

# Quality Customer Service Matters

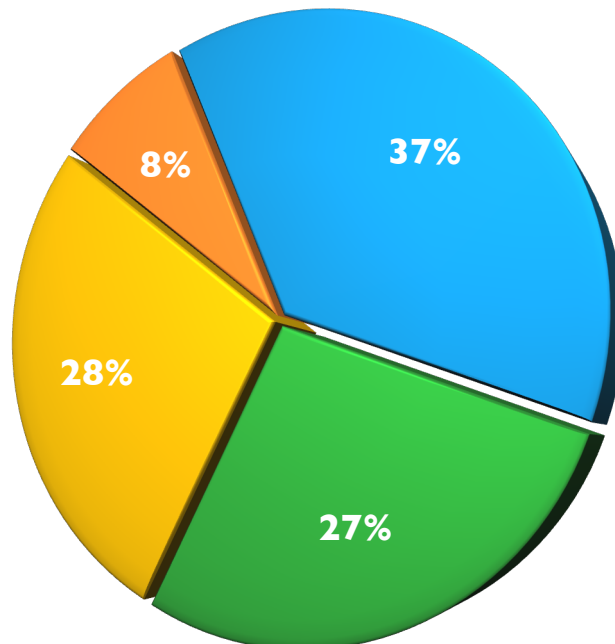
## SUMMARY

The quality of your customer service is crucial to creating repeat business, referrals, and the ultimate profitability of your business. Customers expect superior customer service. It is their belief that customer service has not improved to meet their standards.

1. 91% of customers say the level of customer service is important when deciding to conduct business.
2. 24% believe companies value their business and work to keep it.
3. 52% of customers are unlikely to conduct repeat business after one poor experience.
4. 48% of customers use a blog or other social media to gauge the level of customer service by a company.
5. Customers will increase spending by 10%+ when they experience quality customer service.

● Improved      ● No Change      ● Gotten Worse      ● Other

### Perceptions of Customer Service



## QUALITY OF YOUR CUSTOMER SERVICE

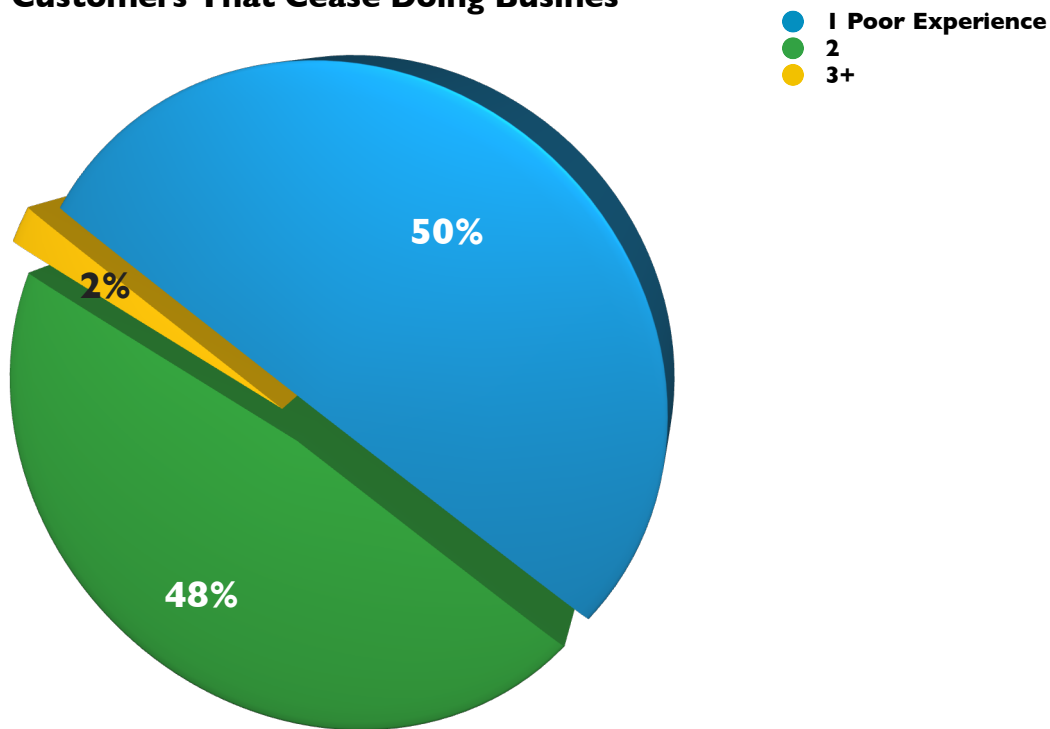
In a study of 1,500 respondents consumers were asked about how they perceive customer service and use it in their buying decisions.

Nine out of ten customers believe that the quality of customer service is an important component to the buying process. Eight out of ten customers are far more likely to give repeat business when they experience quality customer service. The positive impact for a business is a 10% increase in purchases from consumers that become repeat customers.

The three most influential criteria for customers deciding to conduct business with a company were:

- Personal experience (98%)
- Company's reputation and brand (92%)
- Recommendations from social network (88%)

### Customers That Cease Doing Business



The end result is that it pays for your business to invest in training your staff to provide superior customer service.

## IMPACT OF A NEGATIVE EXPERIENCE

Negative customer service experiences will result in the loss of business. 81% of respondents said they will cease doing business after poor customer service experiences.

Consumers are forgiving of one bad customer service experience. 86% of consumers are willing to give a company a second chance and that is all. The second chance does not come without a cost:

- Half of the respondents expect something in return beyond the solution to their problem.
- 70% of consumers expect an apology or some form of reimbursement for their troubles.

After two poor experiences half of the respondents stated they would cease conducting business with the company. Whereas the other half will cease conducting business after one poor experience.

Once the word is out about a negative experience it is not limited to the immediate social network of the consumer. Depending on the age bracket (18 to 35) the experience will be mentioned online through a blog post or other social media form. Consumers are increasingly turning to online sources for information about a company they seek to do business with. More weight is given to negative experiences reported online (58%) than to positive ones (48%). The reach of those experiences can be exponential depending on the platform used by the consumer.

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## HOW TO IMPROVE YOUR CUSTOMER SERVICE

1. Conduct a 360 degree survey of your customer service.
  - A. Assess your strengths, weakness, and opportunities of improvement.
  - B. Does your service match the quality and price of your products?
  - C. What is the perception of service before, during, and after the sale?
2. Monitor the negative comments about your customer service and brand online.
  - A. Set up accounts on social networking sites where your customers are.
  - B. Set up alerts for blog posts that mention your company, products, and markets.
  - C. Develop a scale of importance to create an action model for handling negative comments.
3. Acknowledge your mistakes and train to a platinum standard.
  - A. If your customer service poor acknowledge it – you are not servicing your customers.
  - B. Study the “Gold Standard” for service in your market and others.
  - C. Train to a standard that exceeds what you have studied: train to a platinum standard.
    - i. Build a culture of constant improvement.
    - ii. Create an immediate response and launch it.
    - iii. Set stretch goals to exceed the “Gold Standard”.

4. Build a culture of accountability.
5. Resist the urge to outsource your customer service.
  - A. Unless you are willing to outsource your brand and reputation.

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## **OPPORTUNITIES FOR GROWTH**

There are tremendous opportunities for companies to improve their revenues and business through delivering high-class customer service. 63% of respondents believe that customer service has not changed or gotten worse since the recession. Your business has an opportunity to increase the business of current clients and gain new clients by delivering great service.

Where gaining business is tight what is stopping you from improving your customer service?