

**CCMQS401**

*Competence*

**Provide quality customer service**

**RTQF Level: 4**



**Credits: 3**

**Learning hours: 30**

**Sector: All**

**Sub-sector: All**

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### **Purpose statement**

This module describes the skills, knowledge and attitude required to provide quality customer service and deal with any matter related to business during, before and after a service delivery. The module will allow the participant to identify opportunities for products and services delivery and reflect on information received to devise changes and suggest coping strategies. Moreover, the trainee will also develop and use communication techniques intended for the management of the complaints and ways of recording customer information.

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## Learning Unit 1 – Develop and maintain product, service and market knowledge.

### LO 1.1 – 1.1: Identify opportunities and use formal and informal research to develop and maintain knowledge of products and services.

#### Topic 1: Use formal and informal research to develop knowledge of product and service

##### A. Definitions of research, formal and informal research

##### What is a research?

We can define “**research**” as a systematic inquiry to describe, explain, predict, and control the observed phenomenon. Research involves inductive and deductive methods. Inductive research methods are used to analyse an observed event. Deductive methods are used to verify the observed event.

## **What is formal research?**

Formal research is controlled, objective, and systematic gathering of data. The researcher carefully defines the things under study and what will and won't be studied. It is systematic in that we carefully follow prescribed rules in gathering and assessing data. It is controlled in that we carefully define, gather, and evaluate the data according to prescribed rules that can be reviewed for error. It provides a description based upon agreed upon units that can be measured and assessed for reliability.

## **What is informal research?**

Informal research is a non-systematic gathering of data. It describes the data based on the intuition of the researcher. It is less organized and systematic.

### **B. Apply formal and informal research to gain knowledge of product and service**

#### **B.1 Introduction**

To gain necessary product and service knowledge, there is always a need to be proactive. You need to make an effort to capture the required information. There must be a conscious effort to gain the required knowledge and awareness. This effort must be on going and a blend of different research options.

#### **B.2 undertaking research**

The best, most useful and most effective product and service knowledge is generated as a result of a mix of formal and informal research techniques. These two research options are both necessary to develop the information required.

##### **B.2.1 Formal research techniques:**

Not all types of formal research are equally applicable to every venue type, so the following are presented as options from which you may choose in order to build your product and service knowledge.

##### **Reading surveys and ratings**

These are often reports undertaken and distributed by third parties such as a peak industry or government authority or the Head Office for a chain of establishments. Some reports are provided free-of-charge and some may have to be paid for.

##### **Administering questionnaires**

Administering questionnaires involves developing, distributing and analysing the responses to questionnaires prepared by the venue.

##### **Conducting internal testing**

This involves conducting testing within the venue to determine quality of products and services provided, quality may be determined with reference to individual and identify differentials between products and services.

##### **Evaluating existing external data**

This covers the reading and researching of product data and information provided by suppliers.

### **Reading internal documentation**

Reading internal documentation refers to the activities involved in reading and understanding enterprise documents about products.

### **Reviewing customer feedback**

Most venues will have some amount of feedback from customers about their feelings and experiences with products and services provided at the property. Customer feedback is sometimes referred to as the Breakfast of Champions as it often contains information that, when acted on, can transform an ordinary venue into an outstanding one.

### **B.2.2 Informal research techniques**

Informal research is much less structured and focused than formal research and often occurs unintentionally as you undertake other things. Informal research techniques include:

#### **Engaging in general discussion**

General discussion includes talks with colleagues, management and customers. They may be targeted to a specific issue or can be a 'chance' conversation.

#### **Reading, watching and listening to the media**

This is general media research which can occur when reading, watching or listening general media, or can be a result of reading a regular industry publication, listening to advertisements on the radio, listening to, watching or reading about news involving the industry.

#### **Reading various literature**

This entails reading a range of tourist and venue information brochures, pamphlets and flyers, internal enterprise material about products and services, Industry-relevant reference and text books, Guidebooks, Trade magazines.

#### **Being a tourist in your local area**

This means you should make an effort to visit local tourist attractions, natural and built, look around local shops and participate in local events.

## **Topic 2: Understand products and services knowledge and its importance**

### **A. What is a product?**

A product is a good, idea; method, information, object or service created as a result of a process and serve a need or satisfies a want. It has a combination of tangible attributes (benefits, features, functions, uses) that a seller offers a buyer for purchase. For example, a seller of a toothbrush not only offers the physical product but also the idea that the consumer will be improving the health of their teeth.

It is a good or service that most closely meets the requirements of a particular market and yields enough profits to justify its continued existence.

Products as goods are physical, tangible things we produce. We can touch or handle them. People buy or sell and eventually consume them. We can store and transport them.

Product is a tangible item. It can be a consumable such as food or drink or non-consumable like a room or entertainment. When customers make judgement about products, they consider two factors: range and quality.

## **B. What is a service?**

A service is a transaction in which no physical goods are transferred from the seller to the buyer. The benefits of such a service are held to be demonstrated by the buyer's willingness to make the exchange. Services are the non-physical, intangible parts of our economy, as opposed to goods, which we can touch or handle.

A service is the act or performance 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. A service is an activity or series of activities of more or less intangible nature that normally, but not necessarily take place in interactions between the customer and service provider, which are provided as solution's to a customer's problems.

## **C. What is knowledge of product?**

It is an understanding of a product or service that might include having acquired information about its application, function, features, and use and support requirements. Product knowledge is a generic term referring to knowledge about:

- Products sold
- Services provided
- The venue
- Policies of the property
- Procedures used within the business
- Protocols guiding the operation of the venue
- Local attractions, services, facilities and events, festivals and infrastructure.

Examples of product knowledge: There is no limit about what product knowledge covers and it can address knowledge about:

- The brands, sizes and differing qualities and types of physical products the venue sells
- Items on the food and drink menus –look, taste, cost and ingredients
- The credit cards accepted by the business and the payment options available to customers to pay for items and services they purchase

- Staff and management at the venue including various roles and responsibilities of individual employees etc.

#### **D. Benefits/importance of product and service knowledge**

The benefits of having high levels of product and service knowledge include:

##### **Being able to provide professional assistance to customers**

High levels of product and service knowledge allow you to:

- Have confidence in your ability to sell and the approach you take with customers
- Present products and services in an appropriate way meeting identified customer needs, wants and preferences
- Establish a rapport with customers based on their confidence in you and your demonstrated credibility
- Engage with customers and build an on-going relationship encouraging repeat and return business
- Show, display or present products and services in such a way that demonstrates their best features and highlights their appropriateness for potential purchasers
- Offer potential customers the opportunity to test, try or sample the products or services being considered or offered for sale.

##### **Being able to distinguish between alternatives**

Many products or services are offered for sale in a variety of options:

- **Products**

Products may differ on the basis of:

- ✓ Brand name
- ✓ Size
- ✓ Quality
- ✓ Country of origin
- ✓ Features
- ✓ Price
- ✓ Methods of payment

- **Service**

Services may have options in terms of:

- ✓ Duration
- ✓ Delivery choices

- ✓ Location

### **Meeting customer service level expectations**

Excellent levels of product and service knowledge enable you to provide service meeting or exceeding customer expectations. This demonstrates your professionalism and respect for the patron. Customers expect staff to know what they are talking about and know the products and services they are selling. Failure to meet these basic expectations can result in:

- A lack of customer confidence in the venue overall – the reality is often all aspects of the venue suffer when staff are unable to respond satisfactorily to one request
- Decreased amount and value of purchases – a lack of suitable product and service knowledge translates either into a „no sale“ or reduced sale because customers do not have confidence in the sale staff serving them
- Reduced levels of satisfaction – meaning people are less likely to return and make a subsequent purchase, and are less likely to recommend the venue to their friends, family or acquaintances.

### **Maximising selling opportunities**

If you do not have high levels of product and service knowledge you are much less likely to be able to:

- Identify opportunities to sell – these opportunities frequently present themselves whenever a sales-related enquiry is made
- Create supplementary sales – these are the opportunities for making extra sales, also known as „add-on sales“, whenever a sale is made
- Recommend a product or service for consideration by the customer as a future purchase – this may include:
  - ✓ Mentioning the entertainment available. this coming weekend in the function room
  - ✓ Asking if a couple checking-in at. Reception would like a table booked for their evening meal in the hotel's dining room
  - ✓ Making people aware of the special package deal being introduce next week for house guests.

### **Being better able to meet and overcome buying objections**

It is a fact of life many people will not automatically buy a product or service recommended, offered or available to them. Customers often have a need to be convinced they should make a purchase and can raise one or more 'objections' to buying something.

High levels of produce and service knowledge better equip sales people to:

- Identify these objections
- Recognise and accept them as legitimate concerns
- Meet the objections – presenting logical reasons why the „objections“ are unfounded and explaining why the offer being made is sound



- Overcome the objections – and close the deal by making the sale or taking a booking and a payment.

### **Topic 3: Identify opportunities to develop and maintain product and service knowledge**

Comprehensive, accurate and up-to-date knowledge is the basis of all effective maintenance and promotion of products and services. Therefore, the opportunities to capture, develop and maintain product and service knowledge include:

#### **Personal experience**

Personal experience is one of the best sources of product knowledge. Being able to talk to customers using first-hand experience is highly effective, builds credibility and demonstrates professionalism.

#### **Reading**

You can gain significant product knowledge by reading informational brochures and other materials provided by suppliers and manufacturers.

#### **Attending product launches**

When a supplier or manufacturer introduces a new product into the marketplace they usually hold 'product launches' to promote their new product to potential purchasers.

#### **Attending trade events**

If there is a local similar trade event (or convention, exhibition, seminar or display) you should make an effort to attend. These are excellent ways of identifying current industry issues and products, as well as being an excellent way of networking with others.

#### **Talking to sales representatives**

Most suppliers have sales representatives who call on the business on a regular basis. Sales representatives (known also as 'sales reps' or just as 'reps') visit the business to take orders for stock and for purposes or for a talk. This talk can be useful in finding out what is happening at other venues, trends in the industry, new releases and product launches, potential stock outages of products they sell, and impending price rises. They are an excellent source of information, certainly about their product, but also about the industry in general because they visit so many properties and speak to so many staff.

#### **Visiting suppliers, distributors and manufacturers**

Where you deal with local suppliers, distributors or manufacturers, it is a good idea to contact them and make arrangements to visit their premises. A telephone call to the manager or a word with the representative who calls on your business should enable this to occur. Perhaps use the purchasing officer at your venue as a means of facilitating the visit.

#### **Membership of industry associations and networks**

Being a member of a factory or industry association and having a good network is a good opportunity to develop and maintain product and service knowledge. Your network includes everyone from friends

and family to work colleagues, business connections, your social network and members of groups to which you belong.

### **Conventional and creative sources of information**

Reading, attending product launches and trade events, visiting suppliers, distributors and manufacturers and others and creating other sources of information sound well in developing and maintaining product and service knowledge.

### **Talking to others**

Much useful information about your workplace and its products and services can also be gained from talking to:

- Managers and owners
- Senior and experienced staff
- Customers.

## **LO 1.2 Use customer feedback and workplace observation to evaluate products, services and promotional initiatives and identify changes in customer preferences, needs and expectations.**

Analysing customer feedback has already been identified as important in the successful operation of a business. To optimise customer feedback potential, it is vital you make an effort to actively seek out and obtain feedback. You must never simply rely on customer feedback being given to you.

### **Topic 1: Understand the context of customer feedback**

Acting appropriately in response to customer feedback is regarded by many operators as essential to the on-going viability of any business. Customer feedback refers to:

- General comments or observations
- Compliments
- Complaints.

### **Topic 2: Understand the importance of customer feedback**

It is important to review customer feedback to:

- Identify trends or issues in feedback requiring action to prevent recurrence of a problem such as revisions to operational plans, policies, packages and advertisements.
- Generally speaking, try to identify trends in feedback as opposed to one off instances, however can be times when one off comments are important and must be responded to in relation to:
  - ✓ Anything related to safety
  - ✓ Issues where there is the potential for the venue to be sued or prosecuted
  - ✓ Instances where there appears a significant probability the media will be notified and may become involved
  - ✓ Situations where the customer has threatened to notify the authorities

- ✓ Take action to address specific customer dissatisfaction – such as sending a letter of apology
- ✓ Making a phone call to the customer to explain or discuss the issue they have raised
- ✓ Offer of a free meal or similar by way of apology
- ✓ Provide a discount for products or services purchased as a goodwill gesture.

### **Topic 3: Ways to determine customer preferences, needs, wants and expectations**

Undertaking market research is recognised as the best way to obtain information about your customer preferences, needs, wants and expectations. Market research is action taken by the venue to determine what customers want when they are at your venue. Market research data should reveal what is important and what is not to your customers. The data revealed by market research is used to:

- Produce better products and services better meeting the identified needs of the target customer. This may involve the introduction of new policies, equipment, facilities, products, services, removal of unpopular services or an upgrade of existing offerings.
- Guide the development of venue-specific policies and procedures so the operation of the business meets identified customer need
- Demonstrate the extent to which the venue is customer-focused as opposed to being venue-focused.

‘Customer focus’ refers to the approach taken by a venue to its customers whereby all decisions and actions are focused on what the customer wants, as opposed to being focused on what the venue wants. For example, the customer may want bigger serve sizes and a faster check-out when they leave the venue. When a venue prefers self-focus over customer-focus the usual result is a decline in business and sales.

**The following are ways to determine customer preferences, needs, wants and:**

- Applying questionnaires/questioning
- Undertaking one-on-one or group interviews
- Active listening
- Telephoning customers to solicit feedback
- Observation
- Recognition of nonverbal signs
- Experimentation
- Sending out mail surveys
- Initiating a competition
- Using focus groups
- Participating in industry-wide surveys
- Engaging the services of an external market research company
- Reading existing materials
- Tracking internal trends and changes

#### Topic 4: Factors influencing customer preferences, needs and expectations

There are different factors that influence customer preferences, needs and expectations including:

- Age
- Gender
- Social and cultural characteristics
- Prior knowledge
- Special needs

#### Topic 5: Ways to satisfy customer preferences, needs and expectations:

Addressing customer needs is critical for any business that focuses on customer retention in order to create good examples. Because, as important as the discovery phase is, knowledge about what your customer needs from you is only as good as the way you use it.

Let us discuss the best practices/ways of how to meet or satisfy customer needs and expectations and build stronger relationships

1. **Provide real timely support and service:** You can connect with your customers with live chat to deliver real time assistance for sales and support queries.
2. **Customers need to be listened to and understood friendly:** Customers need to know that they have been heard and understood. After customers describe their reason for calling, encourage employees to paraphrase what customers say, and use words that express empathy and a sincere desire to help.
3. **Customers need to be treated with respect and empathy:** Each customer wants to be treated with respect, and regarded as a very important person not as a problem. Be sure employees use the simplest terms to describe products or services, and repeat instructions as many times as necessary to guarantee customer satisfaction.
4. **Deliver quality customer support or service:** Not always “good product quality” is what customers look for. Customers prefer brands that offer real time support. So, your support teams should focus on providing frictionless service experience and improve customer handoff. When customers get what exactly they need, there is an increase in the satisfaction rate. How can you enhance your customer support quality?
  - Provide real time support
  - Use live assistance solutions
  - Automate your customer support
5. **Map your customer journey:** A great way to meet customer needs is by understanding the different customer touch points and how they interact with your business across these contact points. You can map your customer journey to get a visualization of the process they go through when engaging with your products or services.
6. **Measure customer satisfaction regularly:** To know how happy your customers are with your overall business you need to measure it on a regular basis. Choosing the right communication channels and customer satisfaction metrics is crucial.
7. **Be consistent in customer communication:** Inconsistent customer service is among the top frustration reported by customers. Use every possible strategy for effective customer service communication.

8. **Develop a customer centric culture:** One great way to meet your customer needs is to create a company culture that is focused on customer experience at every touch point. Align your company culture to focus on the customer experience first. so be clear on your brand's values and what makes the experience delightful. Empower your support representatives to be proactive, thoughtful, and creative in making it practically happen.
9. **Enhance the Unique Selling Proposition of your product:** Every business needs a reason for its customers to buy from them over their competitors, which is known as a Unique Selling Proposition (USP). Your USP can change depending upon the changes in your business and for different types of customers. A good product is anything that can be offered to a market for attention, acquisition, or consumption satisfies customer needs. Product quality is the characteristic that bears on its ability to satisfy implied customer needs. The USP of your product can be effective to differentiate your brand when the customers are making their buying decision.
10. **Ask customer feedback:** Customer feedback is a vital ingredient for the success of every business. It helps to enhance your products and services to better suit the needs of your customers. This will then raise the chances of the purchase of your improved products or services. You must always choose the right time to ask for honest customer feedback like after the chat session of a successful transaction.

#### **Topic 6: Understand products, services and promotional initiatives**

Product and service promotion is the most common form of marketing. Promotional activities and initiatives can include advertising product, service or brand in newspapers, radio, television, magazines, outdoor signage and online.

##### **A. Why is this important?**

It is important to know about the promotional initiatives being used currently in order to:

- Explain them to customers who may not know about them when they arrive at the venue, make a booking or make an enquiry
- Describe the benefits of the initiative. this means being able to tell customers the savings provided by the initiative, the time it will save them and the other advantages inherent
- Meet customer expectations. By being able to provide supplementary information when customers make enquiries about promotional initiatives currently being advertised Optimise sales. There is direct link between promotional activities and sales, so sales-related staff must be able to explain and promote these initiatives to generate maximum revenue.

##### **B. Promotional initiatives**

Promotional initiatives may be aimed at specific target niche markets or targeted at the general public. Promotional initiatives may relate to:

##### **Internal promotions**

Internal promotions are undertaken within the venue or by staff at a remote location such as a shopping centre, exhibition of fair. Options and activities for internal promotions may:

- **Static displays** – these are stands or displays used to promote one or more products.

- **Demonstrations** – these are excellent ways of promoting a service, as distinct from a physical product, and explaining how a product may be used.
- **Tastings** – these are common promotional initiatives in an industry where there are many food and beverage choices.
- **Competitions** – are regarded as a fun way to promote a product and service. They may also be integrated with other forms of promotion such as tastings and demonstrations
- **Celebrity appearances** – the use of celebrities can be an effective way to promote or endorse an initiative.

## Packages

Packages are offers made which feature the bundling of items (products and services), selling the package at a price less than the sum of the total price for their individual elements/inclusions.

## Events

Events involve the venue conducting or participating in:

- Trade fairs
- Exhibitions
- Product launches
- Joint venture promotions

## LO 1.3 Share market, product and service knowledge obtained with colleagues to enhance the effectiveness of the team

### Topic 1: Reasons to share knowledge

Knowledge is power, knowledge is a weapon, and knowledge is a treasure. You've heard them all. Sharing knowledge increases the productivity of the team. The reasons you should share your product and service knowledge with other workplace staff is to:

1. Demonstrate you are a team player and will assist others whenever you can
1. Show you have taken the time and trouble to obtain such information which will impress management with your dedication and professionalism
2. Assist them in their sales and promotion efforts which will have positive flow-on effects of increasing revenue, generating more positive customer relations and creating more repeat and referral customers.
3. Information sharing is one of the main ways of instigating a social learning atmosphere in the workplace. Companies that stimulate learning in the office naturally attract more talent, adjust quickly to any business change, and are more likely to experience augmentation in employee impetus.
4. Promoting an information sharing will significantly shrink the time spent in looking for knowledge as all employees will have access to the right information whenever they need it and from any location.
5. Information sharing facilitates employees in sharing all the valuable information they have stored in their minds along with their achievements, let-downs and experiences with their co-workers. This will save your employees from reinventing the wheel and committing the same

mistakes done by their predecessors. Consequently, they can easily come up with the correct solution, at the right time.

## **Topic 2: Methods and techniques of sharing knowledge at workplace**

All the following techniques are effective in passing on product and service knowledge to other workers within a venue or business or at the workplace. The techniques are simple and cost-effective.

### **Conducting internal staff meetings**

Most venues have regular staff meetings where attendance by staff is compulsory. You can use these meetings as a forum for sharing product and service information. If there is not already a regular agenda item in this regard, suggest one is included for all staff meetings.

### **Mentioning information at briefings**

Many properties hold a staff briefing before the start of trade as well as a de-briefing at the end of the day or shift. These are another useful opportunity to advise colleagues about new or revised product and service information either verbally or using another option (paper-based, demonstration, visit, taste test).

### **Developing paper-based information**

When you have discovered new or update product and service information, it is useful to create a brief hand-out or 'data sheets' to give to other staff informing them of what you have found. This hand-out need only be basic providing it contains all relevant facts.

When preparing these hand-outs:

- Use plenty of headings –to break information into relevant categories, as appropriate to the product or service being described
- Use dot points to present the information.

### **Conducting internal product and service activities**

- This may require you to conduct one or more of the following to inform staff of what you have learned: Visits to different departments – to show staff what you have found, or let them see what has changed (in guest rooms, outside, front-of-house and back-of-house)
- Observations of new or amended practices – so they gain a first-hand insight into the revised procedure
- Demonstrations – of how new equipment, practices or systems operate
- Practice sessions – where others can try out new procedures, equipment or protocols to learn what it is all about, or hone their skills
- Conduct tastings – of new recipes for food and drink items so staff can see what the products look, smell and taste like.

### **Allowing staff to experience services**

This usually requires approval from and the authorisation of management but is a very effective method of sharing with others exactly what the new or improved/revised products and services are all

about. This option enables staff to experience the same products and services a paying customer would experience so they can gain personal insight into what is being offered.

In practice it may mean staff experience:

- Staying in a guest room for a night
- Having a meal in a dining area
- Making a reservation or booking
- Using the venue website.

### **Conducting training sessions**

Structured training sessions can also be an excellent way of sharing information about venue product and service information. These training sessions should feature:

- Explanation for why the training is being conducted – there must always be a valid reason for staff having to participate in training
- Presentation of information as well as demonstrations, where appropriate
- Opportunity for staff to practice any new skills required
- Encouragement to staff to implement revised practices or knowledge
- Informal evaluation to determine whether or not there is need for additional learning or practice.

## **LO 1.4 Suggest ideas to appropriate person for product and service adjustments to meet customer needs for future planning according to organization policy.**

### **Topic 1: Understand product and Service adjustment procedure**

#### **A. What is product or service adjustment?**

Product adjustment consists of changing or modifying a product or a service in order to provide superior satisfaction and win over buyers from other brands and products. This is a result of changes in consumer tastes; price; in particular, the size and characteristics of particular market segments; changes in availability or cost of raw materials and other production or marketing components. Product modification is process to change in existing product according to customer needs.

It is a product or service modification referring to the improvement of the existing products or services by making necessary changes in the characteristics, nature, size, packing and colour, etc., of the products so that the changes in demand of consumers may be dealt effectively. According to customers' needs, change in existing product or service may be in inside property or outside appearance.

#### **B. Product life cycle**

The product life cycle contains four distinct stages: introduction, growth, maturity and decline. Each stage is associated with changes in the product's marketing position. You can use various marketing strategies in each stage to try to prolong the life cycle of your products.

**Introduction:** when introducing a new product or service to market, you need market research to help make the decisions surrounding where your product or service will go and how it will get there; who is



going to buy it; how much you are going to charge for it; and, most importantly, if anyone is going to want to purchase your product at all.

**Growth:** During the growth stage, organizations will need to begin asking new questions in order to expand as well as examine new competitors, new potential markets and any changes in brand image. Once your product hits maturity, your momentum will either climax or plateau. In order to help push your product to reach further success, you should focus your research efforts on competitive intelligence in hopes of acquiring some of their customer base

**Maturity:** During this stage sales may continue to increase or level off. Profits decrease since prices are continually lowered to compete. Conduct market research to determine trends. Adapt your product or service to meet the coming trends. This is the stage in which differentiation is more important than ever. If you don't look for new opportunities in new markets and new products or adjust your products, the coming decline stage will leave you with products and services that no longer sell.

**Decline:** As your product or service begins to decline from the height of its success, your organization should assess a plan to pivot your product or business strategy. Determining what changes may positively impact your sales and analysing your customers' sensitivity to change will help with the potential to revamp revenue.

### **C. Process of product adjustment**

It is normal for products to be changed several times during their lives. A key question that the marketer must answer before modifying or adjusting the product is what particular attributes of the product and competing products are perceived as most important by the consumer? Factors such as quality, function, price, service, design, packaging, and warranty may all be determinants. This evaluative process requires marketing research studies to learn of improvements buyers might want, evaluate the market reception given to the competitors' improvements, and evaluate improvements that have been developed within the company.

There are three major ways of product adjustment/modification, i.e. quality modifications, functional modifications, and style modifications.

**Quality adjustment/modifications:** These are changes that relate to a product's dependability and durability and usually are executed by alterations in the materials or production process employed.

**Functional adjustment/modifications:** Changes that affect a product's versatility, effectiveness, convenience, or safety are called functional modifications. They usually require redesigning the product.

**Style adjustment/modifications:** Changing the sensory appeal of a product by altering its taste, texture, sound, smell, or visual characteristics. Since a buyer's purchase decision is affected by how the product looks, smells, tastes, feels, or sounds, a style modification may have a definite impact on purchases.

## **Topic 2: Importance of Product and Service adjustment on customer satisfaction**

Product or service adjustment is important on the customer satisfaction as illustrated below:

- It makes a product or a service useful to more people, which enlarges the market for it
- Customers get product of quality or increased or improved product or service at a good price
- It offers the customers possibility of choosing preferred products or services
- It caters to customers' needs and satisfaction
- It increases in variety and choice.
- It gains competitive advantage over rivals

## **Learning Unit 2: Provide a quality service experience to customers.**

**Learning Outcome 2.1: Determine and clarify customer preferences, needs and expectations.**

### **Topic 1: Customer needs and preferences**

Customer needs are the named and unnamed needs your customer has when they come in contact with your business, your competitors, or when they search for the solutions you provide. Customer need is a motive that prompts a customer to buy a product or service. Ultimately, the need is the driver of the customer's purchase decision. Companies often look at the customer need as an opportunity to resolve or contribute surplus value back to the original motive. They are consumer's desires for a product's or services specific benefit. On the other hand, a consumer want is the desire for products or services that are not necessary, but which consumers wish for.

Customer preferences are expectations, likes, dislikes, motivation and inclinations that drive customers purchasing decisions. They complement customer needs in explaining customer behaviour. For example, a customer needs shoes and they'd prefer a particular style, brand and colour. Appealing to the preferences of customers is a basic marketing technique that is useful for branding, product development, distribution and customer experience. They are measured by customers satisfaction with items after having been purchased. This satisfaction is often referred to as utility. Consumer value can be determined by how consumer utility compares between different items. Customer preferences can be measured by their satisfaction with a specific item, compared to the opportunity cost of that item since whenever you buy an item.

To identify the needs of your customers, solicit feedback from your customers at every step of your process. You can identify customer needs in a number of ways, for example, by conducting focus groups, listening to your customers or social media, or doing keyword research.

#### **A. To understand customer needs and preference**

Understanding customer preferences is very important whether you are selling a product or offering a service. This is because customers are the determiners of how successful a company becomes. After all where will profits come from if not your customers? Customer care is all about sticking to the promises you make to customers. However you can only satisfy your customer's needs if you get to understand them to an extent that you can anticipate their needs and deliver beyond their expectations.

## **Identify Who Your Customers Are**

In order to know whom you are trying to meet their needs you must get to know them. This does not necessarily mean knowing them personally. Instead it involves customer segmentation. Depending on the service or product you are offering, identify the group of people that require them. This group should form your current and potential clients. For example if you are involved in the sale of baby clothing and maternity outfit, then your target should be expectant mothers and parents with small kids.

## **Find out their shopping methods**

This is where most organizations fail. Let's say you have a store in the middle of town and most of your clients travel from far off areas to come and get your product or service. Based on the ever increasing technological advancements, it would only be logical if you embrace technology to serve your customers better. For clients who come from far operating an online store and arranging for door to door deliveries would be a good way of making them happy.

## **Listen to your customer's complaints**

There is no better way of understanding customer preferences than listening to and addressing their complaints. Most organizations tend to side with their employees and not customers. It is true that employees are a valuable asset to your company but customers are too. Carefully analyze a situation before you dismiss a client's complaints.

## **Invest in customer research**

Market research is as valuable as the customers themselves. Every organization should have a customer relationship management system. This database contains important statistics and data that you can use to understand your customer's preferences. If the data is not enough then use of both qualitative and quantitative analysis techniques can help. Note that market research should not be a once in a life time thing, instead it should be made an on-going activity. This is because the market keeps on changing with the influx of new competitors every now and then.

## **Conduct a customer satisfaction survey**

This is the best way to know whether your customers are at ease with what you offer them. It is as easy as just formulating a simple questionnaire that you issue your clients. Ask them whether they feel special and really do enjoy doing business with you. Also get to know the types of brands they prefer and that they would be delighted to find in your stores. Most importantly talk to them about your staff, do the staff behave well towards them? If so then what are some of the negative experiences they have undergone?

### **B. Types of customer needs: Physical vs. Psychological**

**Physical needs** are easier to identify because they have a direct, measurable, and sometimes tangible needs. If your hands are cold, you need gloves. If your windshield is broken, you need to have it fixed. If your empty stomach is growling, you need to eat.

**Psychological needs** are the decision-making forces. They guide a customer's decision to choose one brand or item over the competition. This is where things get slippery for business owners and

marketers. The only way to identify and meet psychological needs is by asking the customer directly, or studying their behaviours and using our findings to make educated guesses.

## **Topic 2: The importance of researching your customers' needs and preferences**

Customer research should be part of your overall market research and should be conducted regularly. Researching your customer's needs and preferences is very important because:

- Good customer research helps you choose products, tailor your marketing, and develop sales tactics for the people in your market based on reliable, accurate information.
- While your market research looks broadly at your customers, competition and industry to identify who you will market to, customer research provides more in-depth information on the needs, wants, expectations and behaviors of your customers.
- By identifying information about your consumers' needs and preferences, you can improve the strategies you use to attract them. It is also important to understand their purchasing behavior and attitudes with regards to brands and products.
- Researching leads to identifying your customers' needs and preferences and allows you to tailor the strategies and tactics you use in your marketing plan. This will help you to attract more customers; set the best price for your products; create the right marketing message; increase how much your customers spend; increase how often your customers spend; increase your sales; decrease your costs and refine your approach to customer service.

## **Learning Outcome 2.2: Offer accurate information about appropriate products and services to customers to meet their needs and expectations**

### **Topic 1: Understand needs and expectations of customers on products and services**

**A need** is a physical and psychological motivator that causes customers to buy a particular product or service

**Expectations** are the anticipated circumstances of a purchase. They include all steps of the customer journey, all interactions with the company, as well as the effects of the purchase and experience, the practical benefits, and the emotions. Customers rate a company's performance by its ability to meet their expectations

The needs and preferences of customer on products and services are various including:

- Assistance
- Features (general and special features of product)
- Quality of product
- Courtesy
- Comfort
- Empathy and support
- friendliness
- Origin and location of product
- Benefits of product
- Disadvantages

- Price of product
- Suitability of product
- Availability of product
- Special offers and requests
- Prompt services
- How to purchase or order

When responding to customer questions it is important to address the real question being posed, even when the real question has not been stated. This means, often, answering a question with another question in order to uncover or clarify the real intent behind the initial question.

**Learning Outcome 2.3: Anticipate customer preferences needs and expectations throughout the service experience and provide products and services in a timely manner, appropriate to individual needs and preferences, and according to organization standards**

### **Topic 1: Steps to anticipate customer needs and preferences**

Anticipating a customer's needs is an important part of most retail and wholesale businesses, especially in a more challenging retail environment so they choose to come back. Anticipating needs also provides opportunities for personal and professional growth. The following are steps to anticipate customer needs and preferences:

#### **Observe**

The first step of anticipating customer needs is to watch what is happening. What are your customers doing? What are they saying? What is happening around them? If you keep your eyes and ears open, you will be ready to see what a customer needs.

#### **Look for Patterns**

The more you observe customers, the more patterns you will see emerge. Take note of what happens when customers are in a particular situation. You'll see similar results. Identify the patterns. Look for the cause and effect of results.

#### **Action**

As you observe and identify that this particular situation matches a pattern you've seen before, take action. Help the customer leap frog ahead to the desired result. Help them avoid potential pitfalls. Inject yourself between the customer and the problem before it happens.

#### **Prevent**

Over time, you'll see common patterns. It then becomes essential to correct the root cause of these issues. When you fix the root problem, the customer won't have the need to begin with. Problem solved.

Other times problems and needs will always arise because they are out of your control. In these cases, make sure you have a process or system in place to identify and address customer needs before they arise.

## **Topic 2: Understand timely customer service**

### **A. What is a timely customer service?**

Timely customer service means to provide support to customers in an opportune manner. Responding to customer requests on time as well as resolving customer issues in a timely fashion is an extremely part of customer service. Timely customer service entails action on the part of call center staff, and keeping up with their clients. While it's unacceptable to make excuses if deadlines have been missed or a client has been forgotten about in the midst of a busy period, mistakes do happen; the best thing to do is to take responsibility and work to resolve a customer enquiry should there still be one

### **B. Ways of providing a timely customer care**

These nine ways to become an excellent customer service professional:

#### **1. Be friendly**

The most important rule in providing excellent customer service is to be friendly. Try to greet customers with a smile and always be courteous and respectful. Be proactive by paying attention to the customer's needs and offering help or recommendations before they ask. It is important to always remain kind and empathetic to your customer, even though stressful or contentious situations when they are disappointed or angry.

#### **2. Respond in a timely manner**

Another factor in good customer service involves the timeliness of your responses. Customers appreciate a speedy response to their inquiries, especially when they have a request that is time-sensitive. For good customer service, try to return all phone calls and emails within 24 hours. Let customers know how long it will take you to assist them.

### **3. Know your product or service**

In order to offer your customers excellent service, you should know every aspect of the product or service you are selling. Ideally, you will be able to discuss its features and uses, show your customers the advantages they get from using your product or service and troubleshoot anything that is not working correctly.

### **4. Listen to your customers**

Listening is one of the simplest ways to provide excellent customer service. Sometimes customers just need to be heard, so be sure to actively listen to what they have to say. They might have a valid point that you can use to make your product or service even better. By listening attentively, you can understand exactly what your customer needs from you.

### **5. Say thank you**

A simple “thank you” can go a long way when providing customer service. Customers often remember sincere gratitude, and it reminds them why they hired your company or shopped at your store. Saying thank you after every transaction is an easy way to provide excellent customer service. Here are a few other ways you can thank customers for their business:

- Send a handwritten thank you note.
- Provide free samples
- Include something extra
- Offer a special discount

### **6. Get to know your customers**

Providing great customer service means knowing who your customers are and what they want. When you have a better understanding of your customers and what drives them, you’ll find it easier to offer them the customer service they need.

### **7. Ask for feedback**

Asking your customers for feedback shows them you care about their opinion and want to be helpful. Giving them the opportunity to provide feedback can make them feel appreciated. You can use feedback forms, customer surveys, questionnaires or first-hand feedback when customers are completing their orders to find out what they need and what they think of your business, products or service.

## **8. Use the feedback you receive**

Once you have feedback from your customers, you should make use of it to improve your customer service process. You can take time regularly to review the feedback you are getting so you can identify areas where you can improve and note any specific changes you can make.

## **9. Focus on relationships**

A positive relationship with your customers will help you to ensure their return business. Showing that you care about them may inspire their loyalty and appreciation. You could offer personalized service, greet them by name and make notes of previous conversations so you can reference that information the next time you meet.

### **Topic 3: Importance of timely customer service**

#### **What does a timely customer service mean?**

Timely customer service is important for this exact reason. Keeping customers' content with prompt service is the best way to retain them and to attract new business. Though timely customer service has a number of benefits, the overall advantage is customer retention and the recruitment of new clients which is crucial since no business would be able to exist without customers.

Here are some of benefits of timely customer service:

#### **Reputation**

Providing efficient customer service is imperative to earning a positive reputation among consumers as well as competitors. Sustaining a positive reputation for customer service is almost as important as providing quality goods and/or services. When customers are unhappy with the customer service they receive or have a negative experience with a company, they're more likely to make it known versus when they have a positive experience.

#### **Loyalty**

Providing great customer service is key in creating a band of loyal customers. The more loyal customers your business has, the steadier your flow of business will be. Timely and helpful customer service can help prevent customers from having negative experiences, and make them more likely to stay with your company.



## **Word-of-Mouth Advertising**

Timely and effective customer service will result in not only a band of loyal customers but can also serve as free advertisement. When customers are happy with the service they receive from your company, they're more likely to recommend you to their friends and members. Word-of-mouth advertising from satisfied clients is invaluable; it can't be bought and sometimes has more power to sway potential customers than the ads that you do pay for.

### **Learning Outcome 2.4: Offer possible extras and add-ons appropriately and provide personalized and additional services and products where appropriate**

#### **Topic 1: Importance of offering extras and add-ons**

Extras and add-ons are fees or charges that are added to the basic price of a good or service for additional features or benefits. An add-on sale is an additional item sold to a buyer of a main product or service. Making add-on sales means building extra sales onto the customer's original stated request.

Example1, if a customer comes into a dining room for lunch and orders only a main course you might suggest a soup or an entrée to start the meal. Recommend the garlic bread as an accompaniment. Bring the dessert trolley to the table when they have finished the main course and try to sell a dessert. Make them aware of in-house entertainment, when it is on and where tickets are available.

Example2: If a customer came into a retail bottle outlet to buy a bottle of spirits, you may ask: "Would you like a Coca Cola to go with it?" "Do you also need ice?" Keys in making add-on sales are: Always try to make add-on sales when appropriate. Make the offer relevant to the original order by the customer. Never put pressures on the customer rather inform them and then let them decide.

#### **A. Importance of offering extras and add-ons**

The importance of offering extras and add-ons is various:

- The product or service extras (add-ons) allow you to offer extra services, goods, or options to tweak the service.
- The competitive environment: if there are many competitors that offer similar solutions to a problem or when it is difficult to position a company as a quality leader the add-on pattern might be a strategy to differentiate via price. The basic product is offered at a competitive price that attracts the customers' attention. Different extras can be added to the basic products that drive the final price.
- Offering extras and add-ons helps to guide the customer within his decision.
- Offering extras and add-ons builds deeper relationships with customers.
- Helps in retaining your existing customers than to acquiring new ones. Customers come back for more. Extras and add-ons are unique in the way they add value to customers that makes them want to come back for more.
- Extras and add-ons sales help generate increased Customer Lifetime Value (CLV), which is the net profit contribution a customer makes to your company over time.

- They can help a seller establish a rapport with a customer, which equates to planting a seed for future business. It is not a dirty tactic if it focuses on helping customers "win" with add-ons that will enhance their experience with the primary item. By delivering enhanced value and making them feel like they got a better deal
- Looking at this pattern from an inclusive point of view there is the potential that this business model pattern allows freedom to fulfil on the one hand a basic need (transportation, care,...) and on the other hand allows customization and freedom for fulfilling special needs.
- Extras and add-ons build or boost loyalty. Customers love low prices, but they don't exactly build much loyalty. The moment someone offers even lower prices, customers will migrate to that competitor. Ideally, you want customers to develop an attachment to your company and your products, not just your prices. Add-ons show customers you're willing to go the extra mile for them and cultivate a sense of loyalty, create more loyalty.
- Good for margins. Add-ons, alternatively, are beneficial to margins. In many cases, even if you sell the add-on at a break-even price, you're still making more money than if you tried to market the main product at a reduced price. People often say that "less is more," but sometimes the truth is that more is more. Add-ons make you more money and bring in more customers

## Topic 2: Ways to improve customer service

There are different ways of improving customer service but let analyse these 10 ones:

1. **Check Your Customer's Pulse** –check customer's happiness level. Every time you interact with a customer, in person or over the phone, initiate a quick discussion to gauge how they are feeling.
2. **Check Your Employee's Pulse** – Your employees are an untapped source of customer information. They know how your customers really feel. And, given the chance, they'd love to share it with you. Take the time to listen and understand.
3. **Define Your Customer Service Belief System** – Ask any number of your staff for the definition of customer service and see what you get. You might be surprised. Most organizations assume that everyone is on the same page, that somehow everyone knows the significance of customer service and what it means to customers and the organization. ou need to agree to a definitive version right away.
4. **Understand Your Customer's Obstacles** –Observation is the keyword here. Watch your customers' movements and behaviour when they are in your organization. Are they visibly annoyed? Do they stand in line, looking at their watch? Can you tell by their body language that they would rather be somewhere else? Do your frontline staff seem attentive to their needs? Gather this information as you go about your daily tasks.
5. **Data Drive Your Business** – If you don't currently collect valuable customer data, then now is the time to begin. It doesn't have to be in any great detail. Just the basics – name, address, phone number, e-mail address – if your customer doesn't mind. Utilizing this information is paramount to keeping customers connected to your organization
6. **Change Your Employment Policy** – I often see ads for frontline customer service staff saying: "5 years' experience required." It is understandable that businesses would want new people to hit the ground running. But this may not be the best approach when it comes to customer

service. Levels of technical skill are required for the post, it might be better to hire largely for a positive, upbeat and enthusiastic outlook and train for the rest. It won't suit every situation of course, but hiring cheerful, and training for skill, has its strengths.

7. **Lay Down The Law Of Customer Service** – Unless you are blessed with the gift of telepathy, sooner or later you are going to have to create a customer service “law” for your business. It simply needs to assign the customer as THE number one priority, in a clear and understandable way, and it needs to be obeyed. Make sure that everyone who interacts with a customer, lives and breathes the “law” of your customer service on every occasion.
8. **Turn Customer Service Into A Sales Driver** – What better time to introduce a customer to the greater benefits of your product or service than at the point of sale. Educate your customer service people to fully understand the many benefits you are offering, and train them to explain these benefits to the customer in a comfortable, conversational way.
9. **Establish Visible Measures Of Success** – Every business is different. But the one thing they all have in common is the need to keep customers happy and to keep them coming back. Determine core customer service measures of success. For instance, if you want your regular customers to return or increase the amount they buy, then measure that as a goal of your customer service team.
10. **Communicate** – Even if managers do find the time to launch a customer service improvement campaign, many struggles to maintain the effort and therefore never see lasting results. Often the problem is rooted in the management desire to do it once and done. Unfortunately, customer service isn't like that. It has to be reinforced, learned and practiced continually, with regular management input. Try a simple management communication technique that you can start today.

### **Topic 3: Promoting products and services**

Promoting products and services is a three-step process, involving planning promotional activities, coordinating activities and then reviewing and reporting on these activities.

#### **1. Plan promotional activities**

##### **Identify and assess promotional activities**

Marketing managers and others who make strategic marketing decisions need to have sound understanding of their organisation's overall marketing plan and objectives, and the types of activities that will best meet the organisation's marketing needs.

There are many activities an organisation can use to promote its products and services. These activities form part of the promotional mix. Some activities will be similar and may overlap; other activities will be quite distinct. All activities must be compatible with the organisation's requirements or overall objectives.

##### **Describe promotional initiatives that may be used to promote products**

Promotional initiatives may be aimed at specific target niche markets or targeted at the general public. Promotional initiatives may relate to:

**Internal promotions:** Internal promotions are undertaken within the venue or by staff at a remote location such as a shopping centre, exhibition or fair. They can be like

- Displays (static) and videos or DVDs
- Promotions
- Demonstrations
- Competitions
- Special offers
- Specials

**Media campaigns:** Media campaigns refer to the use of various media outlets to advertise promotional initiatives. Those are like:

- Newspapers
- Radio
- Television
- Website
- Social media

#### **A. Demonstrate how to develop and produce a static in-house promotion**

The use of internal static displays or stands is a traditional and effective way for venues and individuals departments to promote to customers.

**Need for all displays/stands to have an objective:** All promotions, including internal displays and stands, must have one or more objectives.

**Integration with external media and other campaigns:** In some cases there will be a need for a display to align with, extend or reinforce an external media or other promotional campaign.

**Possible audiences:** The range of possible audiences for in-house displays is without limit but must be considered before the display is built. Identifying the audience impacts on aspects of the display (such as products used, signage, language, materials used, timing and placement) to make the display effective.

**Products and services to be displayed:** There must be a reason to promote the products and services featured in a display.

**Planning:** All displays will benefit from planning. Planning can require the involvement of others including management, marketing staff, staff from other departments in the venue and even customers.

**Promotional material:** At displays it is common to include advertising material promoting nominated products or services.

#### **B. Verbally promote products and/or services to customers**

For frontline, customer-contact staff verbally talking to customers will be the most common approach taken to the promotion of products or services.

**Honesty and accuracy:** Always be honest and accurate about all descriptions you make regarding products and services.

**Adherence to enterprise policies and procedures:** All venues will have policies and procedures governing selling they expect you to adhere to.

**Using appropriate communication skills – Questioning:** Using questions in promotion and sales situations is important because questions enable you to gather information, and to direct the course of the conversation. It is vital to realise selling is fundamentally an exchange of information. The customer telling you what they want, and you telling them what is available and what you can provide.

**Using appropriate communication skills – Listening:** Listening is sometimes referred to as the neglected skill. Because you listen so often there is often the assumption you are good at it and do not need to spend any time worrying about how to do it, or how to improve doing it.

**Using descriptive phrases:** Descriptive phrases can help promote products and services and make a sale. Keys in the effective use of descriptive phrases.

**Selling the benefits:** All products and services have both „features“ (the physical elements of something) and „benefits“. A key strategy in selling is to 'Sell the Benefits' not the actual physical properties of a product or service.

**Using comparisons:** Promoting products and services can be more effective when comparisons are made. Comparisons can be made:

- Between same products and services
- Between packages
- Between venues

**Making suggestions and recommendations:** Customers expect sales staff to be able to make suggestions and recommendations about products and services for sale.

**Meeting identified customer need:** All sales and promotion activities must be customer-focused. You may determine individual customer need through asking questions and using responses to determine what is appropriate.

### **C. Demonstrate products and/or services to customers**

Most venues have a selection of products and services able to be demonstrated as part of the methods available to optimise sales and customer satisfaction/enjoyment.

**Demonstrating products and services:** Demonstrating is a very effective sales strategy because: It is active rather than passive; it builds your credibility as customers can see you know what you are talking about when you conduct the demonstration; it is very customer focused and engages the potential purchaser.

**Safety:** Whenever you demonstrate a product or service to a customer you must always ensure their safety.

**Showing the customer:** This is the most basic version of demonstrating. It involves showing a customer how something works or what it can do. The customer only watches and is not otherwise involved.

**Involving the customer:** This is a demonstration where the customer participates and tries out, or samples or experiences a product or service.

**Points to remember when demonstrating:** At all times when demonstrating a product or service you must: Remain alert to what is taking place and ensure security and safety throughout the demonstration Adhere to any relevant enterprise policies and procedures which may relate to:

- Number of people involved at any one time
- Location of the demonstration
- Restrictions relating to what can be demonstrated
- Requirements relating to the use of nominated items when demonstrating
- Age of people participating Comply with any relevant host-country legislation – such as: Age limits relating to tasting of alcohol

#### **A. Coordinate promotional activities**

Here are the most common steps to undertake when coordinating a new promotional activity:

- Determine how much money is available for activity from budget.
- Make a list of all items that must be arranged e.g. letters, catering, management briefs.
- Set up meetings with staff who are likely to be key to the event's success.
- Explain, discuss, clarify the promotional activity and elicit ideas and issues from key staff.
- Develop a draft agenda.
- Add to and fine-tune resource and to-do lists.
- Present draft agenda to manager and refine it further.

Always allow more than enough time to complete a particular task. Allow time not only for the task to be completed, but also for any follow-up tasks or contingency measures required in the event of problems occurring. It may be your responsibility to source and recommend appropriate venues for promotional activities. Make sure the venue requirements are identified early in the planning process so suitable locations can be found and alternative venues sourced if necessary.

#### **B. Reviewing and reporting**

Evaluation of the organisation's promotional campaign should involve a review of each element of the promotional mix. The success of the promotional campaign in achieving the overall promotional objectives should also be assessed, based on the analysis of each promotional mix element.

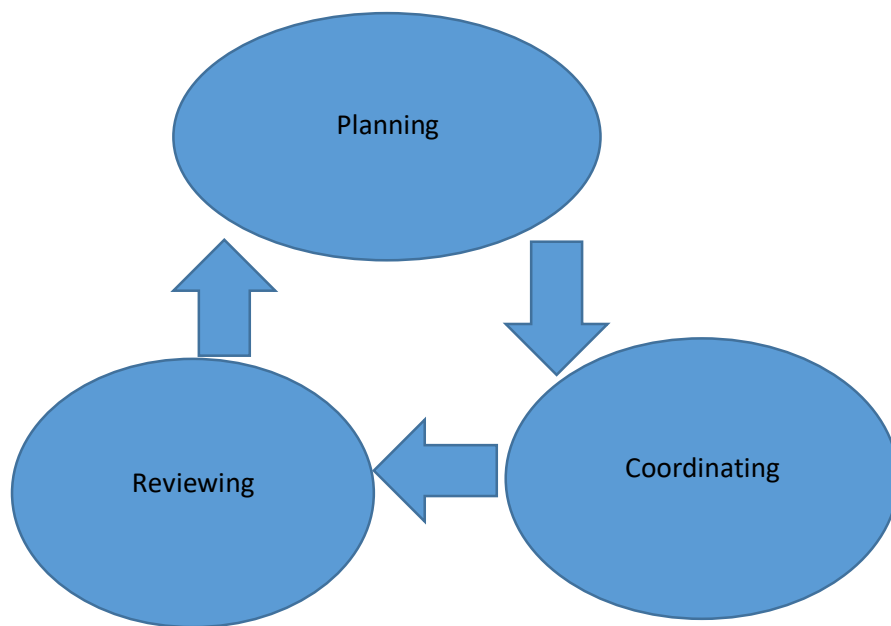
Ultimately, the impact of promotional activities should be assessed based on their performance in meeting the promotional objectives of the organisation. But how does the organisation measure this? What indicators exist that can provide insight into whether these objectives have been achieved?

#### **Measure the impact of promotional activities**

Establishing a cause-and-effect relationship between promotional activities and the subsequent benefits to the organisation is difficult. However, in determining the effect of promotional activities,

there are several sources of feedback and data that can provide insight into the impact of promotional activities on the performance of the organisation.

Here is an illustration of the continuous review process.



#### **Topic 4: Selling techniques:**

We believe that every good salesperson (or any person at all) always has room to grow in their role and improve their skills. That's why we invest so much in the continued education. Here are 10 effective techniques to help you become a better salesperson.

##### **1. Understand Your Market**

Above all else, you can't be an effective salesperson if you don't understand who you're selling to and what the market landscape looks like. We're not talking about just knowing their name, title, company name, and email. We're talking about really understanding what makes them tick.

##### **2. Focus on Helping**

How often do you get a call from a salesperson and all they talk about is the brand new features of the product they're offering? You listen politely, but think to yourself, "Yeah, but how does this help me?"

As a salesperson, this differentiation is key. Rather than focusing on the features of your solution, think about how those features can help your prospect. How are you solving one of their challenges or pain points?

##### **1. Active Listening**

One of the reasons that prospective clients are so wary of salespeople is because they anticipate a pushy demeanor and pressure to purchase a client. Setting out with a clear agenda and not interacting with the client beyond a fixed aim is a mistake; it won't win you sales and it definitely won't win you fans.

##### **2. Find Your Value Wedge**

When you present your value proposition to prospects, how much overlap is there between what you can provide and what your competition can provide? So rather than competing within that “value parity area,” focus on what you can do for the customer that’s different from what the competition can do. This is called your Value Wedge. Your Value Wedge must meet three important criteria:

- It’s unique to you. This is a message that’s completely different than your competitors.
- It’s important to the customer. Provide value by highlighting gaps in the way your prospect is doing things today, and how your approach will resolve those issues.
- It’s defensible. Document proof points of time when other companies overcame similar challenges by adopting your proposed solution.

### **3. Encourage/advise Your Prospect to Participate**

Using this approach to interactive visual stories is vital to engaging your audience, increasing favourable attitudes toward your story, improving recall, and making prospects more likely to meet with you.

### **4. Upsell by Reinforcing the Relationship**

Certain sales conversations with your customers require more finesse than others. Expansion conversations, for example, walk a thin line between persuading your customer to buy more and convincing them to stay with your solution in the process. If you succeed, you lay the groundwork for a long-lasting partnership. But if you stumble, your partnership stagnates, your revenue plateaus, and your customer becomes vulnerable to getting picked off by competitors.

### **5. Know-How to Apologize**

In a perfect world, you would never need to apologize to your customers. But service failures are inevitable. And mishandling these pivotal moments can put your customer relationships, retention, and future revenue at risk. But it doesn’t have to be that way

### **6. Don’t Focus on Selling Benefits**

Everyone knows how to sell benefits and not features, right? Well, no. If you start your customer conversation with benefits, you’re jumping the gun when it comes to how most prospects are looking at their first interactions with you and your company.

### **7. Don’t Rely on a Standard Elevator Pitch**

An elevator pitch is a short summary used to quickly and simply define a product, service, or organization and its value proposition. And just about every sales organization under the sun spends a lot of time trying to perfect that pitch. The problem is that the standard elevator pitch tells your story not your prospect’s story. So instead of spending time refining your elevator pitch, focus on building the story that features your customer as the hero but make your customer the hero, build rapport with customers and illustrates the unique value you can offer them.

### **8. Other important techniques**

- Serving
- Helping
- Advising



- building rapport with customers

## **Topic 2: Arousing interest.**

Once the attention of the prospect is drawn towards the product, his interest in that product should be developed for maintaining that attention. Creating interest is highly essential because attention is usually temporary. Unless attention is arrested in the product, sale cannot be made. A prospect is said to have interest in the salesman and his product when he is willing to hear more and more of his talks.

Here are some techniques to create or arouse interest: The salesman can create and arouse interest by following certain ways, which are given:

### **Explaining interesting features of the product**

All buyers are keenly interested in themselves and therefore, the salesman is to start a talk about the likely benefits of products to the prospect. While describing about the likely benefits of products, he is to see it from the angle of a prospect. In other words, in all his description about the goods and its merits the customer should be centre around which the talk should revolve.

### **Referring the name of some other person**

Another way of achieving the same thing is to refer name of some other person; who drives immense benefits by the use of salesman's goods. This certainly creates interest in minds of the prospect regarding the product.

### **Demonstration**

The third way to create interest is the demonstration of goods. It is perhaps, the most effective method of creating interest. The salesman must also use as many channels of communication with the buyer as possible, e.g., sight, hearing, touch, smell and taste. A good salesman always uses multi sense appeals with his prospect. The prospect must be kept busy with all his senses as far as possible.

### **Appealing to proper buying motives**

Still another possible way is to appeal to the proper buying motives of a customer. For this the salesman should try to know his buying motives. The customer may have rational motives like price, quality, durability, convenience, etc. or emotional buying motives like pride, prestige, ego, etc. However, it is really a difficult task to diagnose the accurate motive of the customer to get the desired result.

**Learning Outcome 2.5: Promote products and services at appropriate opportunities according to current organization goals and promotional focus and employ selling techniques appropriately to encourage usage and purchase**

## **Topic 1: Promotion Strategy**

Promotion is an attempt by marketers to inform, persuade, or remind consumers and users to influence their opinion or elicit a response. Most firms use some form of promotion. Because

company goals vary widely, so do promotional strategies. The goal is to stimulate action from the people or organizations of a target market. In a profit-oriented firm, the desired action is for the consumer to buy the promoted item.

Promotional goals include creating awareness, getting people to try products, providing information, retaining loyal customers, increasing the use of products, and identifying potential customers, as well as teaching potential service clients what is needed to “co-create” the services provided. Any promotional campaign may seek to achieve one or more of these goals:

1. **Creating awareness:** All too often, firms go out of business because people don't know they exist or what they do. Small restaurants often have this problem. Simply putting up a sign and opening the door is rarely enough. Promotion through ads on social media platforms and local radio or television, coupons in local papers, flyers, and so forth can create awareness of a new business or product.
2. **Getting consumers to try products:** Promotion is almost always used to get people to try a new product or to get nonusers to try an existing product. Sometimes free samples are given away. Lever, for instance, mailed over two million free samples of its Lever 2000 soap to targeted households. Coupons and trial-size containers of products are also common tactics used to tempt people to try a product.
3. **Providing information:** Informative promotion is more common in the early stages of the product life cycle. An informative promotion may explain what ingredients (for example, fiber) will do for a consumer's health, describe why the product is better (for example, high-definition television versus regular television), inform the customer of a new low price, or explain where the item may be purchased.
4. **Keeping loyal customers:** Promotion is also used to keep people from switching brands. Slogans such as Campbell's soups are “M'm! M'm! Good!” and “Intel Inside” remind consumers about the brand. Marketers also remind users that the brand is better than the competition. For years, Pepsi has claimed it has the taste that consumers prefer. Southwest Airlines brags that customers' bags fly free. Such advertising reminds customers about the quality of the product or service.
5. **Increasing the amount and frequency of use:** Promotion is often used to get people to use more of a product and to use it more often. The National Cattlemen's Beef Association reminds Americans to “Eat More Beef.” The most popular promotion to increase the use of a product may be frequent-flyer or -user programs. The Marriott Rewards program awards points for each dollar spent at a Marriott property.

6. **Identifying target customers:** Promotion helps find customers. One way to do this is to list a website as part of the promotion. For instance, promotions in The Wall Street Journal and Bloomberg Business week regularly include web addresses for more information on computer systems, corporate jets, color copiers, and other types of business equipment to help target those who are truly interested.
7. **Teaching the customer:** For service products, it is often imperative to actually teach the potential client the reasons for certain parts of a service. In services, the service providers work with customers to perform the service. This is called “co-creation.” For example, an engineer will need to spend extensive time with team members from a client company and actually teach the team members what the design process will be, how the interaction of getting information for the design will work, and at what points each part of the service will be delivered so that ongoing changes can be made to the design.

## Topic 2: The Promotional Mix

The combination of traditional advertising, personal selling, sales promotion, public relations, social media, and e-commerce used to promote a product is called the promotional mix. Each firm creates a unique promotional mix for each product. But the goal is always to deliver the firm’s message efficiently and effectively to the target audience. These are the elements of the promotional mix:

- **Traditional advertising:** Any paid form of no personal promotion by an identified sponsor that is delivered through traditional media channels.
- **Personal selling:** A face-to-face presentation to a prospective buyer.
- **Sales promotion:** Marketing activities (other than personal selling, traditional advertising, public relations, social media, and e-commerce) that stimulate consumer buying, including coupons and samples, displays, shows and exhibitions, demonstrations, and other types of selling efforts.
- **Public relations:** The linking of organizational goals with key aspects of the public interest and the development of programs designed to earn public understanding and acceptance. Public relations can include lobbying, publicity, special events, internal publications, and media such as a company’s internal television channel.
- **Social media:** The use of social media platforms such as Facebook, Twitter, interest, Instagram, and various blogs to generate “buzz” about a product or company. The skills and knowledge

needed to generate information as well as to defend the company against problems (such as incriminating videos “going viral”) are separate skills from those related to traditional advertising.

- **E-commerce:** The use of a company’s website to generate sales through online ordering, information, interactive components such as games, and other elements of the website. Website development is mandatory in today’s business world. Understanding how to develop and utilize a website to generate sales is imperative for any marketer.

## Learning Unit 3: Deal with complaints and difficult customer service situations

**Learning Outcome 3.1- Use questioning techniques to establish and agree on the nature, possible cause and details of the complaint or difficult customer service situation with the customer and assess the impact on the customer of the situation**

### Topic 1: Questioning techniques

There are three types of questions you can use to establish and agree on the possible cause and details of the customer complaints:

- Reflective questions
- Closed questions
- Open questions

#### Open questions

Open questions ask the customer to provide you with information. They encourage the customer to be open with you about their complaints and describe the situation. They are questions probing the talker for more information and encouraging them to supply further detail. It is often, a much better choice to use open questions. They are questions beginning with:

"What ..."

"Why ..."

"How ..."

"Where ..."

"When ..."

These “open” questions show attention, interest, concern and a desire to assist, as well as giving another opportunity to gain further information.

#### Closed question

Closed questions ask the customer to provide you with a “yes” or “no” answer or very specific details. They aren’t helpful in promoting conversation and can make the customer feel as if they are being interrogated. Use them sparingly.

Examples;

Are you in hurry?

Is the lake view important to you?

Will you stay another night?

In addition, you can also use closed and open questions.

They are suitable only in relatively few customer-service instances, such as: When you are busy; When seeking to clarify information already provided; When fine tuning your response to what the customer has identified they need, in general terms.

### **Reflective questioning**

It is the same idea as reflective listening as it involves repeating back to the customer what they have just said. In addition, as its name states, reflective questioning puts the words in the shape of a question. Reflective questions usually follow open questions and show the customer that you have been listening carefully.

This method shows the customer:

- You have listened to what they have said,
- Gives them feedback as to whether or not you have focussed on their main points or requirements,
- Encourages them to go on and provide more information
- Encourages them to clarify what they have already stated.

They usually involve two steps:

- Paraphrasing what customer has said
- Asking another question to clarify something

Examples:

Paraphrase what the customer said	Ask another question
You said that your children are coming with you	What are their ages? How can we help you best provide for them?
I heard that you say you want to be sure our venue is safe	What aspects of safety are you concerned about?
You mentioned you are concerned about how you would get around the resort.	Do you have any specific requirements regarding transport that would help make your stay more pleasurable?

**Note:** Reflective question frequently begins with the word “So ...” for example:

So you want a fairly inexpensive tour, you don't mind if it is a group tour but it must be today?

So you want a snack more than a meal, it must have with local flavour and ingredients and you want it to take away?

## **Topic 2: When and when not to use questioning techniques**

### **A. When to use questioning techniques**

Ask questions and summarise your understanding. Remember to seek permission from a customer who is very angry, to ask questions. As a result, you can then collect all of the facts needed to understand what has happened and to identify how best to resolve the situation.

You also use questioning when you've listened to your customer's complaint. Now you have a chance to calm down, it's your turn to take the initiative and get all the facts. Now is the time that you can calmly start asking questions for clarification. Start a genuine conversation with your customer. Between being kind, listening, acknowledging, and apologizing, you will have started gaining your customer's trust. However, it is imperative that you do not ask questions that your customer has already answered.

### **B. When not use questioning techniques**

Questioning techniques are not used when you don't have the permission to ask questions from the customer. You will also not ask questions to customer when you have not listened to his or her complaint.

## **Topic 3: Complaints or difficult customer service situations**

### **A. What are customer complaints, really?**

Customer complaints are often a sign that there's a disconnection between what customers expected and what you delivered. Sometimes that disconnection is caused by a customer's unreasonable expectations or incorrect assumptions. Other times, it's caused by something your company is doing wrong.

A customer complaint might be the result of your marketing copy leading them to believe something incorrect about your product/service or of your user experience setting customers up for failure. Or it could reflect a problem that's happening outside of your direct control (e.g., third-party shipping issues).

Customer complaint is an expression of dissatisfaction on a consumer's behalf to a responsible party. It can also be described in a positive sense as a report from a consumer providing documentation about a problem with a product or service.

Examples of difficult customer service situations can be angry customer, bad service, rude employees, impaired customers etc.

## **B. Customers complaints**

Below are a few common customer complaints that can be expected to encounter:

### **1. Long wait on hold**

A long wait or hold makes customers angry or feel neglected by the service and this creates a complaints. This means you can potentially lose a third of your customer base just because of keeping customers' wait for a long time or you didn't pick the phone fast enough.

### **2. Unavailable or out of stock product**

It's usually a good sign when a product goes out of stock, but if it stays out of stock, customers can become impatient for its return. They may demand a special order or repeatedly call for product updates. This typically indicates a time-sensitive need for your product which should be fulfilled immediately. This is same for seller who is not regularly in his shop.

### **3. Repeating the customer's problem**

Customers hate repeating their problems to your reps. this happens when they're either transferred to new reps or dealing with an agent who isn't paying close attention. When customers have to describe their issue multiple times, it's both a frustrating and time-consuming experience.

### **4. Uninterested service rep (agent)**

Whether it's their tone, personality, or even just the time of day, some customers simply won't get along with your customer service reps. when a rep fails to meet their needs, some customers think it's due to a lack of interest in their case. Sometimes this is true, other times customers have expectations that are higher than what your team can provide. Regardless of where the fault lies, when your reps fail to appear invested, your business's reputation takes the hit.

### **5. Poor product or service**

When your product breaks, you can expect the customer to complain. In some cases, the product isn't broken; rather, the customer doesn't understand how to use it. Other times, customers aren't a good fit for your product or service, but they blame your company for failing to fulfil their needs. Poor customer service is a common complaint but what do we actually mean by the term? Customer service can be defined as any customer care activity that supports the delivery of a product or core service including the checking of delivery status, return and crediting of orders, customer advice and support.

### **6. Unwanted marketing calls and silent calls**

Consumers may receive telephone calls from companies who are trying to sell them something which they do not want to purchase. Some consumers find this intrusive. Silent or abandoned calls are just that: you pick up the phone and hear nothing. They are at best frustrating and at worst worrying to consumers.

### **7. Lack of follow up**

When you do have to follow up on a case, customers will often have different expectations for follow-up communication. Some customers will expect an on-going chain of updates while others will be

more patient. If your reps aren't consistently clear about response times, your customers may think you've forgotten about their case.

## 8. New product or feature request

This one isn't necessarily a complaint but is something that customer service teams encounter on a daily basis. If your product or service doesn't meet all of your customers' needs, they'll ask if they can propose a new product or feature. While some of these are helpful, most fulfil specific use-cases that don't apply to the bulk of your customer base.

## 9. Unsolicited goods

Unsolicited goods are items that are sent to a consumer who has not ordered or asked for them. Sometimes consumers unwittingly order goods because they don't fully understand the terms of obligation when they join mail order or online schemes.

### C. Process of handling customer complaints

A good customer complaint handling process involves the steps listed below. Note that one step is to acknowledge the customer's feelings. A customer who is angry or upset due to a failure does not want to be patronized or have his or her problems taken lightly. The situation is important to the customer and should be important to the person listening and responding to the complaint.

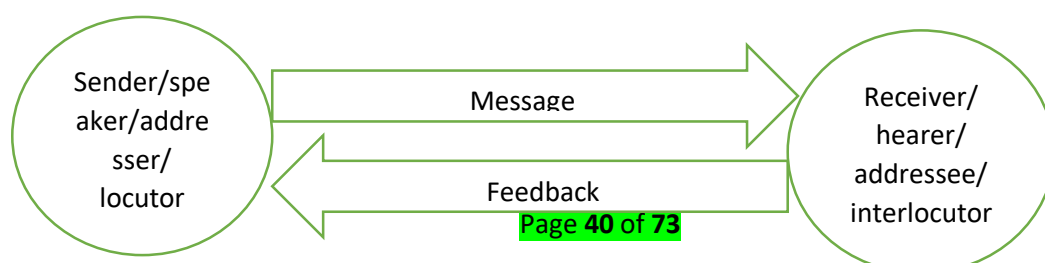
- Listen carefully to the complaint
- Acknowledge the customer's feelings
- Determine the root cause of the problem
- Offer a solution
- Gain agreement on the solution and communicate the process of resolution
- Follow up, if appropriate
- Record the complaint and resolution

Note that the complaint-resolution process involves communicating that process and gaining agreement on a solution, even if the customer sometimes might not like the outcome. He or she still needs to know what to expect.

## Learning Outcome 3.2- Use communication techniques to assist in the management of the complaint and handle the situation sensitively, courteously and discreetly.

### Topic 1: Communication Techniques

Communication is a two-way process where you need to speak and listen well and ask for clarification when necessary. Speak with a clear, understandable and convincing voice. For communication to be effective, the message should be clearly understood by the receiver as intended by the sender, and the receiver responds by any form of feedback. The figure below about the process of communication illustrates the basic elements of the communication process.





Effective communication is about more than just exchanging information. It's about understanding the emotion and intentions behind the information. As well as being able to clearly convey a message, you need to also listen in a way that gains the full meaning of what's being said and makes the other person feel heard and understood. Communication skills or techniques are abilities you use when giving and receiving different kinds of information. Some examples include communicating ideas, feelings or what's happening around you. Communication skills involve listening, speaking, observing and empathizing.

Here are some of communication techniques:

- Ability to speak clearly, be understood and use appropriate language, style and tone.
- Being clear and concise: Sharing information clearly is one of the most important communication techniques. Being clear is an essential framework to prevent miscommunication.
- Be a good listener: listening and active listening in order to fully understand what someone is saying.
- Asking questions to gain information, clarify ambiguities and adequately understand requirements
- Rephrasing and repeating questions, requests and statements to confirm that they have been correctly understood
- Empathizing with the customer's situation while upholding organization policy
- Be aware of non-verbal communication. Remember, nonverbal communication or body language like gestures, facial expressions is just as important as verbal communication and it should complement verbal communication. Watch other people's body language when you are interacting with them.
- Using communication techniques appropriate to different social and cultural groups.

Therefore, effective communication consists of effective speaking, effective listening and effective nonverbal communication. Here are skills and strategies for effective communication:

### **Effective Speaking Skills & Strategies**

- Be clear, brief, concise – to the point
- Use examples to get to the point
- Be polite / friendly
- Be honest
- Be respectful
- When you need to be direct, speak with respect
- Speak with confidence but not arrogance
- Be flexible – check the mood and attitudes of others and adjust accordingly
- Be aware of body language – your own and that of others

### **Effective Listening Skills & Strategies**

- Use appropriate body language to show you are listening (eye contact, sit upright, nod head, etc.)
- Listen to the speaker without interrupting
- Repeat what the speaker has said to make sure you have understood correctly

- Ask questions for clarification when you do not understand something
- Avoid being distracted by noises, mobile phones (turn it off!), what other people are doing, etc.
- Avoid being distracted by the mannerisms, speaking style, clothing of the person speaking
- Truly listen without thinking about how you are going to respond until the person has finished speaking
- Be aware of your own attitude and avoid being judgmental accordingly
- Be aware of body language – your own and that of others

**Effective nonverbal communication:** Non-verbal communication is body language, facial expressions, eye contact, gestures and posture. Some examples of non-verbal communication include:

- Eye contact
- Hand shake
- Crossing your arms
- Sitting posture
- Gesture

#### **Other techniques**

- Asking questions to gain information, clarify ambiguities and adequately understand requirements
- Rephrasing and repeating questions, requests and statements to confirm that they have been correctly understood
- Empathizing with the customer's situation while upholding organisation policy
- Using communication techniques appropriate to different social and cultural groups
- Ability to speak clearly, be understood and use appropriate language, style and tone.

**Learning Outcome 3.3: Determine possible options to resolve the complaint and promptly analyze and decide on the best solution, taking into account any organization constraints**

#### **Topic 1: Organization constraints**

Organization constraints are defined as the aspects of the immediate work environment that inhibit the translation of motivation and abilities into effective performance. Those are like:

**Business model:** This is simple. If you have a wrong business model, you will fail. If you have a wrong strategy in place, you will ultimately be doomed.

**Processes and organizational structure:** One of the biggest mistakes organizations make is to focus on people. The problem with solely focusing on people is that we end up pampering our people. The key to successfully getting your employees to achieve high performance is to focus on “process.”

**Leadership:** When we talk about leadership being a constraint, it not only means the quality of leadership at the top of the organization but also the quality of leaders across all the different levels.

**Culture:** Culture is the cumulative beliefs or mindsets of an organization, manifested in actions. These actions ultimately drive a result.

#### **Topic 2: Emotional and logical aspects of complaints.**

Complaining is an expression of dissatisfaction, whether subjectively experienced or not, for the purpose of venting emotions or achieving intra psychic goals, interpersonal goals, or both". When

there is a failure in the provision of service or the expectation(s) of the consumer is/are not met, then complaint will follow.

Customer complaints can be defined as the gaps between what business promises in terms of the product or services and what customers get. It is a mismatch between how customers perceive the brand and where they fail to get the desired customer service experience.

Emotions can influence logic by influencing the storage, organisation and retrieval of cognitive information. The recollection of an unfavourable service experience is likely to be associated with the negative emotions experienced at the time of the event. The recollection of such negative emotions is therefore likely to influence judgments about the service experience and expectations regarding similar experiences. The negative emotions have thus been posited as mediators in the relationship between cognitive evaluations and constructs such as perceived service performance and complaint behaviour.

### **Topic 3: Methods to manage and reduce stress when resolving complaints**

It is better to have a procedure for handling complaints. A procedure will ensure complaints are dealt with the same way, every time. The procedure should be easy to understand and follow by all your staff. The following methods is considered when resolving complaints:

**Listen to the complaint:** Thank the customer for bringing the matter to your attention. Apologise and accept ownership, don't blame others and remain courteous.

**Record details of the complaint:** Go through the complaint in detail so you can understand exactly what the problem is. Keep records of all complaints in one central place or register. This will help you identify any trends or issues.

**Get all the facts:** Check that you have understood and recorded the details of the complaint correctly. Ask questions if necessary.

**Discuss options for fixing the problem:** Ask the customer what response they are seeking; it could be a repair, replacement, refund or apology. Decide if the request is reasonable.

**Act quickly:** Aim to resolve the complaint quickly. If you take a long time they tend to escalate.

**Keep your promises:** Keep the customer informed if there are any delays in resolving their request. Don't promise things that you can't deliver.

**Follow up:** Contact the customer to find out if they were satisfied with how their complaint was handled. Let them know what you are doing to avoid the problem in the future.

### **Topic 4: Proactive complaint handling**

It is vitally important to handle a customer complaining about your service or products empathetically. In addition, a strong communication structure is required, in order to stay in control of the conversation and to achieve a successful outcome. Crucially, a customer complaint well-handled can win you a lifelong customer, who remains loyal to your organisation. However, complainants displaying difficult behaviour can be as challenging for the recipient to manage as the complaint itself.

Therefore, here are some tips for dealing with difficult behaviour, to help appease these difficult situations:

**1. Actively listen and makes notes:** Concentrate solely on what the customer is telling you. Make notes of the key facts and their concerns, so that you have a record of the conversation to refer to in the future. Importantly, don't interrupt the customer, stay calm and in control. Above all, remember that you are representing your organisation and they are not "having a go at you personally". In a supportive but concerned tone of voice you can demonstrate you are actively listening and empathetic to the customer. For example, use a few small statements such as "right", "oh dear", "I'm sorry to hear that", "that must have been disappointing", as well as paraphrasing what they have told you.

**2. Acknowledge the customer's concerns and thank them:** At the appropriate time during the conversation, when there is a natural pause for example, recognise the level of distress this may have caused them. In addition, thank the customer for bringing this matter to your attention. Importantly, this will demonstrate that you are concerned and want to put the matter right or resolve the situation.

**3. Apologise for the impact or the inconvenience caused:** You may also need to empathise with the complainant concerning the failure to deliver the level of service expected, where appropriate. By saying 'sorry' you are again demonstrating to the customer that you are genuinely apologetic that this has happened to them and showing that you wish to put things right.

**4. Ask questions and summarise your understanding:** Remember to seek permission from a customer who is very angry, to ask questions. As a result, you can then collect all of the facts needed to understand what has happened and to identify how best to resolve the situation.

**5. Agree and explain the actions you will take as a result of their complaint:** Ensure that you only commit to the steps you have the authority to take. For example, explain what you will personally undertake to resolve the complaint, including when you will get back to them. Remember to be realistic about timescales do not over promise. It is always better to under promise and over deliver, rather than the other way round. Take ownership of the complaint, but should you need to involve a colleague, explain to the customer who will be in contact with them, their name and job role.

**6. Ask for feedback on the next steps:** Check that the customer is happy with the suggested actions you have committed to. Where appropriate, ask the customer if there is anything further that they think you could do at this stage to help them.

**7. Action the agreed next steps and follow-up:** Review actions in line with your organisation's procedures. You should then: Record the complaint; ensure that all actions have been taken and no details missed; send a "thank you" letter or email to the customer confirming that everything has been done as promised and inform your team leader or manager who may wish to offer compensation, or complimentary additional services or products, by way of an apology to the customer or put measures in place to recognise the customer in a special way, next time they use your company's products or services.

**8. Assess preventative measures:** Finally, review procedures with your team leader or manager to ensure future mistakes are not made and you learn from each complaint to enhance your customer service experience.

## **Learning Outcome 3.4: Use techniques to turn complaints into opportunities to demonstrate high quality customer service**

### **Topic 1: Methods of transforming complaints into additional service opportunities**

Complaint handling is the strategy being used by firms to resolve and learn from service failures in order to regain customers' confidence in its reliability. Therefore, customer complaints are important because they have a significant impact on the business.

The following methods help handle customer complaints in a healthy, productive way that fosters additional service opportunities:

#### **Follow up on all complaints**

Follow up with customers to make sure they're happy with how your business handles their complaints, and ask for feedback on how you can improve your products and customer service can be an additional service for the staff.

#### **Respond to the customer's emotion**

Take the time to let the customer express these emotions before you try to fix the problem. Sometimes, the real problem has nothing to do with your products or services, but with the way your employees made the customer feel. By hearing the customer out, you ensure customers perceive you as an ally, and you also learn about potentially significant problems that need addressing in your own customer-facing operations; whether by instituting new procedures or establishing new training for employees and this can be another service opportunity.

#### **Create proactive workflow for handling customer complaints**

Taking the proactive steps of listening, responding, and fixing the problem when dealing with customer complaints, but think about how your customer service might improve, creating workflow procedures employees must follow each time a customer complains; this starts by rewarding customer-facing employees for reporting complaints; recording the complaints, and making sure the people in a position to are to fix it is also another additional service opportunity.

#### **Make complaint your job**

Customer feedback, particularly complaints, can help you stay focused on what matters. For this reason, It can be a service that an individual has to consistently deal with and report back.

#### **Enhance reputation and good will**

Demonstrating that you welcome the opportunity the customer is giving to make things right. This way can enhance the establishment's reputation for service and maintain the good will and loyalty of customer. This can be another additional service opportunity.

#### **Maintaining customer satisfaction**

Maintaining customer satisfaction is at the heart of everything to do in business. So dealing with it is a real additional service opportunity.

## Topic 2: High quality customer service

### 1. What is customer service?

Customer service is the process of ensuring customer satisfaction with a product or service. Often, customer service takes place while performing a transaction for the customer, such as making a sale or returning an item. Customer service can take the form of an in person interaction, a phone call, self-service systems, or by other means. Customer service is an extremely important part of maintaining on-going client relationships that are key to continuing revenue. For this reason, many companies have worked hard to increase their customer satisfaction levels. Often there are many more people working behind the scenes at a company than there are customer service representatives, yet it is primarily the personnel that interact directly with customers that form customers' perceptions of the company as a whole.

Customer service is therefore, the act of taking care of the customer's needs by providing and delivering professional, helpful, high quality service and assistance before, during, and after the customer's requirements are met. It is the assistance and advice provided by a company to those people who buy or use its products or services.

### 2. Characteristics of good customer service

Some characteristics of good customer service include:

**Promptness:** Promises for delivery of products must be on time. Delays and cancellations of products should be avoided.

**Politeness:** Saying hello, good afternoon, sir, and thank you very much are a part of good customer service. For any business, using good manners is appropriate whether the customer makes a purchase or not.

**Professionalism:** All customers should be treated professionally, which means the use of competence or skill expected of the professional. Professionalism shows the customer they're cared for.

**Personalization:** Using the customer's name is very effective in producing loyalty. Customers like the idea that whom they do business with knows them on a personal level.

### 3. Features of customer service

- Key features of good Customer Service are:
- Putting the customer first
- Communicating with customers effectively
- Ensuring the staff are knowledgeable about products and services
- Providing a good after-sales service
- Dealing with complaints effectively

### 4. Key customer service skills

Here are customer service skills that every professional should seek to develop and every leader should look for when hiring new team members:

## **Patience**

Patience is crucial for customer service professionals. After all, customers who reach out to support are often confused and frustrated. Being listened to and handled with patience goes a long way in helping customers feel like you're going to alleviate their current frustrations.

## **Attentiveness**

The ability to truly listen to customers is crucial to providing great service for a number of reasons. Not only is it important to pay attention to individual customers' experiences, but it's also important to be mindful and attentive to the feedback that you receive at large.

## **Ability to communicate clearly**

It's important to be mindful of how some of your communication habits translate to customers, and it's best to err on the side of caution whenever you find yourself questioning a situation. More importantly, you need to be cautious about how some of your communication habits translate to customers.

## **Knowledge of the product**

The best customer service professionals have a deep knowledge of how their companies' products work. After all, without knowing your product from front to back, you won't know how to help customers when they run into problems. Take the time to get to know your company's product as well as a customer who uses it every day does.

## **Ability to use positive language**

Effective customer service means having the ability to make minor changes in your conversational patterns. This can truly go a long way in creating happy customers. Language is a crucial part of persuasion, and people (especially customers) create perceptions about you and your company based on the language that you use.

## **Acting skills**

Sometimes you're going to come across people who you'll never be able to make happy. Situations outside of your control (they had a terrible day, or they are just a natural-born complainer) will sometimes creep into your usual support routine, and you'll be greeted with those "barnacle" customers that seem to want nothing else but to pull you down. Every great customer service professional needs basic acting skills to maintain their usual cheery persona in spite of dealing with people who are just plain grumpy.

## **Time management skills**

On the one hand, it's good to be patient and spend a little extra time with customers to understand their problems and needs. On the other hand, there is a limit to the amount of time you can dedicate to each customer, so you need to be concerned with getting customers what they want in an efficient manner. The trick here is applying your time management skills when realizing when you simply cannot help a customer. If you don't know the solution to a problem, the best kind of support professional will get a customer over to someone who does.

## **Ability to read customers**

You won't always be able to see customers face-to-face, and in many instances, you won't even hear a customer's voice. But that doesn't exempt you from understanding some basic principles of behavioural psychology and being able to read the customer's current emotional state.

## **Unflappability**

There are a lot of metaphors for this type of personality: "keeps their cool," "staying cool under pressure," and so on, but it all represents the same thing: The ability some people have to stay calm and even influence others when things get a little hectic.

## **Goal-oriented focus**

This may seem like a strange thing to list as a good customer service skill, but it's vitally important. Many customer service experts have shown how giving employees unfettered power to "wow" customers doesn't always generate the returns many businesses expect to see. That's because it leaves employees without goals, and business goals and customer happiness can work hand-in-hand without resulting in poor service.

## **Ability to handle surprises**

Sometimes the customer support world is going to throw you a curveball. Maybe the problem you encounter isn't specifically covered in the company's guidelines, or maybe the customer isn't reacting how you thought they would. Whatever the case, it's best to be able to think on your feet, but it's even better to create guidelines for yourself in these sorts of situations.

## **Persuasion skills**

Experienced customer support personnel know that oftentimes, you'll get messages in your inbox that are from people who aren't looking for support; they're considering purchasing your company's product. To truly take your customer service skills to the next level, you need to have some mastery of persuasion so you can convince interested prospects that your product is right for them (if it truly is).

## **Tenacity**

A great work ethic and a willingness to do what needs to be done (and not take shortcuts) is a key skill when providing the kind of service that people talk about.

## **Closing ability**

Being able to close with a customer as a customer service professional means being able to end the conversation with confirmed customer satisfaction (or as close to it as you can achieve) and with the customer feeling that everything has been taken care of (or will be).

## **Empathy**

The ability to understand and share the feelings of another is more of a character trait than a skill. But since empathy can be learned and improved upon, we'd be remiss not to include it here.



## **Willingness to learn**

While this is probably the most general skill on this list, it's also one of the most important. After all, willingness to learn is the basis for growing your skills as a customer service professional.

### **5. Benefits of good customer service**

“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.” said Sam Walton. It is therefore, important to deliver additional levels of service above beyond customers' immediate requests. The following are benefits of good customer service:

**SATISFIED CUSTOMERS:** If customers are happy with the products/ services provided, they will return and recommend the organisation to others.

**KEEPING LOYAL CUSTOMERS:** This can be done by offering customer loyalty schemes, such as Boots Advantage Card, etc.

**ATTRACTING NEW CUSTOMERS:** Might be as a result of a recommendation from an existing customer or persuasion through loyalty schemes or advertising

**SATISFIED AND MOTIVATED EMPLOYEES:** A clear customer care strategy allowed employees to deal with all customers effectively, reducing stress.

**LOWER STAFF TURNOVER:** Employees are not stressed and will stay in the organisation

**REDUCED COSTS:** The cost of recruiting new employees is not necessary

**GOOD/ IMPROVED REPUTATION:** Recommendations from existing customers will improve the image of the organisation; if a customer has had a good experience with an organisation, they are likely to talk about it.

**COMPETITIVE EDGE:** A good reputation and/or more effective performance will mean that customers are more likely to choose that organisation rather than a competitor

**INCREASED SALES/ PROFITS:** More customers (loyal and new) will mean that the organisation will increase the value of their sales and therefore increase their profit.

**NOTE:** A clear customer care strategy enables employees to deal with all customers effectively, therefore reducing stress amongst employees as well as customers.

### **6. Impact of poor customer service**

A consequence of attracting new customers is an increase in sales/ profits and customer retention while the impact of poor customer service is:

**DISSATISFIED CUSTOMERS:** If customers are unhappy about the products or services being provided, they will not return and will tell others of their dissatisfaction

**LOSS OF CUSTOMERS:** Dissatisfied customers will look for products or services elsewhere  
**BAD PUBLICITY** Dissatisfied customers will talk and leave bad reviews!

**DEMOTIVATED EMPLOYEES:** Employees who do not receive appropriate customer-care training, or have not been advised of the organisation's customer care strategy, may make mistakes and not deal with customers effectively and this will lead to stress.

**HIGH STAFF TURNOVER:** Unhappy employees will leave to work elsewhere

**INCREASED COSTS:** The costs of recruiting and training new staff will be high

**POOR REPUTATION:** The organisation will gain a poor reputation through bad publicity and customers/ employees talking of their dissatisfaction/ demotivation

**POOR COMPETITIVE EDGE:** Customers will be more likely to choose a competitor as they are performing more effectively.

**DECREASED SALES/ PROFITS:** Fewer customers (the loss of loyal customers and not attracting new customers) will result in lower sales and therefore lower profits.

**LEGAL ACTION:** Employees not complying with consumer legislation may lead to customers taking legal action.

### **Learning Outcome 3.5: Provide feedback on complaints to appropriate personnel in order to avoid future occurrence**

#### **Topic 1: The importance of feedback on customer complaints**

**Complaint + feedback = satisfaction = loyalty**

Complaints are essential for your product growth, but the way you deal with them is crucial. For example, arguing back is one of the worst ways of dealing with bad reviews. Even if you are not at fault, getting on the defensive will only make you look weak. That is why you should always keep your cool and stay polite. It is also a good idea to apologize. Like it or not, customers complain when their expectations have not been met. Customers who've received an efficient, personal response to their complaint are likely to feel more of an affinity with the company in question. They're also not as fickle as you may imagine. Most people recognise that mistakes sometimes happen. And most customers instinctively remain loyal to a company who've given them personal attention. Often, they just want to be heard, so let them know that what they've got to say matters to you.

It may seem counterintuitive, but this is why complaints are a useful way to interact directly with your customers. They allow you to build a conversation and a more personal relationship and your feedback to their complaints is more significant as it makes them happy, satisfied, loyal and then retained.

Complaints handling is an invaluable opportunity for your organization to identify areas of improvement. The following are importance of feedback on customer complaints:

### **1. Customer satisfaction enhancement**

Many people, when unsatisfied with a product, will keep it to themselves and simply stop using your services. However, those who do share, usually express not only their own feelings but those of other customers too. So when you address their feedback and provide a quick resolution, you are likely to make more than one customer happy.

### **2. Boost in customer communication**

Besides, customer feedback also serves as a channel of communication between your company and the clients. The statistic shows that the biggest percentage of clients leaves companies because they feel like the latter does not care about them. For many of them, it is important to know that their opinions are taken into account. Furthermore, when clients know that there is an open line of communication and their input matters, they are more likely to stay loyal to your company and spread the good word.

### **3. Customer retention**

Customer retention refers to a brand's ability to gain repeat business from a customer. With positive feedback to customer's complaints can lead the customer to continue to purchase a brand's product or service, rather than choosing a competitor.

### **4. Customer loyalty**

Feedback on customer complaints makes him satisfied and then loyal. A loyal customer will buy from you again and encourage others to do the same. This often results in quality referrals and positive word-of-mouth reviews. Loyalty goes beyond spending money. Loyal customers will vouch for you and serve as advocates for your business.

## **Topic 2: Effective feedback giving**

Feedback is an essential element for everyone in an organization's workforce. Giving feedback is a task you perform again and again as a manager or supervisor to staff or staffs to customers, letting people know where they are and where to go next in terms of expectations and goals and service or product satisfaction.

Feedback is a useful tool for indicating when things are going in the right direction or for redirecting problem performance. Your objective in giving feedback is to provide guidance by supplying information in a useful manner, either to support effective behaviour, or to guide someone back on

track toward successful performance. Constructive feedback is a tool that is used to build things up, not break things down. It lets the other person know that you are on their side.

1. If you can't think of a constructive purpose for giving feedback, don't give it at all.
2. Focus on description rather than judgement. Describing behaviour is a way of reporting what has occurred, while judging behaviour is an evaluation of what has occurred in terms of "right or wrong", or "good or bad". By avoiding evaluative language, you reduce the need for the individual to respond defensively.
3. Focus on observation rather than inference. Observations refer to what you can see or hear about customer's complaints, while inferences refer to the assumptions and interpretations you make from what you see or hear.

## **A. How to give feedback effectively**

### **Check your motives**

Before giving feedback, remind yourself why you are doing it. The purpose of giving feedback is to improve the situation or the person's performance. You won't accomplish that by being harsh, critical or offensive.

### **Be timely**

The closer to the event you address the issue, the better. Feedback isn't about surprising someone, so the sooner you do it, the more the person will be expecting it. Think of it this way: it's much easier to provide feedback about a single, one-hour job that hasn't been done properly than it is to do so about a whole year of failed, one-hour jobs.

### **Make it regular**

Feedback is a process that requires constant attention. When something needs to be said, say it. People then know where they stand all the time and there will be few surprises. Also, problems don't get out of hand. It's not a once-a-year or a once-every-three-month event. Though this may be the timing of formal feedback; informal, simple feedback should be given much more often than this – perhaps every week or even every day, depending on the situation.

### **Prepare your comments**

You don't want to read a script, but you do need to be clear about you are going to say. This will help you to stay on track and stick to the issues.

### **Be specific**

Tell the person exactly what he needs to improve. This ensures that you stick to facts and there is less room for ambiguity.

### **Criticize in private**

While public recognition is appreciated, public scrutiny is not. Establish a safe place to talk where you won't be interrupted or overheard.

### **Use "I" statements**

Give feedback from your perspective. This way you avoid labelling the person. Say, "I was angry and hurt when you criticized my report in front of my boss" rather than "You were insensitive yesterday."

### **Limit your focus**

A feedback session should discuss no more than two issues. Any more than that and you risk the person feeling attacked and demoralized. You should also stick to behaviours he can actually change or influence.

### **Talk about positives too**

A good rule is to start off with something positive. This helps put the person at ease. It will also allow her to "see" what success looks like and what steps she needs to take next time to get it right.

### **Provide specific suggestions**

Make sure you both know what needs to be done to improve the situation. The main message should be that you care and want to help the person grow and develop. Set goals and make plans to monitor and evaluate his progress. Use the SMART acronym and define specific steps and milestones to motivate him to deliver the change that you want.

### **Follow up**

The whole purpose of feedback is to improve performance. You need to measure whether or not that is happening and then make adjustments as you go. Be sure to document your conversations and discuss what is working and what needs to be modified.

## **Learning Outcome 3.6: Reflect on and evaluate complaint and solution to enhance response to future complaints or difficult service situations**

### **Topic 1: Complaint analysis**

Complaint analysis is used to track, categorize and handle customer complaints. When a customer makes a complaint, he or she is voicing a concern in relation to your product or service. However, not all complaints are to be treated equally and there are several questions to ask yourself before you take action, including:

- Has this happened before?
- Have the complaints been recorded?
- How often does the same complaint arise?
- Is there a pattern to this complaint in how it was received?
- Has the same customer reported this previously?

By answering these questions, you can take the necessary steps required to prevent them from happening again. For example, if several customers complain about a specific issue, you can use their feedback to improve your product or service. Or, if you are currently working on a solution, yet you

still receive complaints from your customer base, you can create an email template for support that explains, in detail, how are you going to solve it.

### **1. Ways to handle customer complaints**

The next time you receive a customer complaint, follow these tips to help transform it into a golden opportunity for your business.

#### **1. Listen and understand**

Always listen to your customers. They have complained for a reason and it is important to understand why they are complaining. Research has shown that customers care more about quality than a fast response. Take time to listen and understand what their problem is. To maintain quality from all support personnel, use a customer service knowledge base.

#### **2. Apologize**

Don't be afraid to apologize for a mistake. Many customers are simply looking for an apology and acknowledgement of their complaint, yet so many businesses are hesitant to admit when a mistake has been made.

#### **3. Find a solution**

When your customer has a legitimate complaint, you need to find the root cause and solve it. Give your customer service team the authority to handle the majority of customer complaints to avoid passing your customer onto a series of people and managers. If the issue has been or can be repeated, make the necessary changes so you do not receive another complaint.

#### **4. Follow up with the customer**

Follow up with your customers to make sure they are satisfied with the solution. This can be in the form of a follow up email or survey asking for feedback on how the complaint was handled.

#### **5. Exceed Expectations**

You have acknowledged the mistake, fixed the problem and followed up. Now, it's your chance to go one step further and exceed customer expectations, whether this is to send a hand-written thank you note or to give the customer early access to your new product features. In doing so, the next time your customer talks about your business, this will be the message they communicate most!

### **2. Tools of analysing customer complaints: How to Analyse Customer Complaints.**

The following are primary tools for analysing complaints.

- The first is a general customer survey. This can be done by mail or phone. Some companies use a custom-designed post card, which can be given to customers by the technician after treatment, or mailed with statements, or sent with a cover letter to former customers. With prepaid postage and printing. Other companies prefer the telephone. They call a small sample of customers and explain that they are trying to improve service. Ask them if there are any problems. What's working, what's not? Ask for suggestions for improvement. Conduct a similar survey every one or two years. If you can, try to sample the customers of your competitors, too. This will help you see how your competitors perform, and where you stand in comparison.

- Another tool is to have a policy that technicians always tell management about complaints. A technician will often screen bad news, not wanting a supervisor to learn of a problem, especially if it involves his or her performance. Technicians have to believe that the complaint process is constructive, both for the company and for the technician.
- The primary tool for analysing customer complaints is probably an effective customer complaint form. The complaint form can be used by those taking complaints over the phone, or by technicians, or by supervisors. The form documents the complaint, and forces corrective action. Example of complaint form link <https://www.techletter.com/assets/Files,%20misc/complaintform.pdf>
- Someone should review complaint files periodically to be sure that every complaint was resolved, and to spot recurring problems and trends. Have both office and field staff, including technicians, read through the files occasionally. Use the files for training: How could we have prevented this service problem? How would you have handled it differently? Could we have responded better to the customer? Complaints should be considered not as an inconvenience, but as a tool to be used to improve service.

## **Topic 2: Customer complaint checklist**

Solving customer complaints is a lot like putting out fires. It's reactive, and no matter how good your product or service is, it's impossible to please all of your customers. The next time you receive a complaint, use the following 5 step check list in order to respond, resolve and keep your customer happy.

1. Acknowledge the complaint
2. Inform the customer that you are taking action
3. Record and categorize the customer complaint
4. Resolve the complaint according to company policy
5. Follow up with the customer to make sure they are satisfied

Handling customer complaints is an on-going process. You can use web forms to collect complaints from your website and then use customer service software to store the complaint on each customer profile. Remember to monitor complaints on a weekly or monthly basis so you can track new complaints and trends, and be sure to follow up on open complaints.

It's worth reminding, but if a customer leaves you, you lose business. So, don't be afraid to escalate reoccurring complaints to top management in order to get them resolved quickly. Example is complaint analysis form the link is <https://www.sampleforms.com/customer-complaint-form-samples.html>. The following are samples:

### **Sample 1**

**Customer Complaint Form**

Date of complaint :  
Name of the company :  
Name and designation :  
If holding a S/B account, name of account holder :  
Branch at which the account is maintained :  
Account Number :  
E-mail :  
Contact telephone number :  
Mobile number :  
Product/service about which you have complaint :  
Nature of complaint :  
Please provide brief details of your complaint :  
:

**Sample 2:**



## CUSTOMER COMPLAINT FORM

CUSTOMER INFORMATION	
Customer Name:	Customer Phone:
Customer Address:	
Contact Name:	Contact Position:
Customer P.O. No.:	Invoice Number:
Product Number:	Product Description:

COMPLAINT INFORMATION	
Complaint Date:	Complaint Taken By:
Complaint Details:	
First Response Corrective Action:	
Suspected Cause:	
Corrective Action Person(s):	
Corrective Action Follow-up:	
What steps should be considered to avoid a repeat of the problem:	
Date:	

\_\_\_\_\_  
Name of person completing this form

\_\_\_\_\_  
Signature

### Topic 3: Customer satisfaction

#### 1. What is customer satisfaction?

Customer satisfaction is an output, resulting from the customer's pre-purchase comparison of expected performance with perceived actual performance and incurred cost. Customer satisfaction is considered as prerequisite for customer retention and loyalty and obviously help in realizing economic, market share, and return on investment.

Customer satisfaction is typically defined as the feeling that a person experiences when an offering meets his or her expectations. When an offering meets the customer's expectations, the customer is satisfied.

Customer satisfaction is defined as a measurement that determines how happy customers are with a company's products, services, and capabilities. Customer satisfaction information, including surveys and ratings, can help a company determine how to best improve or changes its products and services.

An organization's main focus must be to satisfy its customers. This applies to industrial firms, retail and wholesale businesses, government bodies, service companies, non-profit organizations, and every subgroup within an organization

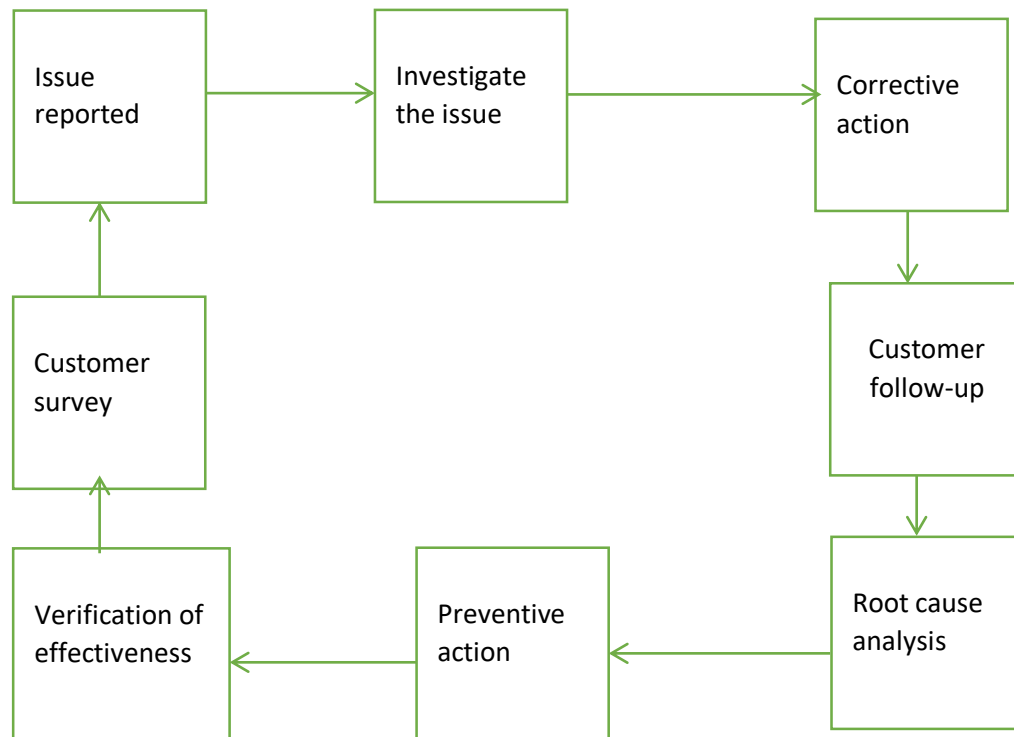
There are two important questions to ask when establishing customer satisfaction:

- Who are the customers?
- What does it take to satisfy them?

The customers (internal and external) include anyone the organization supplies with products or services. What it takes to satisfy them is for organizations to understand the voice of the customer, using tools such as customer surveys, focus groups, and polling.

Using these tools, organizations can gain detailed insights as to what their customers want and better tailor their services or products to meet or exceed customer expectations.

## 2. Building Customer Satisfaction



**Customer satisfaction process improvement**

## 3. Measurement of customer satisfaction

It is necessary to measure the level of satisfaction. Business organizations can use these measurements to enhance their business results. Measurement of customer satisfaction requires quantitative and qualitative methods. Operationally, satisfaction is comparable to attitude in that it can be evaluated as the amount of the satisfactions with the various attributes of the product or service.

To measure customer satisfaction, you need to be able to understand what creates it. Just asking customers “Are you satisfied?” won’t tell you much. Yet many companies often measure the satisfaction of their customers on the basis of only a few questions: “How satisfied were you today?” “Would you recommend us to your friends?” and “Do you intend to visit us again?”

Effective customer satisfaction measures have several components. The two general components are the customer’s expectations and whether the organization performed well enough to meet them. A third component is the degree of satisfaction, or to put it in terms we’ve used to describe exceptional performance, is the customer delighted?

To figure out if a customer’s expectations were met and they are delighted, more detail is usually required. Companies might break the offering into major components and ask how satisfied customers were with each. For example, a restaurant might ask the following:

Were you greeted promptly by a host? By your server at your table?

Was your order taken promptly?

How long did you wait for your food?

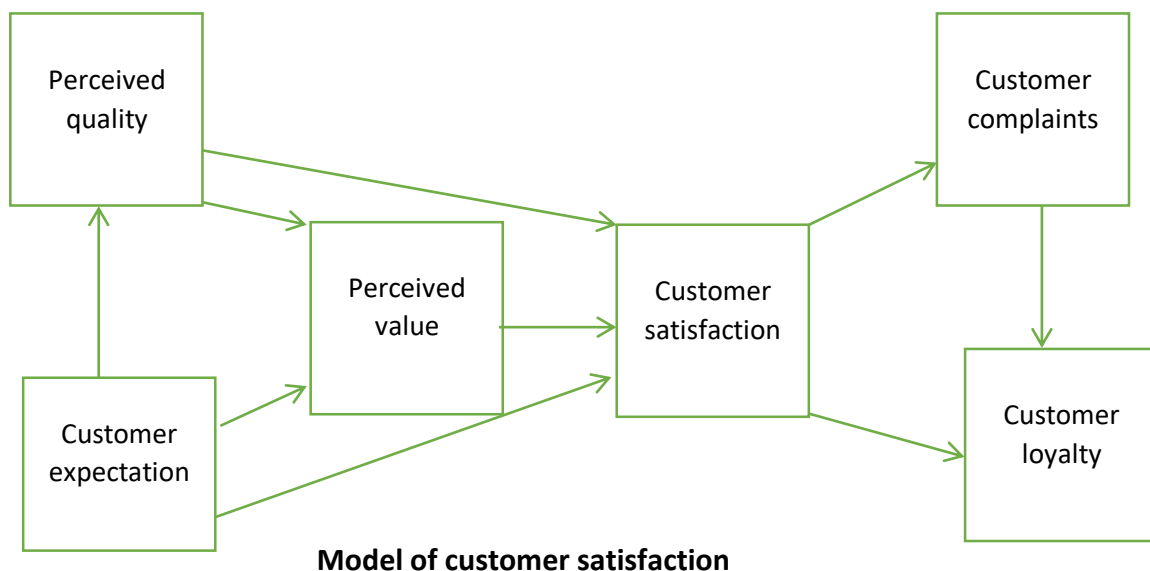
Was the food served at the appropriate temperature?

These questions assume that each aspect of the service is equally important to the customer. However, some surveys ask customers to rate how important they are. Other surveys simply “weight,” or score, questions so that aspects that are known to be more important to customers have a greater impact on the overall satisfaction score.

You will still find customer satisfaction survey cards that just ask, “How satisfied were you today?” “Would you recommend us to your friends?” and “Do you intend to visit us again?” The information obtained from these surveys can still be useful if it’s paired with a more comprehensive measurement program.

Organizations can also recognize the customer satisfaction through number of problem calls, number of complaints by E mail or phone, or number of returned goods. It is the major responsibility of company to collect and analyse relevant data which may give precise information about customer satisfaction.

The model below illustrates customer satisfaction:



## Learning Unit 4: Manage and use information about clients and customers

**Learning Outcome 4.1: Determine and record customer information where appropriate to provide personalised service**

### Topic 1: Customer information

#### A. What is customer information?

Customer Information means any personally identifiable information or records in any form (written, electronic, or otherwise) relating to customer’s identification contained on a customer’s subscription documents or other form and all non-public personal information about a customer. “Customer Information” shall include, but not be limited to, name, address, telephone number, social security

number, health information and personal financial information (which may include consumer account number).

## **Topic 2: Collecting customer information**

Successful businesses understand that knowing your customer is vital to growth. Collecting and storing information about customers is essential to tailoring your customer service program and growing your business. However, there are legal requirements regarding what you can do with the information you have collected. This is **Privacy**. Any customer information that you collect must comply with privacy laws, whether you use this information or not. The laws also cover how you can store and use the information.

### **A. Practices of collecting customer information/data**

Though the information collected can provide a lot of value to companies, the process of collecting it must be done properly. Use the following eight best practices as a guide for ensuring effective customer data collection.

#### **1. Take security seriously**

When you gather personal data about clients, from their home phone numbers and addresses to details about their company financials, you need to have a plan to keep that information safe. This helps build customer trust and can save your business from a big headache down the road. What are some tangible steps you can take to ensure that your customer data is secure?

- Invest in a CRM
- Invest in a backup system
- Invest in customer-data training for your employees

#### **2. Gather information ethically**

Trust is a major component of building relationships with your leads and clients. The best way to build trust is to be transparent about your data-collection. Keeping clients in the dark about what data you're collecting is, at best, a breach of trust; at worst, it's unethical. And if clients believe you've betrayed them, you may lose their confidence and their business. Here are a few ways to ethically gain customer data:

- Provide a straightforward survey asking for specific information
- Allow customers to opt in to share valuable information, such as through a dialogue box
- Draft a privacy policy to display on your website and other online properties

With all of these suggestions, keep the customer's privacy in mind at all times. Customers will value your transparency.

#### **3. Decide what you really need**

Too much data (also known as data saturation) can overwhelm your company with information and hinder decision-making. Hackers can also gain access to data you shouldn't necessarily have. On top of that, customer data is often not even utilized. In fact, "between 60% and 73% of all data within a company goes unused for analytics." Determining what data to collect requires strategic thinking. The

data you gain from your customer needs a purpose. Sit down and decide what information you actually need. To get you thinking strategically, here are some questions to answer:

- How does the data align with your overall company goals?
- How will each piece of data be analyzed?
- How will the data eventually contribute to the customer experience?

If you're collecting information about customers using marketing-automation software, think about the data you really use. For example, do you need both the customer's email address and phone number? Don't collect data just because you can.

Adopting a systematic, transparent approach to gathering data helps cut down on unnecessary collection. If you obtain only the information that your business really needs to close the sale, you'll be able to streamline the processes.

Collect and manage customer data responsibly (and strategically), and you will add significant value to your customers and your company.

When collecting information about customers, try to find out what your customers are buying, why they are buying, and how often they are buying. Include any potential customers who have made enquiries about your goods or services. There are many ways to collect information on your customers, including:

- order forms
- enquiries
- complaints
- warranty cards
- customer rewards programs
- customer satisfaction surveys
- feedback cards
- customer competitions
- Your website.

## **B. Why of collecting customer information?**

- **Sharing information within teams:** In a business, there are two fronts where the customer will be met one-to-one: Sales and Support. Most likely, representatives from these two teams are the only ones the customer will interact with. The importance of these teams having full access to all relevant information about the customer cannot be overstated.
- **Show customers that you care:** We know that when your customer has a problem, he will call. While self-service support and email continue to rise, an urgent problem requires human interaction.
- **Discover how to improve:** Consumer data collection gives you the opportunity to improve your marketing along with your products and services. For instance, sending out a survey to the most frequent buyers to ask about marketing preferences gives you valuable insight on how to improve, and customer data analysis can clue you into which channels work best. It also allows

you to determine which channels are best when working together. Use the data you collect to fine-tune your marketing.

- **Reach your audience on their terms:** Do you know where the majority of your customers come from? If your marketing efforts are scattered across dozens of different channels, it's not as effective as it could be. Collect data about where your customers are coming from and analyse it. The more you know your customers, the easier it is to reach them.
- **Your customers are ever-changing:** What your customers loved five years ago isn't what they want today. Customers are constantly changing. If you're using data collected years ago, you're going to be out of touch with your customers. It's 6-7 times more expensive to gain new customers than retain existing ones. To stay in touch, you need to constantly collect data to continue marketing to your existing customers.
- **Put your data to use:** You likely already have numerous data sources and all that's left to do is bring them all together. After all, data collection is all just preparation for analysis. And once you crunch the numbers? You use that data to build out a strategy and a website that speaks directly to your customers in the way they want to be spoken.

### Topic 3: Storing customer information

Like collecting customer information, storing information about customers is essential to tailoring your customer service program and growing your business. However, there are legal requirements regarding what you can do with the information you have collected.

#### Storing information

Knowing how to store customer information and how to best use it is essential, no matter the size of your business but remember that customer information is confidential and must be stored securely. Create a plan for how customer information is to be stored and share it with all staff. A simple way to store customer information is to use an electronic spread sheet.

#### A. How to store customer information?

Keeping customer information on printouts stuffed into a filing cabinet isn't effective. Your business must be able to easily access customer information, update or delete it, and control who accesses it. This means using secure, password-protected tools that allow data to be used in a variety of ways. When storing information digitally, make sure you assess whether it complies with GDPR requirements.

**Secure** – Data should be held securely. This should include encrypting data, storing it in a password-protected environment and limiting access to it. All data should be fully encrypted when transferred between systems or platforms.

**Accessible** – Ensure your business can access data easily. This could include pulling information from a database into a mailing platform or sending information to a delivery company to fulfil an order. Check how easy is it to add customer information. A complex input process can lead to inaccurate data capture. Check you can export data in industry standard formats such as .CSV files in case you want to change platform in the future.

**Integration** – Map out how you will use customer information and ensure that each system using customer data can communicate with each other. Many applications have Application Programming Interfaces (APIs) or plug-ins that can be used to create links to other software to allow data to be extracted and used.

**Editable** – It should be easy to update or delete customer data.

## **B. Type of customer data storage**

There are lots of ways to store customer data from basic spread sheets and databases, through to cloud-based customer relationship management (CRM) tools and proprietary software.

**Office software** – It's perfectly possible to store data using office tools such as Microsoft Excel or Apple's File; Maker database software. They include data tools, password protection and can export data in industry-standard file formats. If money is tight, Libre Office is a free alternative and includes spread sheet and database tools. The **spread sheet** has been used in the years of 1900 and is the simplest way of storing customer data. However, as your business grows, office software may be too limiting compared to a dedicated CRM and GDPR systems.

**CRM software** – CRM tools are designed to make storing and organising information safe and easy: all your data is in one place, providing a unified view of your customer. Many tools include features such as lead generation and conversion, email marketing integration, customer segmentation and analysis such as customer spend. Customer Relationship manager (CRM) systems came into force in 2000 while The General Data Protection Regulation (GDPR) came into force in 2018 and they offer free basic versions, including Zoho and Hubspot.

Customer data, which goes into a CRM, is by default, also personal data. Different types of data have different rules for how it should be processed. For example, basic data such as names, addresses, and phone numbers are more general data and can be open to all employees within your company.

On the other hand, highly sensitive data such as tax information, bank account information, personal agreements, and contracts require more security and relevant user access. Super Office CRM allows you to set up routines and automated rules for how different types of personal data can and should be handled by your company.

The General Data Protection Regulation (GDPR) was designed to protect the personal information of EU residents, it ushered in strict rules over how businesses acquire, store and use the personal information of staff, suppliers and customers. The key tenets of GDPR are that companies must be clear with customers about the information they collect and for what reason, and only store data for as long as necessary to complete that purpose. Information held must also be accurate and up-to-date with steps taken to erase or rectify data that is inaccurate or incomplete. Information must also be stored and processed securely to ensure customer data doesn't fall into the wrong hands.

**Dedicated software** – CRM tools are a great way to have a central view of customer data, but your business may need specialist tools such as order and inventory software or finance and accounting software. Check how dedicated software such as finance applications store customer data and integrate with CRM applications.



**Bespoke software** – Larger businesses with complex workflows involving customer information often develop their own, in-house CRM systems.

**Note:** A simple way to store customer information is to use an electronic **spread sheet**. If you have more detailed information, a **Customer Relationship Manager (CRM)** or **GDPR** database might be more suitable. A CRM can help you analyse customer information to find purchasing trends and identify your best customers.

#### **Topic 4: Maintaining customer information**

Customer information is only useful if it's up to date. It's important to regularly check the accuracy of your customers' information, and update it where necessary. Customer data maintenance is be concerned with:

##### **Maintain Complete Data**

Ask yourself one question: How complete are my records? Believe it or not, incomplete information is not a good sign for data quality. The CRM account requires you to fill in numerous fields that are mandatory. The best way to deal with this is to set important fields as mandatory: like name, email address, phone numbers, and address. So, determine the fields that are most important for complete information and encourage users to fill in those important details.

##### **Avoid Entry of Duplicate Leads & Contacts**

Since email address is unique for each individual, one simple trick to prevent duplicate records is by comparing the email address of the contacts. While adding a lead/contact in Zoho CRM, you now have an option to check whether the newly added record already exists in your CRM account. Now this will definitely save the effort of going through the records for duplicates.

##### **Existing Duplicate Records? Merge Them**

Preventing duplicates work great when adding new contacts manually, collecting leads/contacts using web forms, importing, etc. Let's say, two contacts have the same last name, email address or company name but one record has a phone number or address that is not found in the other. This is sometimes frustrating as some of the crucial information that you are looking for is scattered in both the records. In that case, instead of blindly deleting one record and potentially losing important data, you can merge the information into one contact.

##### **Maintain a Style Sheet**

While automation does most of the work, human efforts are essential for data quality. One way to make data entry easy and maintain consistency is by introducing naming conventions. Having a standardized format for all the data helps you generate accurate reports and filter records based on the exact criteria.

##### **Use Roles for Security**

With data pouring in from several sources and multiple users accessing it, maintaining a clean CRM database is not that easy. One best practice is to restrict access to data in your CRM account. Define Roles that will help you control the access rights of users while working with CRM data. That way, users will modify only those records that are relevant to them.

## **Invest in customer database software**

Gone are the days when a spread sheet was the best method for storing customer data. Businesses that take data seriously will store their customer information in a secure database, customer relationship management (CRM) tool. They can also provide segmented customer insights based on the data, which is a great way to identify opportunities for improvement. And having a CRM has even more benefits:

- All of your data is in one place.
- You can track customer interactions.
- You have a unified view of the customer.

## **Back up your data**

You should have a well-guarded backup of all your customer data in case there's an issue with your system. If you're careful about finding a secure fail-safe, then you'll be able to protect your customers and your business.

## **Clean up your customer data**

Customer data can quickly become out dated. Along with having a data backup plan, plan to clean up your data. What does that mean? Validate and update information such as email addresses, phone numbers, and home addresses. Remove duplicates, and delete contacts that are wasting your resources. This kind of data cleansing enhances the value of your current data.

## **Train your team**

Providing customer-data training to your employees can save money over the long term. Having big ideas about how to collect and protect customer data doesn't mean much if your team can't put them into action. Invest time in training and education so your employees know how to handle and interpret data. Creating a data-driven culture benefits your business in the long run.

## **Think about access**

Once you've laid a strong foundation for how to gather and protect data across your entire company, the next step within the business is to find a way to make that intel available when you need it. This is where your CRM choice starts to make a big impact on your operations. You want to be able to securely access data anytime, anywhere. Your CRM is a tool to securely take your data with you wherever you go.

When you want to use customer's information, make sure you asked your customers if they would like to receive information or updates from you, and give them the option to opt-out. If you spam customers without their consent they may react negatively to your business.

## **Learning Outcome 4.2: Develop and maintain knowledge of organisation promotional initiatives and implement where appropriate**

### **Topic 1: Importance of promotional activities**

Promotion is a key element in putting across the benefits of your product or service to the customers. Well-designed marketing and promotional strategies ensure long-term success, bring in more customers and ensure profitability for businesses. When an entrepreneur wants to expand his/her business, he/she is unlikely to remain passive. He/she will try to attract the attention of customers, promote products/services among a large people, create a positive image of the company, generate new demand for products/services and make more revenues. For this, almost all entrepreneurs get involved in different promotional activities. Here are the top 7 reasons which manifest the importance of promotional activities for your business promotion and expansion:

#### **1. To Provide information to customers about new products/services**

When a company comes in the market with its new products/services, it has to deal with several challenges. People love to buy from trusted brands that have already captured the market. So, it is very difficult for a new business person to beat the huge competition and convince people to buy his/her products/services. Through different business promotional activities, you make people aware of your new products/services. A knowledgeable customer always loves to buy your products/services if they meet their needs their specific needs very well.

#### **2. Creating a positive image of the company**

These days, most people use the Internet to find the necessary information, products and services. Therefore, it is very important for all companies to have a positive image in the eyes of existing and potential buyers. A company with a good image is praised by customers on different forums, helping it to get more business opportunities. On the other hand, companies with a negative image often face the music and have only a few business opportunities. So, you need to promote your brand of different forums to improve its image and attract new customers.

#### **3. Easy dissemination of information about the advantages of goods**

It doesn't matter how good your products and services are, customers will not purchase it until and unless they are aware of its importance or advantages. So, as a hard core business entrepreneur, you should initiate promotional activities and make people aware of the importance and advantage of using your products and services. Only then, you will be able to generate the desired sales and leads.

#### **4. Sales promotion**

Don't be satisfied with the volume of sales you are generating right now. Take part in public relations and personal sales activities and aim to increase the sales volume every day. Participate in product exhibitions, contests, lotteries, coupons, loyalty programs, prizes, free samples, demonstrations, etc, to send business messages to customers easily and quickly and grow the business volume.

#### **5. Create an easily recognizable logo for your business**

Every business person is aware of the huge significance of a well-designed logo. As a matter of fact, a beautifully created logo attracts the attention of people, let them know about the main business

activities of a particular company and identify it easily in the crowd of several companies. Therefore, as an important part of business promotional activities, you should have a well-designed logo and make people aware of it. Once people start to identify your business/products/services after seeing your logo, it becomes easier for you to sell more products and services easily and quickly.

## **6. Frequent communication with clients & customers**

We all know the huge importance of frequent communication with clients and customers. Always keep in mind all customers are not fully aware of the importance of your products/services. So, through promotional activities, you can communicate with your clients/customers frequently, solve their problems instantly and sell more products and services every day.

## **7. Further Expansion of Your Business**

Different promotional activities lay the foundation for the further expansion of your business. For example- you can give free times to customers to make them feel special and they love to buy from your frequently. It also helps you to gain more customers and business opportunities easily and effortlessly. Different business promotional activities make people aware of your business, products, services, etc, and fetch more business opportunities. Just use them to promote and expand your business in all directions.

### **Topic 2: Types of promotional activities**

The goal of marketing is to stand out and be noticed. Good marketing keeps drawing your customers' attention to your products and services. Your clearly defined, well-packaged, competitively-priced products and services are the foundation of your marketing. The newer you are in your market, the harder you have to work to attract and retain new customers. Many of your marketing activities will focus on communicating to customers the features and benefits of your products (i.e. compared to your competitors). Consider which promotional activities will best meet your marketing needs.

#### **Types of promotional activities**

Product and service promotion is the most common form of marketing. Promotional activities can include:

**Advertising** — you can advertise your product, service or brand in newspapers, radio, television, magazines, outdoor signage and online. Learn more about how to make your advertising successful.

**Personal selling or telemarketing** — effective personal selling relies on good interpersonal and communication skills, excellent product and service knowledge and the ability to sell product benefits to prospective customers.

**Publicity** — created by sending media releases to print and broadcasting media and to interviews to the media and from word-of-mouth.

**Short-term sales promotions** — market your product or service using coupons, competitions and contests.

**Direct marketing** — involves sending letters, emails, pamphlets and brochures to individual target clients, often followed by personal selling or telemarketing.

You can use any combination of these methods to target your customers. The right promotional mix will help you satisfy your customers' needs, increase sales, improve your results and increase your ability to reach multiple customers within your target market.

## **Online marketing**

Online marketing is often cost-effective and is becoming increasingly important to businesses. Developing a separate online marketing plan to evaluate your options and help implement your strategy is vital in the modern marketplace.

### **Topic 3: Steps to successfully implement organisation promotional initiatives**

#### **1. Set the right expectations**

It's important to remember that marketing or organization promotional initiatives are not a quick fix. If you want your marketing efforts to be successful, it's important to remember that this is a marathon, not a sprint. It will take some time and effort to build the right foundation for your efforts. Once you do, you'll start to see the momentum you're looking for in your business. Because marketing success takes time, it's important to make sure your company leadership and team understands that. Setting those expectations up front will help everyone understand.

#### **2. Build the team and secure resources**

It's important to think through who you will need to help with this effort. Sometimes, that will include employees at your company such as members of your marketing department (if you have one), sales team or customer service department. Other times, that means bringing in an outsourced marketing partner or a number of vendors to help you. Either way, make sure you know who needs to be on your team to implement the effort.

#### **3. Communicate the plan**

Once you have built your marketing team, be sure to communicate the organization promotional initiatives or marketing strategy to this group and help them understand the goals. Make sure each member of your organization promotional initiatives team understands the role they plan in the implementation effort and how they will contribute to your success.

#### **4. Build out timeline and tasks**

If your organization promotional initiatives didn't include a detailed project timeline, now is the time to build one. It makes sense to take each project and break it up into smaller tasks and deadlines to make the effort manageable for your team. Also, it helps to work backwards from when you want to launch an effort. So, for instance, if you want to launch a new website in May, work backward to see what needs to happen to deliver on that.

#### **5. Set up a dashboard for tracking success**

You can't manage what you don't measure. That's why it's important to set up the proper tracking tools to measure your efforts. Your measurement dashboard should be a template that you can easily update with key metrics throughout your campaigns. What gets measured will be different for every company based on your goals and marketing strategy/ organization promotional initiatives. However, make sure to tie your metrics to the overall business objectives for your marketing efforts.

## **6. Monitor and check-in regularly**

Once you've built that measurement dashboard, it should be easy for you to plug in the necessary information along the way. Doing this will help you easily gauge the temperature of your marketing efforts. At the very least, you should do a monthly check-in of your results so you can see what is working and what isn't. For larger efforts, it makes sense to do this on a weekly basis.

## **7. Be willing to adapt**

One of the biggest reasons for regular measurement and monitoring is so you can easily see what's working with your marketing and what's not. When a particular marketing effort isn't producing the desired results, look for ways to improve on the tactic before throwing it out the window. Sometimes, small tweaks can make a big difference.

## **8. Communicate results and celebrate success!**

If you want to create momentum for your business, don't overlook this important step. Letting your team know that your marketing or organization promotional initiatives efforts are working can create a huge boost for morale and help stimulate massive momentum for your company.

### **Learning Outcome 4.3: Proactively provide enhanced products and services to clients and customers based on client information**

#### **Topic 1: Using stored customer information**

Make sure you ask your customers if they would like to receive information or updates from you, and give them the option to opt-out. If you spam customers without their consent they may react negatively to your business.

Any customer information that you collect must comply with privacy laws, whether you use this information or not. The laws also cover how you can store and use the information.

Customer information is valuable. Whether you're storing email addresses or bank details, you need to make sure that at every stage of your operation customer information is held as securely as possible. From knowing a delivery address for an order to using customer data to build marketing campaigns, customer information permeates almost every aspect of a business.

The basic facts gathered about customers combined with real life transactions can help you make decisions about when and how to market to them. Such information could be used to retain customers, to cross and up-sell.

The information can also make it easy for you to personalize your relationships with your customers. Think of all these information as gold nuggets in your hand: the more you know about your customers, the better it is for you to anticipate their needs, which could then increase your sales and profits.

#### **Topic 2: The impact of enhanced products and services**

Enhancing product and service consists of improving existing features and this can be done in three different ways: making it better (deliberate improvement), changing it so customers use it more often (frequency improvement), or changing it so more people can use it (adoption improvement).

Adding new features expands the scope of the existing product, often making a big marketing splash, getting a version bump, and resulting in some press releases. Often the fanfare attracts new customers and new use cases for the product. Typically, new features are the only improvements that outsiders (i.e. non-customers) will ever hear about.

Product enhancement, a continual process and value addition to the product at regular intervals, is essential for a product to retain its competitive edge and grow in the market, has an impact to the company and society.

Product enhancement is the life-blood of companies and societies and has impact as it provides new value for customers, improved society and continued existence of the company.

**New Value for Customers:** The first and most important reason for any new development is to provide new value to the customer. Without this, there is no reason for them to trade their money for the new device. However, if the product or service offers overwhelming value, then customers will flock to it. This new and increasing value is what keeps companies growing. If there is no new value to offer customers, the firm wilts and eventually dies. If the value offered is not increasing, then the company is losing ground in the market as its competitors increase their value in the market.

### **Quality products and services**

Quality includes ensuring that products are free of defects and working exactly as expected and claimed to do. Nothing is worse for a business than allowing a poor quality product to go to the market. A company is only as strong as the quality of the good and services it produces, as consumers are less likely to invest in a business if the product did not meet expectations.

**Improved Society:** Many enhanced products are simply an incremental improvement over the previous version with only some new features or slight faster performance. These products may sustain the company by offering enough new value to generate additional revenue, but they are hardly a boon to society. There are certain instances where new products will improve society beyond just the immediate gratification of the consumer. These may offer the consumer swift satisfaction, but they save lives and therefore improve society.

**Continued Existence and Growth of the Company:** New and enhanced products and services are the lifeblood of any company. Without them, the firm withers on the vine and either dies or is absorbed by another firm. Society is well-served by the continuance of these companies from the employment of the individuals who work there (who are also consumers), and the support for society at-large in the form of taxation and charitable giving.

A business that is capable of differentiating their product from other businesses in the same industry to large extent will be able to reap profits. Enhancing product leads to product differentiation the product looks as a product more attractive by contrasting its unique qualities with other competing products. Therefore, this creates a competitive advantage for the seller, as customers view these products as unique or superior.

However, enhanced products are like new features. Therefore they are risky. You have to be very confident they will be valued; you have to love them and support them no matter what. Otherwise they can stop customers and the loss comes.



### Topic 3: Systems and methods of providing enhanced products and services

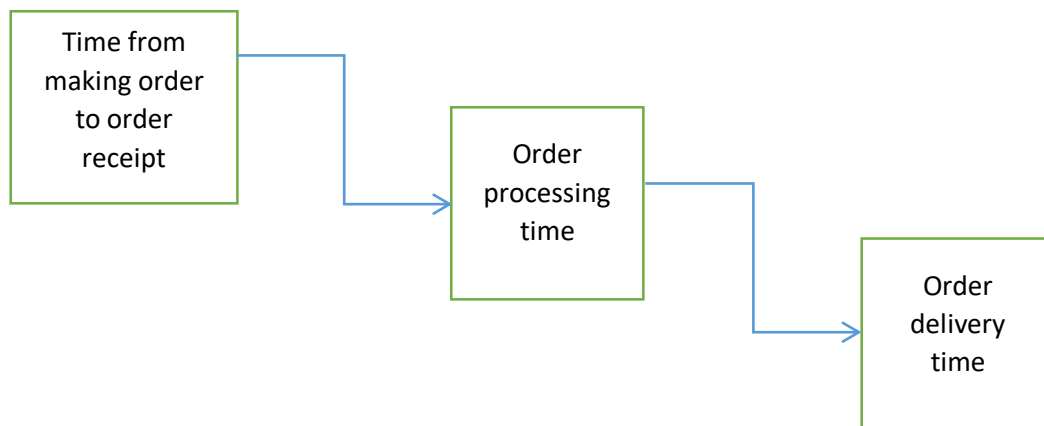
If you want to stand out as a business, you will need to have “extra” things in whatever you are doing so that your customers recognize your business and your offer as more superior compared to your competitors. The following are methods:

#### 1. Offer better quality to customers

The first significant method you need to ensure whether you want to add more value to your products and services is to offer the better quality than your competitors at the same price or different at a reasonable price. Quality is how your customers perceive the value of your products and service.

#### 2. Increase your delivery speed

You can add more value if you increase the delivery speed of value that you deliver to your customers, and they are willing to pay for it. There is a direct positive correlation between speed and the value of your offer. When a person decides to buy something from you, she is expecting to get it, *not today, but yesterday*. You need to remember this. Increasing delivery speed, you will not only add more value, but you will differentiate yourself as a reliable person for doing business. As you already know, on time or faster delivery is an essential element for charging the full or maximum price for your value.



#### 3. Improve your product’s design and packaging

You can add more value to your products or services by improving their packaging or design. The beautiful design of your products or their packaging will create additional perceived value in the eyes of your customers.

#### 4. Add simplicity to product and to every possible customer’s interaction with your company

Try to find ways to simplify the methods of how your customers can use your products and services. But, also think about the simplicity in each possible interaction that your customers will have with your company. The simplicity will need to start from your lead generation process to the after-sales support processes. Simplicity can become an enormous source of added value for your company. Simply, if you have more steps in your sales process, you will realize fewer sales.

#### 5. Improve customer service for your products and services

Customer service is essential when you want to add more value to your products and services. Many companies are using customer service as a primary source of competitive advantage in a fast-changing marketplace.



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