about their experiences dealing with them.

e. Appreciate Good Work

You should also seek to recognize the efforts of your customer service teams who deliver high levels of customer experience and satisfaction.

You can reward your top performers with incentives or gifts - this will encourage and motivate your employees to achieve your customer service goals.

f. Use CRM Platforms

Many companies struggle to establish effective coordination among different teams, which often leads to customer dissatisfaction. To overcome this issue, businesses can streamline their workforce processes using smart CRM platforms. Such systems help to ensure that everyone is on the same page - which is important in establishing high customer service standards.

Some of the benefits of using smart CRM software are:

- It provides useful insights about your customers which can help you understand their needs, sell faster, and provide a personalized experience to each customer.
- It improves customer interaction and engagement, helping you build lifelong customer relationships.
- Your sales and service teams can work more closely, eliminating the chances of any confusion.
- Your customers get access to what was promised, which improves customer satisfaction.
- Most CRM platforms are accessible on multiple devices such as desktops, laptops, and mobile devices. So you can assist your customers anytime from anywhere around the world.

g. Leverage Multi-Channel Servicing

Studies have shown that customers prefer to buy from brands that offer consistent customer service across multiple channels. You should enable customers to switch between multiple channels yet enjoy a consistent quality of service. This can help boost your brand's reputation and credibility.

Here are some best practices that will help you provide excellent multi-channel service to your customers.

- **Mobile Devices** - People expect good support services when they're on-the-go. You need to ensure that your customer service and support pages are mobile-ready to meet their expectations.
- **Social Media** - Many consumers are turning to social networks (especially Twitter) for customer queries and complaints. You should utilize the power of social media to bridge the gap between you and your consumers. Improve your response times on social media queries and provide effective solutions to your customers.
- **Self-Service** - Many customers expect brands to help them fix minor issues by themselves, and they'll often look for such solutions on your website's.

Self Check 4

Written test

Name..... ID..... Date.....

Directions: Answer all the questions listed below.

Test I: Choose the best answer /6 pts/

1. why customer feedback is important
 - A. It serves as a guiding resource for the growth of your company
 - B. customer service improvement
 - C. Information Gathering
 - D. All

2. Improving the quality of customer service includes all the following, except
 - A. Seek Customer Feedback
 - B. Strengthen your customer service team
 - C. Hire and train professionals with the right skills
 - D. Discourage Good Work

3. Which one of the following statement is wrong
 - A. Happy customers can help you build credibility and bring in more business
 - B. Customers will value experiences more than prices and products
 - C. Customers are likely to recommend a company to a friend if they have a positive experience.
 - D. None
 - E. All

Test II: Short Answer Questions

1. Mention the strategies that can help you to improve your customer service standards

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2. Explain how customer feedback is collected

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3. Define Customer feedback and explain the importance of customer feedback

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The experts who developed the learning guide

No	Name	Qualification	Educational background	Region	Phone No.	E-mail
1	Samuel Kibebew	MBA	Marketing Management	Oromia	0910177704	saminrd2010@gmail.com
2	Nega Endale	MA	Cooperative Marketing	Oromia	0911023981	negaendale@yahoo.com
3	Bereket Habtamu	MBA	Marketing Management	Oromia	0917859853	berekethabtamu2020@gmail.com
4	Mihiretu Sahilu	MBA	Marketing Management	Oromia	0922598278	mihiretusbb@gmail.com
5	Alemu Desalegn	MBA	Marketing Management	Oromia	0928601976	
6	Awol Kedir	BA	Marketing Management	Oromia	0919224027	Yeroosanawal@gmail.com
7	Tilaye Birhanu	Bsc	Agribusiness and value chain management	Oromia	0946301222	tilayebire2009@gmail.com