TVET CERTIFICATE V in FOOD AND BEVERAGE SERVICE



Credits: 6

Learning hours: 60

Sector: HOSPITALITY AND TOURISM

Sub-sector: FOOD AND BEVERAGE SERVICE

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Purpose statement

This module describes the skills, knowledge and attitudes required for a learner of Level 5, Certificate Vin order to provide and supervise the quality customer service in Food and Beverage. By the end of this module, the learner will be able to develop approaches to enhance quality customer service, manage the delivery of quality service, monitor and adjust customer service in a Food and Beverage establishment without supervision



Elements of competence and performance criteria		Page No.
Learning Unit	Performance Criteria	
Learning Unit 1:	1.1 Consistent obtaining of information on customer	3
Develop	needs, expectations and satisfaction levels using both	
approaches to	formal and informal research	
	1.2 Provision of opportunities for customers and staff	
enhance quality	to provide feedback on products and services	
customer service	1.3 Frequent review of changes in internal and	
	external environments and integrate findings into	
	planning for quality service.	
	1.4 Appropriate provision of opportunities for staff to	
	participate in the customer service planning process	
	1.5 Proper development of standards and planning to	
	address key quality service issues	
Learning unit 2:	2.1 Clear communication of customer service issues,	39
Manage the	standards and expectations clearly to staff	
delivery of quality	2.2 Adequate provision staff with access to	
service	information on service standards and delivery.	
	2.3 Correct use of coaching to assist staff to deal with	
	customer service issues and take responsibility for	
	service outcomes.	
	2.4 Monitoring of customer service in the workplace	
	according to organization policies and procedures to	
	ensure standards are met.	
Learning unit 3:	3.1 Seek feedback from customers on an ongoing basis	54
Monitor and	and use this to improve performance where	
adjust customer	applicable.	
service.	3.2 Proper identification of customer service problems	
	and make adjustments to standards, systems and	
	procedures to ensure continued service quality	

Learning Unit 1: Develop approaches to enhance quality customer service

LO 1.1 – Obtain information on customer needs, expectations and satisfaction levels using

both formal and informal research.

- <u>Content/Topic 1: Introduction to quality customer service:</u>
- ✓ Definitions
 - a. **Customer:** It refers to any person who buys a product or service from a given business establishment.
 - b. **Customer service:** The act of dealing with a customer in a shop, restaurant or hotel by taking their order, showing or selling them products, etc
 - **c. Customer expectations:** The perception of the customer that good things are going to happen in his plan.
 - d. **Customer satisfaction:** A pleasant feeling which you get when you receive something you wanted, or when you have done something you wanted to do. Ex: Peter was happy or satisfied with the accommodation service when he was at Serena Gisenyi.
 - e. **Customer base:** it is the number people who buy or use a particular product or service of a given business entity.
- <u>Content /Topic 2: Collection of information about customer needs, expectations and satisfaction</u>
 <u>levels</u>

✓ Informal methods

- 1. Talking with customers,
- 2. Seeking feedback from F&B service staff,
- 3. Using words of mouth,
- ✓ Formal methods
- 1. Using the suggestion boxes at the workplace
- 2. Using the guest comment
- 3. Use of social media



<u>Content/Topic 3:Methods for Identifying Customer Needs</u>

The following are the Methods that can be used to identify Customer Needs:

- ✓ Starting with existing data. You most likely have existing data at your fingertips.
- ✓ Interviewing stakeholders.
- ✓ Mapping the customer process.
- ✓ Mapping the customer journey.
- ✓ Conducting "follow me home" research.
- ✓ Interviewing customers.
- ✓ Conducting voice of customer surveys.
- ✓ Analysing your competition.

✓ Starting with existing data

You most likely have existing data at your fingertips. Review past surveys, customer interviews, and customer-support call logs. There's no point in funding an extensive and expensive research campaign if the data you need is already collected.

Save the budget for data you don't have and more advanced questions you need answered.

Interviewing stakeholders

Why not begin with the data you don't have to pay for: the collective knowledge stakeholders have. Start with sales and support teams. They know the product and the customer. They often have a list of feature requests, bug reports, and enhancements — straight from the customer's mouth. Combine these to generate a preliminary list of requirements. Look for patterns, but don't automatically dismiss one-offs — look to corroborate them with findings from other methods.

✓ Mapping the customer process

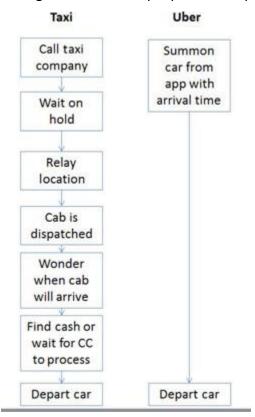
If you know your customer's process, map it out.

For example, before Uber, to get a ride you called a taxi company, waited to reach a dispatcher, waited for a car to be dispatched, hoped the driver would find you, and hoped you had enough cash when you reached your destination.

With Uber, you open your smartphone and summon the nearest car with one tap; you already know how far away the car is because you can see it in real time on a map. The driver also sees your location so he or she can come right to you.

Page **4** of **73**

The figure shows a simple process map comparing these experiences.



✓ Mapping the customer journey

A customer journey map is a visualization of the process a customer goes through when engaging with a product or service. It takes process mapping to a new level by including multiple phases and touch points a person goes through — from prospect to loyal customer. It's a document meant to unify fragmented efforts and identify points of friction and opportunities for improvement. Finding and fixing the pain points in a customer's journey isn't just about damage control: It's also about the innovation that comes from fixing the pain.

✓ Conducting "follow me home" research

"Follow me home" research relies on observation by literally following a customer home or to work. You follow a customer to her workplace, spending the day watching her do her job. You observe process pain points and then look for opportunities for improvement.

For example, during a "follow me home" exercise, a team of researchers at Intuit noticed that retail customers were exporting their transactions from their point-of-sale cash registers into QuickBooks to manage their books. This step took time and sometimes led to failure and frustration. The

Page **5** of **73**

innovative solution? Developers integrated QuickBooks into a cash register and eliminated the export step for customers and created a new version called QuickBooks Point of Sale (POS).

✓ Interviewing customers

Go right to the source: Ask customers what problems they have and what features they want. Even when customers can't articulate their needs clearly, you can often gain insights that lead to successful innovations.

Use the "Five Whys" technique to help you discover what people needs don't even know they have, needs that no one has recognized before: Keep asking why until you get at the root cause of the problem and not a symptom. (It's called "Five Whys" because you often have to go through five levels before you get to the point where you can make a change that addresses the problem.)

Conducting voice of customer surveys

Voice of Customer surveys collect data, from email or from a pop-up on a website, about the attitudes and expectations of existing or prospective customers. Use a mix of open- and closed-ended questions to see what produces the most useful data.

Although customers aren't necessarily good at identifying their needs, this type of survey often yields data from which you can discern customer goals, challenges, problems, and attitudes, and then recommend opportunities for improvement.

✓ Analysing your competition

Consider using research firms that might present a more objective face to customers who engage with your organization and its competition. Consider using the SWOT rule: Identify your competitors' *strengths, weaknesses, opportunities,* and *threats*. You can use a SWOT for a brand, product, or even an experience.

Define the competition both narrowly and broadly. Don't just look at your competition in the same industry, but other industries as well.

Analysing cause-and-effect relationships

No one will disagree that it's usually good to think positively, but sometimes, negative thinking can solve problems more effectively. Through observations, surveys, and other data sources, you may find problems that are actually just symptoms of other root cause problems.

Task failures, errors, and long task times are usually the symptoms of multiple underlying problems. These can be problems in the interface or a disconnection with the user's goals. Through the process of asking "Why?" multiple times and segmenting different causes, you can help identify and address root problems in the user experience.

Page **6** of **73**

✓ Recording experiences through diary studies

Sometimes opportunities reveal themselves over time. One cost-effective longitudinal method is a diary study. Ask participants to record problems, frustrations, positive experiences, or thoughts at intervals throughout a day, week, or even a year. This can be low tech, with customers writing their experiences and thoughts down on paper and mailing it in, or high tech, in which you send text messages or emailed surveys to customers at particular intervals.

Because you're asking your customer to do the data collection for you, be sure you have targeted questions and clear hypotheses you want to test with all the data that gets collected.

Expect a good percentage of customers to drop out or not be 100% diligent about filling out their diaries. Still, any information you can garner is better than no information at all. After all, you can't fix what you don't know about.

<u>Content/Topic 4:Customer expectations</u>

In general different customers share common expectations when they at any service outlet, or when they are purchasing service. Typical example of customer expectations are:

- ✓ Quick service
- ✓ Professional personal grooming
- ✓ Quality product
- ✓ Hygiene
- ✓ Affordable price
- ✓ Safety and security

Other hotel guest expectations that occur that should be considered are the following:

✓ Connectivity

After price and location, this may very well be the most important factor in a guest's decision to book. For many guests, Wi-Fi is a necessity, not a privilege, and they chafe at the suggestion that they should have to pay for a service the coffee shop down the street is offering for free.

✓ Good value

Page **7** of **73**

Hotels need to show potential guests that they'll stay at their properties than they would at a local's apartment. It's time to go above hotel guest expectations. It doesn't matter what the price is, as long as they feel that what they're getting for it is worth it. Mobile check-in and check-out Mobile bookings are here to stay, but the industry's use of the smart phone doesn't end there – it's time to go above hotel guest expectations. Travel-weary guests are no longer keen to stand in line for fifteen minutes while the group ahead of them checks in.

✓ Sustainability

The guest of the 21st century is more environmentally conscious than the guest of decades past, More and more people are making changes in lifestyle to counter the effects of climate change. Increasingly, travelers are voting for more eco-friendly hotels with their wallets.

Who are the modern hospitality customers?

The modern hospitality customers have high demands. They know what they want and they want it now. Hospitality consumers do their purchases online. They value their time and are the first to abandon a complicated-looking website. They want to find the information they`re looking for straight away and are not afraid to ask for additional instructions.

Hospitality and travel guests expect from hotels the **same innovation delivered by brands they use in their daily lives**. For example: "Everyday brands such as Amazon, Starbucks, and Seamless, however, showcase their innovation and services to their customers often—sometimes daily. Many of these brands are leading on the customer experience front and setting the bar high for consumers' brand expectations."

In other words, the highly technological and fast solutions offered by other brands are the new normal. The travel and hospitality sector has to adopt them to keep up with customers` expectations.

Hospitality customers` expectations: the latest trends

You might be wondering: what are the top industry trends that shape the expectations and preferences of hospitality customers? Here's what researchers found after analyzing the data:

✓ Self-service

Consumers prefer self-services like chat bots and automated chat dialogs.



"Customers of all ages are moving away from using the phone to using self-service—web and mobile selfservice, communities, virtual agents, automated chat dialogs, or chat bots—as a first point of contact with a company."

✓ Fast service

Consumers hate waiting. This trend is driven in part by the growing mobile phone use and the rise of the Internet that preceded it.

In fact, mobile use keeps on growing across many sectors. But a study published by EyeforTravel concluded that consumers prefer doing their travel bookings on a desktop due to security reasons. Usually, users start their research on mobile but make the actual purchase on a desktop. Nevertheless, the report predicts that more and more purchases will be made via smartphones.

✓ Intelligent service

Nowadays, customers expect more sophisticated services. Why? They are becoming used to it **due to the recent advances in technology** and the service they receive in other sectors. **Smart devices are a trend. Even bed sheets and towels are more intelligent now**. Some hotel properties equip them with radio frequency identification devices (RFID) to help hotel managers know when a guest needs service.

<u>Content/Topic 5:Customer satisfaction levels</u>:

If you are in business you will hopefully already appreciate the high value of customer loyalty. While of course it is great to be continually attracting fresh, new customers and clients these can cost more to acquire and don't spend as much as loyal, repeat customers, who will also tend to be valuable brand advocates. **Customer retention** means **long-term clients who will help your business grow and keep your profits flowing.**

✓ Meet Customer Expectations

- ✓ Exceed Customer Expectations
- ✓ Delight your Customer
- ✓ Amaze your Customer
- Content/Topic6: Levels of Customer Satisfaction to Build Retention Page 9 of 73

External customer satisfaction levels

The fundamental, key reason why customers come back for more is that they are satisfied with your business, the products they have purchased, the service they have received and, of course, the prices they were charged. Customer satisfaction is absolutely paramount when considering customer retention.

There are basically four clearly defined levels of customer satisfaction. Each level is based on the degree to which your business is meeting customer expectations. The higher the level that your business is able to achieve then the more you will build customer loyalty which will support greater success. Let's examine each of these levels.

✓ <u>Meet Customer Expectations</u>

At the very basic level is meeting your customer expectations. If you are not meeting their fundamental expectations, most of the time, then you are unlikely to stay in business.

If you are meeting their basic expectations then your customers will be happy and satisfied. But you may not be able to retain these customers if a competitor offers an appealing alternative that goes beyond meeting their basic expectations.

Another key risk, when you are operating at this level, is that if you fail to meet a customer's expectations, even only once, there is a strong chance they will take their custom elsewhere. Operating a business at this level of customer satisfaction means that your business is surviving, but it may not be thriving.

✓ Exceed Customer Expectations

The next level up in this customer satisfaction hierarchy is exceeding your customer expectations. By surpassing their basic expectations you will achieve a higher level of customer satisfaction.

For example, providing a remarkably fast super-friendly and helpful service is one way to exceed basic expectations. Another is to provide products and services which do more than your customers expect. By providing more than your customers expect you will be fostering loyalty to your brand.

Your retained customers will come back time and time again and what's more, they are often willing to pay a little bit more for top quality service and support, which is great for your business.

Page **10** of **73**



<u>Delight Your Customers</u>

The first two levels in this customer satisfaction hierarchy have addressed basic customer expectations and how it's beneficial to exceed them. This next level goes that little bit further to actually put a smile on your customers' faces.

In order to delight your customers and make them smile you need to touch them on an emotional level. If you give your customers a genuinely delightful experience you will have firmly hooked them making it very difficult for a competitor to attract them away. To delight your customers you need to show that you really care about each of them. There are many ways to delight customers such as rewarding loyalty with gifts, discounts, special offers or loyalty points.

Amaze Your Customers

You may be wondering where you go next after having achieved a high level of customer satisfaction and widespread delight amongst your client base. At this top level of customer satisfaction you need to genuinely amaze your customers. By truly amazing your customers you will position your business for great success.

With a little thought you will no doubt be able to come up with many ways in which your customers would be amazed. For example, great new product features which go way beyond what they expected. Or maybe

Page **11** of **73**

simple but personal hand-written thank you notes. Free guarantees are another easily implemented way to potentially amaze your customers.

By regularly surveying your customers, getting to know their expectations and continuously monitoring their customer satisfaction levels you can move your business up the customer satisfaction hierarchy, drive brand loyalty and create a very high level of valuable customer retention.

Internal customer satisfaction levels.

• Employees as Customers

In a service economy, every organization and department now looks after customers. **Students** are **customers of Universities**, the **general public** is the **customer of police**, **job seekers** are **customers of job centers**, etc. This trend and understanding has been incorporated into HR as well since employees are also referred to as customers.

Looking at employees and managers as customers helps HR move from a tactical (administrative) to strategic approach (leadership and consultancy).

For your HR department to be more customer-friendly, **HR professionals need to aim at achieving high customer satisfaction levels**. A pyramid consisting of 4 levels of customer satisfaction can be used to guide you along.



Source: Based on First, Break All the Rules: What the World's Greatest Managers Do Differently by Marcus Buckingham & Curt Coffman

First, HR must be <u>ACCURATE</u>. At this level, employees expect to receive the benefits they enrolled in, the payroll slip to reflect all information accurately, and for HR staff to answer questions competently. It does not matter how friendly HR employees are, if the HR department consistently fails the accuracy test, then customers defect.

Second, HR must be <u>AVAILABLE</u>. At this level, employees expect **an open door to their HR department**; this means that the HR staff is available anytime, anywhere, and can notice that important, "I need help now "look.

Third, **PARTNERSHIP** HR must act as a partner to employees and managers. At this level, employees want their HR staff to listen to them, to be responsive to them, and to make them feel that they are on their side of the fence. Employees and managers who feel understood and enabled to execute the strategy are one step closer to real satisfaction and genuine advocacy.

Finally, HR must provide <u>GENUINE ADVICE</u>. At this level, employees and managers feel the closest bond to their HR staff because they have helped them learn and achieve goals.

NB: The first two levels, accuracy and availability, barely prevent dissatisfaction. The greatest benefits arise at level 3



and level 4. After all, partnership provides HR the opportunity to create positive feelings of satisfaction and advice constitutes the most advanced level of customer satisfaction.

L.O1.2: -Provide opportunities to customers and staff to provide feedback on products and

services.

<u>Content/Topic 1: strategies for getting feedback from customers and staff</u>

- ✓ Talking with customers
- ✓ Using Suggestion boxes
- ✓ Using Comment forms
- ✓ Staff recommendation
- ✓ Regular or irregular Meetings
- ✓ Contractual negotiations
- ✓ Information circulars
- Why You Should Care About Customer Feedback?

The main assumption of leading any type of business is, or at least should be, providing the best product for customers. Every CEO wants his or her product to be the best and satisfy people's needs. But in order to do that, a company needs to know what are customers' needs and expectations. And this is where feedback is crucial.

Customer feedback makes it possible to find out what customers like about our product, what they would change or improve, and if they are happy with our services. Thanks to this information it is easier to work on possible changes and product development.

So how to get customer feedback? Today there are eight (8) effective ways to receive customer feedback. Follow up How to find out if we're doing the right job? There are many ways to receive the information about your product or service to find out the best ways of receiving your customers' opinions and suggestions!

✓ Live Chat

Live chat is one of the most popular ways of getting feedback from your customers. It is **simple and easily accessible**. If your customer needs a fast way of response from you support team, the easiest way for him or her to communicate with it without any over complications is by using live chat. Thanks to it you can learn

Page **13** of **73**

what are the most common problems your clients have with the product. Also, they are more likely to stay on your website when they talk to your team on live chat as your team can help them find what they need.

✓ Social Channels

Probably the most popular channel for finding out about customer feedback is **social media**. Use those most popular to find out what people think about your company, product or service. The most common and used by the majority of customers are those such as social media, websites (Facebook, Twitter, and LinkedIn), and forums (Quora).

It is important to engage in discussions with people who talk about your product. Thanks to that **your customers know that you care about them and value their opinion.**

• Polls and Surveys

- ✓ **Poll:** a study in which people are asked for their opinions about a subject or person
- ✓ Survey: an examination of opinions, behaviour, etc., made by asking people questions

Creating polls and surveys is one of the easiest ways to receive customer feedback. And if you feel like it's too boring, you can use Survey. Surveys usually take just a few minutes and aren't time consuming. Thanks to them you can easily gather information and feedback from your customers, which may be crucial to your product development.

✓ Monitor Feedback on Other Sites

There are websites which are filled with ratings, opinions, and questions from customers. And they provide extensive feedback on a given product. One of the best websites of this type are Capterra and GetApp. Such websites are the real *encyclopedia of software and tools* of varied categories of use.

Analyse On-site Activity

Do you know that analyzing activities on your website can provide you with a reach and extensive feedback? You may wonder, *"How is that even possible"*? And, in fact, it is. Once you collect all the data and statistics on types of activities on your website, you'll find out where your customers (and potential customers) spend most time. And when you take a look at FAQ section, you'll learn what they have most problems with and what is the most often search phrase, issue, or feature.



Creating a group, forum for your customer may be a great way of receiving feedback. Such platform can serve as a way to **share experience**. Also, it can be useful in solving common problems. But, above all, you can stay up to date with customers' expectations and know what they need. An online community can give your customers *the sense of belonging to a group of people who want to make their work and life better and more productive*.

✓ E-mails

You can use e-mail to gain customer feedback in the form of a newsletter. It's good to send a survey or poll about your product once in a while. Also, don't forget about replying to all your customers' e-mails. Staying in touch with them and helping to solve current problems gives you insight into what is the biggest issue and what needs to be improved.

✓ Ask for Opinion

If you can, simply **ask your customers for an opinion**. Whether if it's during a casual conversation, e-mail exchange, or just out of curiosity. Be honest and let them know you care for them and want to give them the best version of your product. They will appreciate that and will feel encouraged to provide you with feedback.

Content/Topic <u>3: Importance of customer feedback in business.</u>

✓ Customer feedback helps improve products and services

When you initially introduce a new product, brand or service to market you probably have an idea about customer needs. Market research that you conduct before introduction gives you an idea if potential customers would be willing to buy it and also they can give you some tips on how you could improve it. However, only after your customers use your product or service you can learn about all the advantages, flaws and their actual experience. On top of that, their needs and expectations evolve with time.

Customer feedback is an insight into what is working well about your product or service and what should be done to make experience better. You might have the best expertise in the industry in which your company operates, but your professional knowledge will never be more valuable to business performance than

Page **15** of **73**

customer insights. Their opinions help you ensure that the end product will actually meet their expectations, solve their problems and fulfil their needs.

✓ Customer feedback helps you measure customer satisfaction

Customer satisfaction and loyalty is a crucial factor that determines company's financial performance. It is directly linked to many benefits, such as increased market share, lower costs, or higher revenue. Many studies confirmed close connection between customer satisfaction and business performance. Therefore, there is no doubt that you want to make sure your clients are happy with your products and services. Naturally, the best way to find out if you meet their expectation is to get their opinions. Using rating-based questions you can easily estimate the level of satisfaction and consequently predict your company's financial condition in the future.

✓ Collecting customer feedback shows you value their opinions

By asking your clients for feedback you communicate that their opinion is important to you. You involve them in shaping your business so they feel more attached to your company. Listening to their voice helps you create stronger relations with them. This is the best way to gain valuable brand ambassadors who will spread positive word-of-mouth for you. And I am sure you are aware that their recommendations is probably the most effective and, at the same time, the cheapest way to acquire new customers and become more trustworthy in the eyes of your current and potential clients.

People always appreciate when you ask them if they are happy (or unhappy) with your service. It shows you actually value their opinion and that you are here for them, not the other way around. They feel that your primary business goal is to solve their problems and fulfill their needs, not to get their money. It puts a customer in the central position of your company and this is the right way to run a business.

✓ Customer feedback helps you create the best customer experience

Today's marketing is heavily based on experiences people have with products, services and brands. They do not buy Apple products just because they are good. They want to demonstrate their status and affiliation to a particular group. They do not buy Nike clothes because they are durable. They buy courage to extend their boundaries. Therefore, if you focus on providing the best customer experience at every touch point clients will stay loyal to your brand. And naturally, the most effective way to give them amazing experience is asking them what they like about your service and what should be improved.

✓ Customer feedback helps to improve customer retention Page 16 of 73

Satisfied customer will stay with you. Unhappy customer will eventually find a better alternative to your business and leave. Customer feedback helps you determine if your clients are satisfied with your service and detect areas where you should improve. Thanks to asking for opinions regularly you can always keep a finger on the pulse. Each time a dissatisfied customer express his disappointment you can immediately react and find a solution to fix an issue. This is a perfect moment to win a client back and even increase his level of loyalty. In many cases, an unhappy customer who encountered a problem with your service, but you got it fixed straightaway demonstrates bigger devotion to your brand that a customer who has never been disappointed with your service.

✓ Customer feedback is a reliable source for information to other consumers

In the times of social media, consumers do not trust commercials or expert advice so much. Opinions provided by other customers who have already used a product or service are more reliable source for information these days. When you look for an accommodation in a city you visit or you want to find a nice new restaurant to have dinner with friends you read reviews beforehand. When you want to buy new shoes you ask for opinion on Facebook or go to a trustworthy blog to read a review. Many companies today incorporate review system in their services and products. Think of Uber, or AirBnb. They all do their best to ensure that poor service will be detected and excluded from their business.

Customer feedback is as important to your business as to other customers, so you should make sure that both you and your clients have an easy access to opinions and reviews.

✓ Customer feedback gives you data that helps taking business decisions

There is no place for business decisions based on loose guesses on a highly competitive market. Successful business owners gather and manage distinct kind of data that helps them develop future strategies. Only in this way they are able to adjust their products and services to perfectly fit customer needs

<u>Content/Topic 4:Possible feedback that can be received</u>

Having analyses different feedback from various customers, the following are common feedback observed:

- ✓ Changing the Price
- Product quality and quantity improvement
- ✓ Service improvement
- ✓ Environmental changes

Josh Sloan, People Scientist and Data Lab lead at Culture Amp says, "Feedback doesn't have to be when you're sitting down for a **one-on-one meeting**. It's valuable to get feedback (especially when it's positive) at any time.

4 Use these examples as a framework, adjusting the language to what feels natural for you.

1. "Something I really appreciate about you is...."

Example: "Something I really appreciate about you is your aptitude for problem solving in a proactive way."

2. "I think you did a great job when you... [insert specifics] it showed that you had...."

Example: "I think you did a great job when you ran the all hands meeting. It showed that you are capable of getting people to work together and communicate effectively. I admire your communication skills."

3. "I would love to see you do more of X as it relates to Y"

Example: "One of your most impactful moments were the insights you gleaned based on Project X. It showed the power of user testing in shaping a feature roadmap and increases the likelihood that we satisfy and delight our users. I'd love to see you do more of this."

4. "I really think you have a superpower around X"

Example: "I really think you have a superpower around making new hires feel welcome."

5. "One of the things I admire about you is..."

Example: "One of the things I admire about you is your ability to manage a team remotely."

6. "I can see you're having a positive impact in..."

Example: "I can see you're having a positive impact in your new office, people seem happy."

7. "Can I share with you a bit of feedback that I/we have been hearing?"

Sometimes a manager will receive feedback on their direct report. This is a tricky situation, because feedback should generally avoid hearsay and focus on an individual's unique experience. However, you should also have a plan to discussing third party feedback (especially if it comes up often). This phrase is a great way to get the conversation started, and share that it is coming from a third party.

Page **18** of **73**

L.O.1.3 -Review changes in internal and external environments and integrate findings into planning for quality service.

- <u>Content/Topic 5:</u> Changes in environments affecting quality service planning
- Internal factors" Micro factors":
- ✓ Management changes
- ✓ Organizational restructures
- ✓ Introduction of new equipment
- ✓ Recruitment practices
- ✓ Customers
- ✓ Input or Suppliers
- ✓ Competitors
- ✓ Public
- ✓ Marketing & Media
- ✓ Talent
- **4** Internal Environment Factors

Definition

The internal factors refer to anything within the company and under the control of the company no matter whether they are tangible or intangible. These factors after being figured out are grouped into the strengths and weaknesses of the company. If one element brings positive effects to the company, it is considered as strength.

On the other hand, if a factor prevents the development of the company, it is a weakness. Within the company, there are numerous criteria need to be taken into consideration.

- There are 14 types of internal environment factors:
- 1. Plans & Policies
- 2. Value Proposition
- 3. Human Resource
- 4. Financial and Marketing Resources
- 5. Corporate Image and brand equity
- 6. Plant/Machinery/Equipment (or you can say Physical assets)

Page **19** of **73**

- 7. Labour Management
- 8. Inter-personal Relationship with employees
- 9. Internal Technology Resources & Dependencies
- 10. Organizational structure or in some cases Code of Conduct
- 11. Quality and size of Infrastructure
- 12. Task Executions or Operations
- 13. Financial Forecast
- 14. The founders relationship and their decision making power.

<u>Content/Topic 6</u>: External factors OR External Environmental Factors

Definition: On the contrary to internal factors, external elements are affecting factors outside and under no control of the company. Considering the outside environment allows businessmen to take suitable adjustments to their marketing plan to make it more adaptable to the external environment.

There are numerous criteria considered as external elements. Among them, some of the most outstanding and important factors need to listed there are current economic situation, laws, surrounding infrastructure, and customer demands.

- **4** External Factors Affecting Business Environment "Macro factors":
- ✓ Economic
- ✓ Political/legal
- ✓ Technology
- ✓ Social an
- ✓ Natural
- ✓ Economic Forces

The economic environment can have a major impact on businesses by affecting patterns of demand and supply. Companies need to keep a track of relevant economic indicators and monitor them over time.

✓ Income

Income indicates a customer's ability to spend on the products sold by the marketer. The rise in the number of dual income families in several parts of the world, including urban world, has led to the rise in the incomes for such families. This has resulted in higher demand for lifestyle and luxury products.

Page **20** of **73**

However, marketers should be wary of making generalizations, as customer's propensity to spend depends on cultural factors as well. Such products, such as dishwashers that are considered in necessities in Western markets do not even fall into the consideration set of consumers.

✓ Inflation

Inflation refers to an increase in prices without a corresponding increase in wages, resulting in lower purchasing power of consumers. When cost of production of products and services is low, they will be sold at lower prices. Inflation rate is higher when costs of producing products or services go up, or when there is too much money chasing too few supplies, prompting suppliers to raise prices and earn higher profits.

High inflation rate decreases real wages, i.e. the customer can buy less goods with his income because the goods have become costlier. Inflation will reduce the demand for several products because the customer will ration his income on goods. In inflationary times, customers stock items to save themselves from further increase in prices and abandon their favorite brands to buy more economical brands.

When costs of production go up, companies should try to withhold increasing prices for as long as possible. In the long run, companies will have to look for better methods of production and cheaper inputs so that cost of production can be brought down.

✓ Recession

Recession is a period of economic activity when income, production, and employment tend to fall. Demand of products and services are reduced. During recession, companies should improve existing products and introduce new ones.

The idea is to reduce production hours, waste, and the cost of materials so that companies can offer products at lower prices. The most potent way to end a recession cycle is to make it attractive for customers to buy more.

In recession, business buyers will postpone the purchase of new equipment and materials because they do not know if there will be demand for their products and services. Sellers should be willing to extend credit to buyers to get over their reluctance to purchase. Sales of replacement parts and other services may become an important source of income.



Companies should emphasize their top-of-the-line products and promote product value. Customers with less to spend will look for demonstrated quality, durability, and capability to save time and money. High priced, high value items do well during recession.

Companies should understand that though there are specific causes that trigger recession. It is perpetuated because consumers and businesses become uncertain about future and are reluctant and scared to buy. Once consumers start buying, businesses will start buying automatically. Therefore companies selling to consumers should generate confidence in the consumers by offering them high quality products and services at reasonable prices and also extend credit to them.

✓ Interest Rate

If interest rate of an economy is high, businesses will borrow capital at a higher rate and they will set up new businesses only when they are convinced that they can earn at a rate higher than the interest rate they are paying on the capital. Even in existing businesses operating costs would go up as their working capital requirements will attract higher interest rates.

Therefore companies will be able to produce products and services at higher costs and will perforce sell them at higher prices. There will be inflationary tendencies if interest rates are higher for long periods. Consumers will have strong tendencies to save because of the prospect of earning higher interest rates from their deposits. High interest rates have detrimental effects on the economy.

✓ Exchange Rate

Exchange rate becomes a very important driver of performance when a company exports its products and when it imports materials and components for making its products. It is more profitable to export when the currency of the exporting country is weaker than the currency of the importing country.

But this advantage is nullified if materials and components are imported from a country whose currency is stronger. A company will run its most profitable operations when it exports its product to a country whose currency is stronger, and imports material and components from a country whose currency is weaker.

Technological Factors

New technologies can be used very effectively to counter inflation and recession. New machines can reduce production costs. Advances in information technology have made it possible to plan global supply chains, enabling companies to make better products at lesser cost and distribute them economically.

Page **22** of **73**

✓ Technologies for Nations

Economies which are well off should concentrate more on basic research because they can remain ahead of other economies only by creating new businesses through inventing new technologies. They should be ready to relinquish businesses they are currently excelling in, because other economies will catch up with them and developed economies will not be able to charge premium prices for their products and services.

✓ Technologies for Product and Services

New products and services are possible because of new technologies. These help to increase revenues and profits of companies. At different times in history, technologies have created new businesses like automobile, railways, telephones, computers, etc.

✓ Technologies for Business Models

Companies also use new technologies to do business differently and more effectively. For instance, by using the Internet, Dell is able to earn greater profits by serving only the most profitable customers. Companies in fragrance and other business have equipped their customers with design tools so they design their own products and services. Some companies have used the power of the Internet to create virtual design teams. There are a lot of other ways in which technologies like the Internet are impacting businesses.

Socio-Cultural Factors

Social factors influence the products people buy, the prices they are willing to pay, the effectiveness of specific promotions, and how, where, and when people purchase products. But societies are hardly ever static. They change gradually and some changes will be imperceptible if not watched closely. Social change is the most difficult variable for marketing managers to forecast, influence and integrate into marketing plans.

✓ Values

A value is a strongly held and enduring belief. The majority of people living in a society uphold the values of the society. A person's values are key determinants of what is important and not important to him, how he reacts in a particular situation, and how he behaves in social situations.

Values affect the goods that a customer buys and the ways he buys them. Organizations ore trying hard to become customer oriented. Nowadays, customers do not tolerate ineffective products and sloppy behavior

Page **23** of **73**

of marketers. Customers have become inquisitive, discriminating, and demanding. Companies should learn to expect tough customers.

✓ Time-starved Customers

Today, many customers place value on non-material accomplishments, such as having control over their lives, and being able to toke a day off when they want. As work-life gets longer and more stressful, people are spending their leisure time recuperating. People will increasingly place more value on time than money.

✓ Multiple Lifestyles

Today, people lead multiple lifestyles. They choose products and services that meet diverse needs and interests rather than conform to traditional stereotypes. In the past, a person's profession defined his lifestyle. Today, a person can be a teacher and also a gourmet, fitness enthusiast, and so many other things. Each of these lifestyles is associated with different products and services and is a potential customer for companies.

Multiple lifestyles increase the complexity of consumers' buying habits. A person may go on holidays to exotic holiday locations and may spend a fortune to travel, but may dine in very ordinary restaurants. He may buy fast food for lunch but may wear the most expensive suits.

✓ Changing Structures of Families

Multiple lifestyles have evolved because people can choose from a growing number of products and services, and most have the money to exercise more options. The growth of dual-income families has resulted in increased purchasing power. The phenomenon of working women has had greater effect on marketing strategies and initiatives of companies than any other social change. As working women's earnings grow, so do their expertise, experience, and authority.

✓ Demographic Factors

Demography is the study of people in terms of their age, gender, race, ethnicity, and location. Demographics are significant because people constitute markets. Demographic characteristics strongly affect buyer behavior. Fast growth of population accompanied with rising income means expanding markets. A longer life span means a growing market for products and services targeted for the elderly.

Page **24** of **73**

The new-age teens are a marketers' delight. They do not earn but they are fond of spending, and most of them have their own budgets. They spend lavishly on clothes, eating out, going out, latest gadgets, and are very keen to keep up with their friends in terms of possessions and lifestyles. They do not feel guilty of spending their parents' money and put real pressure on their parents to shell out money for them.

They will put their parents in financial inconvenience but they will have their motorbikes and fanciful mobiles, and will hang out at eating joints, theaters, and malls. They are stylish and fashion conscious, and submit to peer pressure. They will latch on to the next hot item. They feel they need to have a life of their own, and it should not be denied to them just because they are not earning.

✓ Youth

The current youngsters are growing in a more media-influenced, brand-conscious world than their parents. They respond to advertisements differently and prefer to encounter those advertisements in different places. Companies have to take their messages to the places where these youngsters frequent, whether on the Internet, in a cricket stadium, or television. The advertisements may be comical or may be disarmingly direct.

But the advertisements should never suggest that the advertiser knows these youngsters better than they know themselves. These youngsters know what they want from their lives and the products and services they buy. They do not mind information reaching them but they will reserve their right to make their choices. They hate to be persuaded and influenced. Companies would do well to leave them alone to make their decisions.

✓ People between 35 to 45 years old

People in the age group of 35 to 45 years are settled in their professions and have toddlers and growing children at home. They exert themselves in their profession because they realize that their career is likely to take off at this stage. They put in long hours at office and they have to juggle endlessly between their responsibilities as spouses and parents, and growing responsibilities at work. They may also have old parents to look after. Parents may be staying with them or they may be living in different cities.



✓ People between 45 and 60 years old

Some people in this age group are at the peak of their careers while some others are struggling to keep their jobs. Children become a major priority for people in this age group. Children are ready to go to colleges and professional schools, and some of these people are willing to make sacrifices in their careers to avoid unsettling their children. People in this age group spend less as they save resources to fund the higher education of their children.

✓ People above 60 years old

People in this age group live on a steady income. Some of them live with their grown-up children and are part of their household. They contribute to the requirement of the joint household and do not spend much on themselves. The family looks after their requirements. Most of their money is spent on buying gifts for their children and grandchildren. But quite a few of these people live alone, and are visited by their children infrequently.

Political Legal Environment

The political-legal environment of a country is influenced by political structures and organizations, political stability, government's intervention, constitutional provisions, government's attitude, foreign policy, etc. The viability of businesses depends upon their ability to understand the laws of the land and to abide by them, while not becoming less innovative in their marketing endeavors due to fear of their infringing some laws.

Natural Environment

Natural environment includes factors such as seasonal variations, climatic differences, soil conditions and natural terrain.

In consumer markets, the natural environment affects companies because of the differences in the nature of products bought by consumers due to variations in seasons and climate. For instance, products such as apparel and food get affected due to these factors.

In difficult terrains like hilly areas, it is difficult and expensive to get products to the customers.

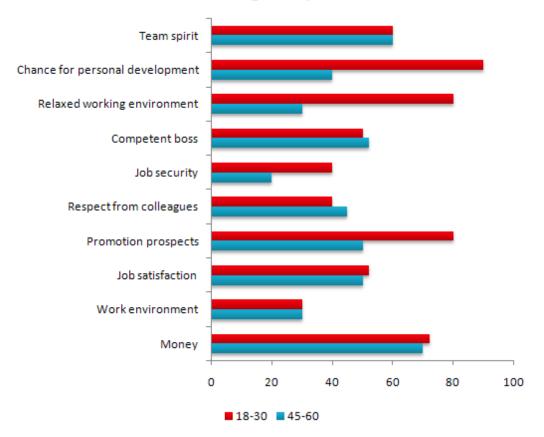
It becomes more expensive to build distribution channels for companies whose target markets are geographically disperse. This increases the price of the product for the customer.

Page **26** of **73**

Soil conditions influences the nature of the agricultural produce in a country. This affects the type of agricultural implements that must be manufactured and marketed.

Briefly here below are the external environmental factors to consider.

- a. Technological changes affecting service delivery
- b. Changes in the competitive environment
- c. Economic climate
- d. Trends in customer preferences
- e. Introduction of e-business
- f. Legal changes
- g. Political changes
- h. Social changes.



Factors affecting work performance

Content/Topic 7:Characteristics of quality service

 Characteristics of service Understanding of the characteristics of service in order to develop and justify diverse strategies used in marketing services.

Page **27** of **73**

- Intangibility: Because services are performances or actions rather than objects, they cannot be seen, felt, tasted or touched in the same manner in which goods can be sensed. The intangible nature of service is argued to be one of the fundamental characteristics of service which differentiates services from goods.
- 2. Heterogeneity: reflects the potential for high variability in service delivery The quality and essence of service can vary from producer to producer, from customer to customer and from day to day. Given the very nature of services, each service offering is unique and cannot be exactly repeated even by the same service provider. While products can be mass produced and be homogenous the same is not true of services.
- 3. **Inseparability**: Where goods are first produced, then sold and then consumed, services are first sold then produced and consumed simultaneously.
- 4. **Perish ability:** refers to the fact that services cannot be saved, stored, resold or returned.Because services are performances that cannot be stored service businesses frequently find it difficult to synchronize supply and demand. "timedependent" and "time important" which make them very perishable.
 - Other characteristics of quality service
 - ✓ Reliability
 - ✓ Competence
 - ✓ Responsiveness
 - ✓ Courtesy
 - ✓ Credibility
 - ✓ Consistency
- <u>Content/Topic 8:Modes of customer service provision</u>
- Types Of Customers Services Customer Service Channels

Keeping customers happy and satisfied is very important for the success of any business. It has become so important that providing customer service has itself become a business. There are many organizations which

Page **28** of **73**

provide customer service on the behalf of larger companies. By outsourcing their work, companies save their efforts as well as time.

Customer service is a way to take care of the customer's requirements by providing professional, good quality and supportive assistance before, during and after the customer's purchase. Customers always expect to receive quick and resourceful responses to their queries. They have a lack of patience and hate to wait. They get annoyed easily and delay in providing effective service lead to frustration, exasperation, and anger.

A customer wants to be treated with respect and care and they expect politeness and courtesy from the service provider. The lack of all of these makes a customer switch to other business and in worse scenarios, they post negative comments on social platforms such as Facebook, Twitter, Instagram or even they give negative reviews about the services of the company which gives negative publicity about the company. Social media nowadays is a strong platform which can make or ruin a company because it has the reach to the people of the entire world.

No organization can afford to be publicized negatively on the social media platform. Therefore, customer service has become an important segment of every business and companies are spending billion dollars of money to provide before and after services to their customers and to keep them satisfied. On the other hand, a satisfied customer will return again and again and will provide the more business to the company, along with this, some customers are kind enough to give positive reviews on the social media which boost the image of the company.

In addition to that, if a customer is really happy and satisfied with the services provided, he/she will act as the advocate for the company and recommend the services of the company to their family and friends.

Any company which has been in business knows that customers build their business. The power lies in the hands of customers and they are in-charge of company-customer relationship and it is fair too because they are the end user of the company's products. Therefore, they have all rights to expect the top-class services. In this article, you will learn about the different types of customer services. Companies provide services as per the expectations of customers which not only attract more customers but also retain them for a long time.

Therefore, companies provide different types of customer services to cater to the <u>needs</u> of diverse customers. this segmentation is done on the basis of a few aspects, such as people's lifestyle, their reachability based on demography and other aspects.

Page **29** of **73**

<u>Content/Topic 9:Email or Written communication</u>



Email is one of the fastest and reliable ways to provide customer service to customers. Customers can write emails to the company containing their queries and can get a prompt reply from the service provider. It is considered to be a convenient way by many people to get connect with the companies. It is considered a cost-effective way to respond to the queries of customers.

E-mail can also be used to provide specific information using the link to the company's website, attaching files etc. there are companies like Zen desk and Freshdesk available in the market which provides customer service software and automation.

Customer service software and automation help to sort and prioritize the support issues which makes the experience convenient for both customer and service provider. Customers usually have lack of patience and they don't want to wait for days to get a response, therefore, it is advisable to respond to all queries of the customers within the 24 hours after receiving an email.

✓ Live chat support



This type of customer service can be seen on the right bottom corner of the websites of most companies. This service is greatly appreciated by users who avoid human interaction. A customer can make queries and



get responses even in the middle of a purchase. Service providers usually limit the time for live chat interaction to weekdays.

Social media support



Recently, social media is becoming the most popular platform for every business to reach their customers. Social media platform is used by many companies to advertise their businesses and make people aware of the products and services provided by them. However, social media platform can also be used to provide support to the customers. Facebook, Twitter, and Instagram are the most famous social media platform to provide help to customers. Other than that, What Sapp can also be used to provide information about the order placement and delivery.

For example, BookMyShow sends What Sapp message to the person about the theater details and movie time. Social media accounts require a dedicated team to promptly answer the queries because sometimes customers post about their negative experience on the social media pages which has to be dealt immediately, otherwise, those might ruin the image of the company. By providing timely help, you can show your potential customers how caring you are for your customers.

✓ Telecommunication support





Telecommunication is probably the oldest type of customer's service. Telecommunication service pertains to agents providing information about a particular product or service to customers by receiving phone calls. To provide this type of customer Service Company should provide a single telephone number, which customers can reach whenever they want to inquire or make a request about their product orders or services? A company should make that number available on all platforms such as company's official website and Facebook page etc.

You can set up a call center or hire a few people who can handle phone calls. Make sure your customer service providers should be well informed about the products and services provided by your company. They should be able to handle customer's queries, both in regional and English language, patiently and give a good description of the situation. They should be good at verbal and written communication.

To work better with telecommunication, you will need a Dedicated Voice Response System (VRS), which can direct people to the service provider as per their needs. This type of customer service is an expensive but effective type of service. It can be classified into two types such as inbound call service and outbound call service. Inbound call service is dedicated to receiving customers calls whereas outbound call service is dedicated to calling customers. You set up either one or both type of customer service as per your requirements.

✓ Self – service knowledge base

There are certain people who want to be able to access information easily. They want to answer their question on their own. Such customers do not require much handling because of their comfortable finding information through the self-service knowledge base. This type of customer service is inexpensive and require zero wait time from a customer.

However, information should be well organized and includes videos, images, and step – by – step procedures. Self – service knowledge base should be kept up – to – date with the terms and policies of the company. The type of customer service works well along with other customer services such as live chat or phone calls.

✓ Interactive voice response representatives

Interactive Voice Response representative system is an artificial response system which features a voice recognition system. it can understand the problem described by a customer and direct him/her to the information they want. For example, if a customer calls with a question about his/her order, the IVR might ask the order number and retrieve information about the status of the order.

Page **32** of **73**

This type of customer service requires a good investment initially to set up. However, IVR has various advantages over traditional telecommunication system such as, it can take many queries in less time and also IVR can answer the customer's queries after the working hours and even in the weekends. This type of customer service is for the working-class segment.

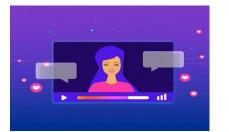
✓ FAQs – Frequently Asked Questions



This type of customer service requires the least amount of investment. A Frequently Asked Questions or FAQ page can be created on official website or App as well as on the social media platforms. You can hire a content writer to prepare a list of all relevant and frequently asked questions and queries and their answers and solutions.

A person who prepares FAQ must have deep knowledge about the company's products and services as well as have knowledge about the company's policies. The FAQ is also helpful to convert potential customers.

✓ Help videos- Demos or webinars



Nowadays, people are tech savvy and they research about the things or services, to make their worth, before buying them. Providing help videos and free of cost webinar can give them a platform to try your services before investing in them.

For example, an online course provider website usually gives access to the first lesson free of cost, which helps the client to decide if they want to take a certain course or not. However, help videos are also helpful to teach your customers how to use a certain product after buying it.



✓ On-site Customer service

This type of customer service is provided at the home or workplace of the customer. companies can provide information about these types of services on their official website or they can mention contact information in the catalogues provided with the products. However, this type of customer service is not free of charge. The minimum amount is charged according to the repair done.

But it can ensure the authenticity of the replaced parts. Some companies run separate business for providing these types of services. However, some companies outsource their customer service to other companies to reduce the workload on themselves.

✓ Annual Maintenance Contract (AMC)

Annual Maintenance Contract is also one of the modern ways of providing services to customers. It is the best way to maintain customer's loyalty to the organization. Many organizations provide free of cost or at a minimal charges AMC to the customers who buy their products. Prominent examples of such organizations are AC and water purifier companies. These companies provide Annual Maintenance Contract to the customer after installing the unit in their homes. In this way, they can stay in touch with customers.

AMC can be provided to the customers free of cost before their warranty or contract expires. After the contract expires customers can be asked to renew the contract or get the paid services. Few companies like <u>Apple</u> don't repair device. They exchange the device with a new similar device whenever any fault or problem occurs.

Others Modes of customer service provision which can be mentioned

- 1. Face-to-face
- 2. Online
- 3. By telephone
- 4. Email or written communication

L.O.1.4 -Provide opportunities to staff to participate in the quality customer service planning process

Page **34** of **73**

<u>Content/Topic 1:</u>Implication of staff in service planning process strategies:

- ✓ Workshop organization
- ✓ Short meeting
- ✓ Questionnaire
- ✓ Suggestion box

<u>Content/Topic 2:</u>Importance of staff implication in service planning process

- Staff implication in service planning process allows organisations to respond quickly and more strategically to change, as the organisation and managers can recognise emerging challenges in the market, workforce and business.
- It improves efficiency, effectiveness and productivity as employees possess the right skills and are a good fit for the job.
- It facilitates strategic staffing and planning for future workforce requirements as the organisation can identify staffing needs in a timely manner, monitor attrition, and ensure that replacements are available to fill key vacancies.
- ✓ It strengthens the organisation's capability to support the achievement of business outputs now and in the future.
- It encourages an understanding of the organisation's workforce profile; HR strategies and policies are therefore aligned with maximising the capacity of the existing workforce and shaping the desired workforce.
- ✓ It assists with the identification and management of people with the knowledge critical for effective and efficient business operations, and the organisation's management of knowledge and maintenance of corporate memory.
- ✓ It provides a mechanism for monitoring costs and directly linking expenditure of personnel against business outputs and outcomes.

L.O.1.5 -Develop standards and planning to address key quality service issues.

<u>Content/Topic 1:Customer service planning process:</u>

Page **35** of **73**

These are standards by which everything we do is measured. Ultimately, they point back to, and help us achieve our vision. In this process of making our customer service vision known, I want to share these standards or values with you with a concise definition of each.

- **1. Quality** We listen to our customers and continuously find ways to improve our service.
- 2. Caring– We connect with each customer on a human level, taking complete ownership of every opportunity to serve.
- **3.** Choice— We understand each customer's unique needs and find the right solutions to meet those needs.
- **4.** *Value* We anticipate our customers' needs, allowing them to gain maximum value from each contact with customer service.
- **5.** Accessibility– We respond to our customers in a timely manner via the channel of their preference.

<u>Content/Topic 2:Consideration of critical factors associated with the service</u>

- ✓ Market conditions that impact growth and service demand
- ✓ The state of the organization, performance gaps and areas for improvement
- ✓ Service level targets necessary to meet customer satisfaction goals
- ✓ Resource requirements to meet projected service demand
- ✓ Staff training and development nitiatives
- ✓ A review of the Service offering portfolio
- ✓ Service tools and systems to enhance efficiency and productivity
- ✓ The financial plan for the organization

<u>Content/Topic 3:Implementation strategies of customer service</u>

- > Apply Customer service standards such as:
 - ✓ Response times
 - ✓ Pricing standards
 - ✓ Product quality and quantity standards
 - ✓ Bill and menu presentation standards
 - ✓ Personal presentation standards
 - <u>Content/Topic 4:Complaint management process :</u>



The following is the process that should be used in order to manage customer complaints.

- Listen carefully to the customer
- 4 Apologize to the customer
- Solve the issue faced by the customer
- Thank the customer
- Follow up to insure that the issue will not happen again.

REVIW QUESTIONS/15 Marks

Instructions:

- Read carefully before answering.
- Attempt all questions
- Avoid any kind of cheating malpractice
- Work out of 15 Marks
- The working Time is 10 Minutes
- 1. Explain how do you use correctly the process of customer complaint management?

/5 marks

- 2. One of the following elements is not part of customer service standards. Separate it from the remaining standards. /1mark
 - A. Response times
 - B. Pricing
 - C. Advertising
 - D. Product quality and quantity
 - E. Bill and menu presentation
 - F. Personal presentation
- 3. Here below are the Modes of customer service provision except. Choose one /1 mark
 - A. By Face-to-face
 - B. By air transport
 - C. Online
 - D. By telephone
 - E. By E-mail or written communication



4. The list here below shows the opportunities provided to the staff to participate in the quality customer service planning process except one. Show it by circling the corresponding letter. /1Mark

- A. Workshop organization
- B. Short meeting
- C. Questionnaire
- D. Teamwork
- E. Suggestion box
- 4. The statements here below indicate the critical factors to consider in servise delivery that are associated with the service: answer by using the letter "T" if it is True, and "F" if it is False in the indicated place /5 Marks
- 1 Marketing facilities that impact service
- 2 The state of the organization, performance gaps and areas for improvement
- 3 Service level targets necessary to meet customer satisfaction goals
- 4 Revenues required to meet projected service demand
- 5 Staff training and development initiatives
- 5. Mach the explanation in the Column I with the term in the Column II by writing the corresponding letter in the in given place in answer column. /2 Marks

Ans. Column I

- 1. A requirement for a specific service
- 2. A perceived view of the service they will receive

Column II

- A. Customer loyalty
- B. Customer want
- C. Customer culture
- D. Customer need
- E. Customer
 - expectation

Learning unit 2: Manage the delivery of quality service



L.O.2.1 -Communicate customer service issues, standards and expectations clearly to staff.

- <u>Content/Topic 1</u>: Communicating customer service issues to appropriate staff
- Definition
- **Communication** means to share information. This term comes from a Latin word "communo" which means to share.
- Effective communication is the process of creating, transmitting and interpreting ideas, facts, opinions and feelings between two or more persons, i.e., for effective communication to be meaningful, the message communicated should be fully understood by the receiver as intended by the sender.
- <u>Content/Topic2: Ways of communication</u>

(1)Verbal communication: this is the use of spoken words to communicate. Examples: face-to-face talking, telephone, radio call, radio, sounds, voice over internet, etc.

a. Advantages of verbal communication

- \rm 4 Quick;
- Immediate feedback;
- Message reinforced by gestures;
- 🖊 Explanations are given immediately
- \rm Cheap.

b. Disadvantages of verbal communication

- For a large audience, it is hard to know who has understood;
- No reference for future use;
- No possibility of going through the message to analyze it;
- The sender's speed may be higher than the receiver's speed of understanding;
- Messages involving figures and calculations may not be followed.

(2)Visual communication: this involves the use of eyes to receive the information. Examples: billboards, signs and gestures, television, charts, maps, films, etc.

a. Advantages of visual communication

- Appealing and attractive;
- 4 Can explain certain forms of information better, for example, house plan
- 🖊 Easy to understand



b. Disadvantages of visual communication

- No feedback and so another medium could be used to get feedback;
- Difficult to produce;
- 4 Very expensive.

(3)Written communication: this involves the use of text that can be read and understood. Examples: letters, Memos, circulars, newspapers, e-mails, reports, notices, fax, posters, etc.

a. Advantages of written communication

- Leave a reference;
- There is evidence;
- Message involving figures and details are better understood;
- 🖊 Message can be copied.

b. Disadvantages of written communication

- ✓ No instant feedback;
- ✓ No evidence that the message has been received;
- ✓ May be boring if it is long;
- ✓ No reinforcement of the message by use of gestures and body language

<u>Content/Topic 3:Process of communication</u>

For information to move from the sender to the receiver; there must be a medium that enables the transfer of the information from one person to another.

(1)Input: the sender has an intention to communicate with another person. This intention makes up the content of the message.

(2)Sender: communication begins by the sender who wants to communicate his ideas, needs, intentions or other pieces of information.

(3)Encoding: ideas are converted into words, images or gestures that will convey a message. In selecting proper symbols, the sender must be alert to the receiver's communication skills based on ages, attitudes, education level, experience, cultures, and so on.



(4)Medium: the message is transmitted through a communication way known as medium and it may be delivered by bulletins, meetings, publications, press conferences, face-to-face conversations, telephone calls, e-mails, memorandums, letters, computer reports, photographs, etc.

The choice of the medium depends to:

- The relationship,
- The urgency,
- The audience,
- The culture,
- The need for record
- The direction of the information flow,
- The confidentiality,
- The nature of the information,
- The cost of the medium, etc.

(5)Receiver: the person who receives the message; reads it before understanding it.

(6)Decoding: translating the message from its symbol form into meaning. Successful interpretation and assignment of the meaning depends on the receiver's willingness to receive the message, to understand the language used, to understand terms used in the message, to understand the sender's purpose and background.

(7)Feedback: after decoding the message, the receiver responds to the message from the sender by use the same medium of communication. The feedback determines whether the message was clearly understood and if it affects the form and content of follow-up communication.

- <u>Content/Topic 4:The techniques/ methods of communicating customer service issues</u>:
- ✓ Questioning, summarizing and paraphrasing
- ✓ Seeking feedback to confirm understanding
- ✓ Conducting interviews, surveys or other modes of consultation
- ✓ Obtaining management decisions



- Analysing internal or external data
- Making recommendations

• Importance of communication

- ✓ Communication helps individuals to know when, how and where to meet customers;
- ✓ Communication helps to keep a good relationship with others;
- ✓ Communication helps the coordination of different departments of the organization;
- ✓ Communication helps to pass information to the staff;
- ✓ Communication helps managers to implement their policies;
- ✓ Communication helps to recruit suitable employees for the organization;
- ✓ Communication increases the sales of the business by informing customers about the presence of goods through advertising;
- ✓ Communication promotes good relationship between the employees and managers. This improves the morale of employees and improves production and profitability.

• Elements or 7Cs of an effective communication

For effective communication to take place, certain factors must be present. These factors or characteristics are known as the 7Cs of communication.

These 7Cs of communication are:

1. Clear: the message should be clear and easy to understand, i.e., the sender must use the language that the receiver understands.

2. Complete: the message should include all relevant details that the receiver needs to be able to understand the message.

3. Courteous: the sender should communicate to the receiver in a respectful way.

4. Concise: the message should be as brief as possible so that it contains only the information which is required.

5. Considerate: the sender should consider the receiver's feelings, religion, culture, age, sex, status, etc.

6. Concrete: the message should be based on facts and the sender should be able to provide evidence of such facts.



7. Correct: the information should be correct and accurate with a right address so that it is received by the right person.

• <u>Content/Topic 5:Aspect of Communication:</u>

One-way communication and two-way communication

- One-way communication occurs when the message does not require a feedback from the receiver, for example, a message provided by a billboard on the roads.
- Two-way communication occurs when the sent message is replied, for example, when a manager sends a letter to a driver and the driver is asked to reply to the same letter.
- <u>Content/Topic 6:Internal communication/ communication direction</u>

Internal communication refers to the exchange of information and ideas within an organization. Information can be exchanged internally by phone, e-mail, fax, memos, or company intranet.

- <u>Content/Topic 7:Role of internal communication</u>
 - To help employees to do their jobs;
 - ✓ To develop a clear sense of organization mission
 - ✓ To identify and react to potential problems.

Internal communication is divided into two: formal communication channels and informal communication channels.

<u>Content/Topic 8:Formal communication channel</u>

The formal flow of information flows the official chain of command or planned a communication insider that follows the chain of command. Information may travel down up and cross the organization's formal hierarchy.

- **Downward flows**: This is when the sender of the message is senior to the receiver of the message.
- Content/Topic 9:Functions of downward information/ communication:
 - ✓ Providing information about the organization's plans and policies;
 - ✓ Providing instructions about how to perform a task;
 - ✓ Specifying a task to be performed;
 - ✓ Providing information about an employee's performance;
 - ✓ Providing information about the organization and its performance.
- **Upward flows:** this shows that the message is communicated from a junior to a senior person.
- <u>Content/Topic 10:Functions of upward communication</u>
 - ✓ Providing input for policy decision-making;

Page **43** of **73**

- ✓ Advising about subordinates' information needs;
- ✓ Allowing seniors to assess the effects of previous downward communication;
- ✓ Helping juniors cope with problems and facilitating their environment;
- ✓ Providing information regarding subordinates, etc.
- **Horizontal communication:** this happens when people who are at the same level in the organization

communicate to each other. It can be either:

- ✓ Laterally: people at the same level and within the same department, or
- ✓ **Diagonally:** people at the same level but in different departments.

<u>Content/Topic 11:Functions of horizontal communication</u>

- ✓ Coordinating planning and execution of tasks;
- ✓ Useful for solving complex problems
- ✓ Facilitating common understanding;
- ✓ Resolve common differences;
- ✓ Providing for collective problem solving;
- ✓ Developing supportive and productive work relationships.
- <u>Content/Topic 12:Informal communication channel</u>

This is unplanned or unofficial communication among employees. It is carried along the organization's unofficial lines of authority and power and it is also called **GRAPEVINE**.

4 Advantages of informal communication channel

- ✓ Major sources of information;
- ✓ It carries organizationally relevant gossip;
- ✓ It is influential in large organizations;
- ✓ It facilitates task accomplishments.
- **How to reduce grapevine within the organization**
- Use the organization structure to give relevant information;
- ✓ Consistent regular meetings;
- ✓ Company news releases;
- ✓ Monitor and officially correcting grapevine information.
- <u>Content/Topic 13:Barriers to effective communication</u>
- ✓ Perception: how people interpret things around them;
- ✓ Language differences: don't use strange language a receiver cannot understand;
- ✓ Restrictive environments: avoid whatever can block the communication;
- ✓ **Distractions:** avoid the sources if distractions such as phones, poor lighting system, noise, etc.;

Page **44** of **73**

- Deceptive tactics: avoid to manipulate the audience by hiding negative information, by exaggerating some facts, etc.;
- ✓ Information overload: avoid the boring messages by giving the essential to the audience.
- ✓ Remedy/ solutions to barriers
- ✓ Give your audience a chance to provide a feedback;
- Encourage feedback by asking specific questions, express general reactions, being receptive to your audiences' response;
- ✓ Adopt an audience cantered-approach, i.e., focus on your audience's ideas, skills, culture, etc.;
- ✓ Encourage open communication climate by allowing your audience to be free to express their opinions; to disagree with the boss, to confess their mistakes, etc.;
- ✓ Use few levels in your organization structure.

• Ethics and effective communication

Ethics are principles of conduct that govern a person or a group of persons.

Characteristics of Ethical people

- ✓ Trustworthy and Fair;
- ✓ Impartial and Respecting rights of others, and
- ✓ Ethical people are concerned about the impact of their actions on the society.

• Communicating ethically does not need to:

- ✓ Hide negative information behind an optimistic attitude;
- ✓ State opinions as facts;
- ✓ Allow personal preferences to influence your perceptions and requires you to act in good faith.

• By contrast, unethical communication can include:

- ✓ Plagiarism: stealing someone's words or work and claim it as your own;
- ✓ Selective misquoting: tell what is wrong;
- ✓ Unflattering comments: paint a better picture of yourself or your company;
- Misrepresenting numbers: increasing or decreasing numbers, exaggerating benefits, omitting numerical data;
- Distorting visuals: making a product bigger (exaggeration), changing the scale of graphs and charts to exaggerate differences.



L.O.2.2 - Provide staff with access to information on service standards and delivery

- <u>Content/Topic 1: Strategies that enable staff to access to information on service standards and</u> delivery.
- ✓ Organization of on job training
- ✓ Brochures distribution
- ✓ Manual of Standard Operation Procedures (SOPs)
- ✓ Conduct briefing
- ✓ Menus or price lists

L.O.2.3 -Coach Staff to deal with customer service issues and take responsibility for service

- <u>Content/Topic 1:</u> Coching staff
- Definition of coaching: it refers to giving special classes in sports or a school subject, especially privately, to one person or a small group. e.g: She coaches students in French, usually for exams.

<u>Content/Topic 2:Coaching process</u>

- 1. Preparation for coaching
- 2. Select the Coaching methods
- 3. Communicate staff
- 4. Conducting coaching
- 5. Make follow up
- <u>Content/Topic 3:Customer service issues</u>

Here's our advice on how to solve 10 of the most common customer service issues.

✓ Too much automation

Automation has worked wonders for the customer service industry. It has the power to streamline processes, reduce costs, and free up chat agents to solve complex problems for high-value customers. However, things can turn sour when customers feel like they're stuck talking to a machine (especially when that machine is repeatedly spitting out "computer says no"). Chatbots and automated services are incredibly helpful, but

Page **46** of **73**

they must be balanced out with some kind of human presence. This is particularly important for conversations with your less tech-savvy customers and any public social media interactions.

✓ Long wait times

People now expect communication to be instant and problems to be resolved almost as fast. It's important to respond quickly and avoid sending customers to multiple different team members. This helps maintain consistency and means the customer feels looked after. It's also vital to keep customer records up-to-date to minimize lengthy, frustrating experiences. Remember to be proactive by keeping people in the loop about how their issue is being addressed.

✓ Untrained or unfriendly staff

It can be difficult not to mirror the anger or frustration of a particularly tricky customer but it's important for chat agents to maintain sunny pragmatism and a calm demeanor. Customers aren't shy when it comes to sharing negative experiences with customer service reps and it can be extremely damaging for your brand image. All staff should be trained, coached and mentored on the same brand values, service etiquette, and processes so that customers receive a consistently delightful (not just satisfactory) experience.

Disorganized customer journeys

Customer journeys are becoming increasingly complex as technology develops and the number of potential brand touch points grows exponentially. It's vital to map out customer journeys and their associated workflows to make sure you're providing customers with the information they need at each stage. You can also deep dive into each interaction to see where issues or stumbling blocks might be arising, for example at the "review your cart" or payment section of an e-commerce store. Bottlenecks in these processes caused by technical issues or inflexible policies can irritate customers and negatively impact sales.

✓ Poor after sales

It's easy to forget that customers still need fuss and attention even after they've bought your product or service. However, a poor after sales process can leave people feeling underappreciated and even cause them to look elsewhere next time they're thinking about making a similar purchase. Thank your customers. Follow up with them to see how satisfied they are. Maintain communication to keep your brand top of mind and,

Page **47** of **73**

when appropriate, offer them something again. You can even ask happy, loyal customers to leave reviews or recommend your business – an invaluable (and free!) marketing asset.

Finding new customers is important for any business, except the list of current customers mustn't be forgotten. Immediately after a sale is the right time to try and persuade a second purchase. According to the BDC, it is 7 times more expensive to sell to a new customer compared to a returning customer.

✓ Unresolved issues

We've all been there – a customer comes to you with a problem so convoluted or left-of-center that you really don't have a clue how to address it. However, putting service tickets into the "too hard basket" can often mean they get dropped or forgotten by your team. Loyal customers are very often lost due to this kind of frustrating experience, so it's important not to allow a breakdown of communication just because the problem feels too messy. Well-trained team members and formalized escalation processes are crucial when it comes to ensuring that no customer complaints are left unresolved.

✓ Lack of customer centricity

As a business grows, customer centricity and culture can be lost. It's important to take stock of what people say they love about dealing with your business and make sure those things don't get forgotten as the business scales.

✓ Someone else does it better

In today's global online marketplace, competition is fierce. It can be hard to keep up with the constant innovation springing up from new entrants but one thing your business does have control over is its customer service. So, why not make it one of your USPs (unique selling points)? Excellent customer service is what keeps people coming back for more. It's a real differentiator in a world that often feels very transactional. Seek out customer feedback to refine not only your products but your service, above all, and you'll never be left trailing behind the competition.

✓ Not enough accountability

Staff must be trained to take ownership of individual customers or cases to ensure consistency and accountability. When this happens, customers can develop a connection with the chat agent or team member they're dealing with and this rapport can be what makes or breaks the outcome. When thorny

topics are being discussed, customers like to feel that the person on the case understands them and is working towards a resolution. They don't want to feel like "just another number".

✓ Not enough "surprise and delight"

Getting the job done simply doesn't cut the mustard if you want to create raving fans for your business. As loyalty gets harder to buy, great customer service experiences that go above and beyond expectations are increasingly important. You want your customers to walk away from the interaction feeling not only satisfied with the outcome but valued, understood, and prioritized. People like to feel special. It's important to show empathy for your customer's situation, reassure them, apologize if appropriate, come up with a remedy, and then deliver on any promises you make.

<u>Content/Topic 4:</u> Customer service issue.

• Reasons Why Our Customers Complain

Here are 10 most common reasons why our customers complain.

✓ Not Keeping Promises

If you give a promise ensure you keep it. Some promises sound great but if they have not been kept this may lead to multiple complaints, distrust and switching to competitors. Will you order again from a company which did not deliver in time as promised? I think we all know the answer....

✓ Poor Customer Service

When customer service representatives are not trained properly, keep customers waiting for a long time and do not resolve issues, this is called poor customer service. It is very irritating to see rep's efforts in resolving your issue and at the end having a simple question unanswered or no solution provided. In addition to this, when customers always hear only your voice menu, see offline live chat button and wait about a week for an email reply, they will definitely start complaining. And be sure, they will not complain to your staff, they will turn to social media because they want to be heard.



✓ Transferring From One CSR to Another

Poor staff training leads to calls or chats being transferred from one agent to another. And there is nothing more irritating than telling your story again and again. As you can see a human side of your business can sometimes generate more complaints than your operational side.

✓ Rude Staff

Do you check conversations and chat records of your staff with your customers? It'd be a good strategy to keep an eye on this as sometimes rude attitude, inability to listen and interrupting customers may become one of the main reasons for your customers to complain publicly and tell the world about your customer service quality. There are also people who treat customers as if they interfere into their daily routine. The way they communicate with people is enough to turn the most mild mannered of customers against your company. Do you have such reps in your company? Keep them away from your customers!

✓ No Omni-channel Customer Service

Giving your customers an easy way to get in touch with you is one of the first requirements of good customer service. If your customers do not see convenient ways of getting in touch with your team regarding their questions they will contact your competitors and will tell the world about their experience. Today online shoppers use not only email and phone for communication purposes. Live chat and social media are gaining popularity among consumers and for some customers it is convenient to begin conversation using one channel and finish it using another.

✓ Not Listening to Customers

Ignoring your customers and not listening to them is one of the biggest mistakes a customer service rep can make and one of the reasons for customers to complain. Just walk a mile in your customers' shoes to see what they feel when they are not listened to.

✓ Hidden Information and Costs

Play fair with your customers. Keeping some of your fees hidden and uncovering this in the middle of purchasing process is a frequent reason for a human to complain. The impression given is that your company cheats its customers.

✓ Low Quality of Products or Services

If you promise high quality of your products or services and what you deliver is of lower quality, then be sure, your customers will share this bad experience publicly and most likely complain in social media networks.

✓ Keeping an Issue Unresolved

Unresolved issues and complaints are deadly to any business. If you turn away from your customers and let everything go "as is" then you will lose most part of your customers. But if you keep on resolving issues and complaints improving your service at the same time, then you will win loyal customers who will be glad to share their positive experience.

✓ Inaccessibility

How easy is it to contact you? Do you provide enough information about your company? When a customer is seeking assistance there is nothing worse than lack of contact information or unanswered emails and not returned calls. This drives people crazy, especially if they have already paid you.

Losing even a single customer can be very costly for businesses. The art of handling complaints is not only resolving them to customers' satisfaction, it's also about improving your business and taking needed measures to preventing such complaints in future.

<u>Content/Topic 4:Categories customer issues</u>

✓ Product-Related Complaints

Some of the most common customer complaints are related to the **product or service** your business offers. Customer complaint examples related to products include:

- Poor product or service quality
- High price compared to competitor products
- Missing or unintuitive features

When dealing with product-related complaints, take time to understand what specifically is making the customer unhappy. If it's a feature about which many customers complain, it might be expedient to fix the issue during production. If it's a faulty unit, offer to replace the product.

Page **51** of **73**

✓ Service-Related Complaints

Types of guest complaints that are related to **customer service** may include wait times, issues with the staff, shipping or delivery problems or poor user experience. It's important to ensure that all customer-facing employees are properly trained and have the knowledge and tools they need to successfully interact with customers.

Front-line staff need to have strong communication, negotiation and conflict-resolution skills in order to navigate the many customer issues they deal with each day.

✓ Complaints in Public

Some of the costliest complaints are those that happen in public. In the age of **social media**, it's common for customers to air their grievances on Twitter or other social channels so other customers and prospects can see the discussion unfold. **Online review platforms** are another public arena where you may get a complaint.

In these cases, it's important to keep a professional and cordial tone. Remember that the public is waiting to see how your business will react to and handle the complaint. Apologize for the issue, offer a solution and invite the customer to return to your business. When the customer is satisfied, ask him to update his review so others can see that you've rectified the situation.

✓ Complaints Due to Misunderstandings

It's important to always communicate clearly with customers to **avoid miscommunication** and misunderstandings. For example, if your product packaging includes an image of the product that is larger than its actual size, the customer may be disappointed to see the product itself because it looks small compared to the photo on the package. To avoid this kind of misunderstanding, many businesses choose to only use life-size imagery on their packaging.

✓ Loyal Customer Complaints

Complaints from **loyal customers** should be taken very seriously so that you can continue to count on their business. A loyal customer already trusts your organization and values the product you provide. They have faith in you, which is why they keep returning. However, if they have a bad experience and make a complaint, it's critical to rectify the issue as soon as possible so that you don't lose their loyalty. Be sure to offer them an incentive for returning to your business.



Reducing the Different Types of Complaints

The best way to reduce the number of complaints your business sees is by creating and implementing a **customer service strategy**. Train your employees to ensure they are well-equipped to deal with customers and diffuse tense situations. Reward employees for their good behavior so they are engaged and committed to keeping customers satisfied. Establish customer loyalty plans with incentives to encourage them to return to your business.

Most importantly, **learn from your mistakes**. If you notice a trend in customer complaints, then use it as a opportunity to make a change.

For example, if you routinely hear complaints about the wait times at check out, you may benefit from training your cashier to work more productively or adding a second cash register. Customers appreciate when businesses take their feedback into account because it shows them that their opinion is valued.

- <u>Content/Topic 5:Handling techniques</u>
- ✓ Listen
- ✓ Apologize
- ✓ Solve
- ✓ Thank
- Handling procedures
 - Listen carefully and thank the guest.
 - > Ask questions and repeat the complaint
 - > Apologize sincerely.
 - Empathize with the guest
 - Explain corrective action/alternatives
 - Promptly resolve the issue
 - > Follow up, thank the guest, and apologize again
 - Take notes

L.O.2.4 -Monitor customer service in the workplace according to organization policies and procedures to ensure standards are met.

<u>Content/Topic 1:Characteristics of excellent customer service.</u>

Page **53** of **73**

- ✓ Reliability
- ✓ Competence
- ✓ Responsiveness
- ✓ Courtesy
- ✓ Credibility
- ✓ Consistency
- Content/Topic 2: Service monitoring process.
- Review the standards
- > Evaluate performance according to the standards and policies
- Handle any complaint
- > Take corrective measure

Learning unit 3: Monitor and adjust customer service.

L.O.3.1 -Seek feedback from customers on an ongoing basis and use this to improve performance where applicable.

 <u>Content/Topic1:Interpret the information from suggestion box, comment form, talking with</u> <u>customers, social media, market analysis</u>

The following points are common feedback from customers to be considered when interpreting information in order to use them for improving performance at workplace.

- ✓ Poor hygiene
- ✓ Communication problem
- ✓ Poor quality product
- ✓ Delayed service
- ✓ Negative attitude

It is important to use different techniques for service adjustment basing on improving performance at workplace.

<u>Content/Topic 2:Service adjustment techniques:</u>

Definition:<u>Adjust the service</u>: it refers to the strategy of changing or ameliorating the service and its provision for better performance.

- 1. **Communication of problems to concerned people**: this helps the customer service officer to react on the customer problems and try to find the accurate solutions.
- 2. Staff training: this is the policy used to keep upgrade the labor skills also it is to build their capacity in customer service provision.
- 3. **Implement improvement:** after training the staff, it is a good time to offer customer service in the appropriate manner which results in excellent customer service.

L.O.3.2 -Identify customer service problems and make adjustments to standards, systems and procedures to ensure continued service quality.

Content/Topic1: <u>Here is Common Customer Service Problems and How to Resolve them</u>

Working in customer service is like solving jigsaw puzzles. Every case has a different shape, color, and there's always one perfect place where you can put it.

In the morning, you deal with a lady who has received her new phone, but it's not working. After a lunch break, you try to calm down a man who calls for the fourth time this week to ask about his payment problem. In the afternoon, you explain to a customer that you cannot give them a refund because they made a late return.

In the end of your busy day, how does your jigsaw look like?



Is every piece on its place so you can see the whole picture? Or maybe it's a clustered chaos, making it impossible to recognize the image?

✓ It takes ages to solve the problem

First common problem customers encounter is long resolution time of their problems.

There are two reasons why it happens:

- 1. Difficult troubleshooting is needed (e.g. IT team needs to fix a bug or you deal with a third party to have the problem solved),
- 2. Communication in your team reminds of Michael Bay movie (lot's of stuff happening and nothing really makes sense).

Reason 1

Since you can't do much about it, you can still make it less painful for your customer and for you. I'm talking about proactive phone calls (or emails) informing the customer that yes, you remember about the problem and yes, you still work on it to solve it.

Pros:

- You show your customer that you care. Sure, they might be upset, but they won't accuse you of not giving a damn.
- As long as the customer is up to date (even if you're saying that the case is still not resolved), they won't suddenly burst with anger and call you to vent on you.

Reason 2

If the problem can be easily solved but communication in your team is a mess, you can turn into a leader of a "communication project." There are several rules of customer service communication that make people's lives easier, and that includes both, customers and agents.

1. Leave a note after every call/email/chat. Briefly, describe the conversation, leave information about what customer wanted, and leave a date and your name.

Page **56** of **73**

- 2. If you cannot process a customer's request, make sure that the right person knows about it. Don't ask your colleague at the water cooler, send them an email to be sure that they have your message in their inbox. It's just too easy to forget about the chat we had during our break.
- 3. If a case was not resolved during a single call or chat, note down the account number/the name of a customer. In two days' time, check if requests of your customers are in progress/are done.
- 4. If you see that no one has started to work on the problem, send them a message asking to take care of it. If you see it's being fixed/is done, you can make a proactive phone call to a customer informing about the above.

✓ Customer is being transferred over and over

One of the reasons why customers lose their temper is because they are being switched between departments. It may happen in a call center; it also may happen on a chat.

In most cases, the reason behind it is that a customer service agent doesn't know what to do and they hope someone else will know. Suddenly, a **customer turns into a hot potato** and no one wants to be left holding it.

I think that the "hot potato" situation happens when agents don't know how to solve a case, they don't know what other departments are doing, or there is no clear separation of duties.

If any of the above situations applies to you, you should definitely learn more about your company or discuss with your colleagues who's responsible for a particular problem. And every time you transfer a call / a chat, make sure afterward that you made the right choice.

The thing with call transfers is that you won't probably avoid it, so the crucial thing is to do it right. For example, you should never just say: "I'm sorry, but I cannot solve this problem, I'm going to transfer to department XYZ."

Remember about the positive communication and say something like: "OK, let's get this problem resolved! I am going to transfer you to my colleague, an XYZ specialist who is the best person to help you / who is the best-suited person to answer your question."

There's a huge difference between: "sorry, you're getting transferred" and "you're going to talk with our expert!"

Page **57** of **73**

Staff don't know and doesn't admit that

Sometimes, you just don't know. The problem is difficult, you've missed an update, or you're new to your job. You just don't know.

Many customer agents try to cover it under a mask of fake professionalism and inform customers about **what they think is true**. They promise to solve a problem or inform that the feature customer requests will be available soon.

And then, after some time, such customer comes back and learns that everything they heard is not true. They get upset, and they stop trusting you and your company.

So the most important thing is that if you don't know, **admit it**. Again, use the positive communication and say: "it's a good question, let me check it" or "can you please give a second, I want to make sure I'm giving you the right answer."

Your customers don't expect you to know everything, they expect you to help them. Don't be afraid of admitting that you're not certain! That's way more beneficial for a customer, for you and for your company than making something up.

And here's what our Support Heroes say when they don't know an answer to a customer's question:

• Favours that cannot be done

There are two kinds of favors that cannot be done:

- You promise something to your customer and don't keep your promise, or
- You cannot do anything because of the almighty **policy**.

Reason #1

This customer service problem happens very often, it's a reason for endless frustration for customers, and can be solved very easily.

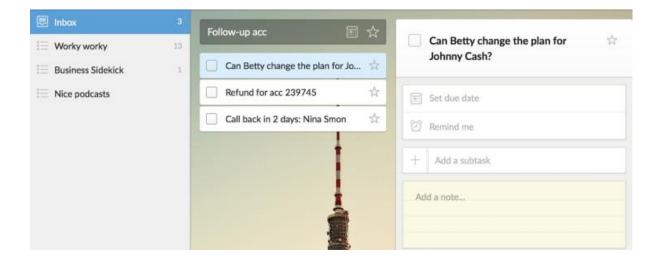
Some customer service reps who make promises don't keep it because they don't care about their job. They could promise everything just to get rid of the customer. What can I say, every piece of my advice wouldn't change it, so let me just leave here my post: "How Not to Hate Your Job."

Page **58** of **73**

But there is also another group of customer service agents. I'm talking about those hard working reps who are literally buried in work.

During the conversation, you do remember about noting the customer's name down, but after two next calls, you can't recall it? How about trying out a desktop app that will help you to organize yourself?

Here's the example of a free to-do list, the Wunderlist:



I just checked how much time it takes to make a note and it takes up to 10 seconds. During your workday, you can add there everything you think is important and after your shift is over, spend about 5 minutes to evaluate it, schedule reminders and organize your work.

Reason #2

"I'm afraid I can't do it, it's against our policy."

How many times was this your answer to a customer request?

"Can Ι bring dog?" "Sorry, it's against our policy." а "Can I the refund for these shoes?" "Impossible, return." get you've made a late "Here's my boarding pass." "Sure, as long you get changed." "Excuse me?" "You can't wear leggings on a plane."

Customers hate it when the policies are too strict and their overall happiness might drop drastically if they hear that their request is "against the policy."

Page **59** of **73**

Note: I'm talking about reasonable requests, of course!

There are two ways you can try to help your customers.

Proactive help

If you cannot accept customer's request, you can at least **try to help them the other way**. As soon as a customer sees that you really want to help them (and not just hide behind the policy), their opinion about you, your service and your company might change.

Here's an example. Let's say that you work in a hotel and according to our policy, you don't accept bringing animals (because of the safety/comfort reasons). If an exception cannot be done (e.g. because the dog is small, has the proof of all current vaccinations and customer agrees to cover all costs), you can say:

"As much as I'd love to fulfill your request, our other guests expect us not to accept animals and their expectations are also very important for us. However, maybe it would suit you if I find out if there is another hotel in the area where your dog might be able to stay?"

There's no "no," you **suggest a proactive solution**. That's not your job to call around asking for hotels without "no pet" policy, and that will make your customers appreciate that.

Make your policies clear to everyone

How many customers read the "policy" section on the company's website? Not many. And how many customer service problems wouldn't happen if they read it? Probably many of them!

Turn yourself into an investigator and **note all inquiries that are rejected due to the policy**. Ask yourself a question: what your team (or another team) can do to make it clear to your customer what is your policy? Maybe add another note on the product website, or maybe inform customers in an email after purchase?

Try to investigate the whole customer journey and come up with the idea of adding more information about it on your company's website. Don't forget to gather the statistics to justify your requests (e.g. how many inquiries during last week/month you received)!



Customer has received a faulty product

A faulty product is no one's fault (except the manufacturer), but it might happen that your customer is upset and tries to blame you for that. It happens because:

- They bought your product hoping to get something great and they are disappointed,
- They are probably stressed because they are not sure if you will accept their complaint.

You can't change the way they feel about the product, but you can change the way they think about your company. This is a short, **4 step checklist** on what you should say to your customer when they contact you to complain:

- "I'm so sorry to hear that!" (you empathize with the customer, showing your emotional intelligence),
- "Maybe it was damaged in shipping" (meaning "we don't used to sell damaged crap to our customers"),
- *"Can I send you the working one right away? Or maybe you'd like me to make a refund?"* (a solution!).
- *"I apologise for the inconvenience / that it happened"* (apologies are very important!).

Thanks to the above recipe even the stubbornness customer will soften.

Do the conversation closing

Regardless of all problems your customers (and you!) will have, the most important part is to **do the conversation closing with style**.

Instead of just saying the generic "thank you for your call, have a nice day," think about something more sophisticated. How about:

"I'm happy I sorted it for you! Before you go, is there anything else I can do for you? I'll be happy to help!"

Much nicer, right? Remember though not to use this closing if you were not able to help your customer! Instead, just say:

"Before you go, let me sum up: /you repeat what you're going to do for this customer/. Is that right?"

And then, go to the last part of the closing.

Page **61** of **73**

Keep the conversation going

✓ Customer Service Challenges and How To Solve Them.

Each day customers interact with your business. These interactions can cause challenges for your team.

How you handle them is crucial to your business's success.

Handle them well, and customers return again and again, boosting profits.

Handle them poorly, and customers bolt to a competitor, slashing revenues.

Many factors go into how difficult these challenges can be, including the total number of cases your team is managing.

They can be quite stressing for you and your support team.

The key to handling these challenges is knowing how to respond effectively and in a timely manner.

That, in turn, enhances customer experience, boosts customer loyalty, and increases corporate profitability.

Below are common customer service challenges businesses face daily as well as tips on how to turn them into relationship-building opportunities:

1. Not having an answer to a question

Handling this challenge is more about what you shouldn't do than what you should do.

The key is to avoid being unclear in your response.

If you do not have the answer, acknowledge the question's difficulty, ask them for time to find a solution, then guarantee them you'll contact them.

2. Transferring calls to another department

There will be times when the best way to help a customer is to transfer the customer to another person.

When that happens, you first need to let customers know you're transferring them to someone that will help.



But avoid the mistake of doing a "blind transfer." Meaning you transfer the customer to your teammate without verifying they are available to take their call.

If someone is expecting a live person but gets a voicemail, how do you think they will feel?

3. Failing to understand what customers want

Customers can have a hard time explaining what they want. They may not know the technical jargon to tell you exactly what the problem is.

If possible, ask the customer to take you step by step through their issue.

You might find it helpful to take notes while they explain the issue.

Consider sharing the problem with a teammate. A second opinion could help you solve the issue quickly.

4. Dealing with angry customers

Even the best companies get calls from angry customers.

The key is to first calm them down so you can find out how you can help them. Then, do it.One approach is to **use the HEARD technique for helping customers**—

- ✓ Hear.
- ✓ Empathize.
- ✓ Apologize.
- ✓ Resolve.
- ✓ Diagnose.

This approach calms customers while providing you time to diagnose the problem and then address it.

5. Exceeding customers' expectations

The trick to beating this challenge is to set reasonable customer expectations, then meet and exceed them. Exceeding expectations can generate repeat customers.

The key to doing that is to first take a customer-centric approach. Then, generate data that tells you exactly what customers want. Use print, electronic, and social media to produce that kind of data.

Page **63** of **73**

6. Serving multiple customers

Customers are okay with being put on hold if it helps resolve their issues. But telling customers you're going to put them on hold to solve their problems buys you time to talk with the other customer.

Above all, avoid telling the first customer you're talking with a second customer. And don't leave the first customer on hold for a long time.

7. An outage or other crisis occurs

Is there anything worse than having a power failure or a crisis? Severe emergencies, like security breaches, can be deadly. How do you handle them? First, put a crisis communication plan in place. That tells employees exactly what they have to do during a crisis. Then, when customers call, you need to apologize to customers for what they're going through.

Also, provide constant updates—say once every 30 minutes— to help reassure nervous customers.

When everything's over, you can then publish a post-mortem detailing the steps you took to help the situation and issue a sincere apology for any inconvenience customers may have experienced.

Not sure what to say? Check the internet for models you can download.

8. Customers want a discount you can't give

Discounting can get customers to buy from you. But it also devalues your brand's perception in the customer's eyes. So, use this strategy sparingly. Plus, no customer likes to hear "no" from a customer service agent. So, don't just turn the customer down. Explain to them why you can't give them the discount. Use this opportunity as a chance to reinforce your offering's value.

9. Customers want a feature you won't or can't add

It's hard to say no to good customers, as we noted above. But sometimes you must. Here's a way to do it gracefully:

- Keep your tone positive.
- Be personal. Forget templated responses.
- Offer a workaround if one exists.



Sometimes you can find a workaround that provides the functionality your customers want in your product. In other words, do all the best you can so as to help the customer.

10. Flooded with service tickets

This challenge is fairly common. Many customers, though, expect an answer within six hours. When you're backed up like this, focus on responding instead of resolving. But don't set up auto responders to do it.

You can also have agents write personal emails telling customers "We're backlogged, but we'll be taking care of you soon." Also, give customers a hard deadline by which you'll help them. That gives you time to resolve the issue and your customers get timely responses.

11. You need to fire a customer

Some people are better suited for your product or service than others. But letting a customer go is never easy. So, if you need to do it, do it with grace and respect. Use this four-step approach:

- Be positive and appreciative
- Re-frame the situation as your fault
- Make the customer whole
- Apologize and offer an alternative
- Going above and beyond can save this relationship.

12. Reply/resolution times are slow

Customers want answers now. Or better yet, five minutes ago. To start, review the ticket handling process you have in place. If you have tickets bouncing around from one department to another, find out why and eliminate the problem. Also, try omnichannel support, create a service level agreement, and set up your internal structure for team success.

• Note:

Customer service challenges don't go away. But if you don't handle them correctly, they could cost you some customers. Disappointing them costs you customers and generates negative word-of-mouth advertising. No business can afford that.



Instead of disappointing customers, turn service challenges into relationship-building opportunities. Prepare your team to handle these challenges in advance. That keeps customers satisfied and retains their business, boosting customer loyalty and increasing profitability.

✤ Strategies that can help you improve your customer service standards

Here are four strategies that can help you improve your customer service standards such as:

1. Seek Customer Feedback

To provide excellent customer service, you first need understand their needs, experiences, and pain points.

For these, you need to ensure that you provide your customers multiple ways to share their feedback. You can do this through telephone surveys or a feedback form sent via email. Other than surveys, you can also establish a complaint system, which will better enable your customers to raise their issues.

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

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

As an example, web hosting service provider Site Ground invites its customers to provide feedback 24/7 via three different channels: tickets, live chat, and phone.





2. Strengthen Your Customer Service Team

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

3. Hire and Train Professionals with the Right Skills

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

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

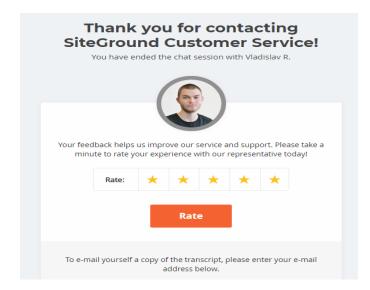
- 1. **Empathy and Patience** A customer service rep has to deal with different types of customers: Some may be annoying or confused, while others may have a lot of questions. A customer support representative needs to deal with all of them patiently and professionally.
- 2. **Good Communication skills**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

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

Site Ground asks customers to rate each customer service representative who attends to them.

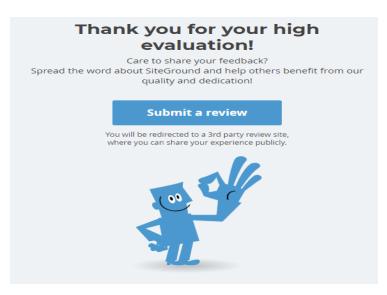
Site Ground asks customers to rate each customer service representative who attends to them.





Once a customer rates the representative anywhere from one to five stars, the site redirects them to leave

a review.



You can use insights from such ratings and reviews to track the performance of each customer service representative.

4. Appreciate Good Work

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

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

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Page **68** of **73**

How to Create Highly Effective Service Standards according to Jeff Eilertsen



Setting service standards is an approach commonly used to create consistent levels of service performance and enhance customer experience.

The core problem lies in not recognizing there are **two types of service standards**, each with their own purpose and value: standards of *process* and standards of *experience*. Rather than leveraging each type uniquely, companies often confuse the two, or fail to create one or the other.

How do these two types of service standards differ? And how can you make the best use of each?

1. Standards of service process

These standards can be created and deployed at a transactional level by identifying vital transactions on the customer journey and creating specific expectations for team or system performance. These standards have a "do this" format and may be clearly expressed in checklists, scripts or metrics that ensure consistent service process and performance. Some simple examples:

- Answer the phone within 3 rings.
- Greet each customer by their first name.
- Respond to every customer inquiry within 60 minutes.
- Open a new queue if more than 3 customers are waiting.
- Check each passenger has their seat belt fastened.
- Resolve a client problem within 4 hours.
- Follow up each complaint resolution within 24 hours.
- Ask each client to complete feedback survey before they leave.

These standards of service process can be useful for:

ADVANTAGES:



- Establishing a clear understanding of expected performance in specific transactions so staff know *what* to do.
- Creating consistency in service delivery across all staff and locations.
- Increasing efficiency and safety for customers.
- Training new staff members.
- Coaching and correcting ongoing staff performance.

But there are can be pitfalls when using standards of service process, too. For example:

DISADVANTAGES

- If process standards are not reviewed and adjusted, they may become outdated and no longer deliver minimum customer expectations of service.
- Process standards can become focused on ensuring compliance to internal pre-defined steps versus thinking about how to exceed expectations or respond in unusual situations. It becomes commonplace for team members to "complete the checklist" yet still have an unimpressed or unhappy customer.
- Reports and metrics can focus attention on meeting targets for internal work, and not meeting aspirations for delighting or wowing external customers.

2. Standards of customer experience

Customer experience service standards transcend specific transactions and focus attention on the overall customer experience. These standards are more inspirational by nature and call forth the positive emotions we all experience when our customers are being well-served.

Customer experience standards provoke staff members to look beyond routines and find ways to create unique, delightful, and even extraordinary experiences.

Standards of customer experience are also useful to guide staff behavior when unpredictable situations arise. It may not be possible to have process standards for every customer circumstance, preference, or request. Clear standards for customer experience thus liberate and encourage staff members to act with their own best abilities, instincts, and talents.

When creating standards of experience, you stand in the customer's shoes and ask: What do we want it to look like, or feel like, when our customers are truly supported, encouraged, appreciated, acknowledged, "Wowed" or even "blown away." Examples of standards of customer experience are:

Page **70** of **73**

- We make each customer feel like a guest in their own home
- We treat each patient like they are our own mother
- We make each moment matter
- We give each customer the time they desire to solve problems
- Each customer feels they are the most important
- Our customers can ask any staff member for help with any question
- Customers leave each interaction with a smile

3. Combining standards of process and standards of experience to engage staff and delight customers

Utilizing both types of service standards is the best practice for creating predictable process performance and exceptional customer experience.

Experience standards clarify the emotional response we want our customers to enjoy. Process standards are internal "how-to's" that lead to this experience in specific situations.

It is essential to define your standards of customer experience first. Engage teams who work close to the customer in these conversations. Once service experience standards are agreed and articulated, then specific standards of the process can be derived to achieve that experience within your most important customer transactions.

Here is a simple example of a hotel's standard of experience working in tandem with standards of the process:

Hotel experience standard: Make each customer feel like a guest in their own home.

Sample process standards for service staff at the hotel reception:

- Bend down to speak with children at their eye level.
- Speak slowly and clearly with non-native language speakers.
- Walk slowly alongside elderly guests to guide them to their room.

Experience standards will not change often, unless there is a major shift in service strategy or brand. Process standards must be reviewed and updated regularly to keep up with changing customer expectations, the introduction of new products, changes in technology, as well as competitive experiences and innovations.

Page **71** of **73**

This two-part approach to effective standards can be easy to implement and gain traction within an organization. Involving your teams in both steps promotes awareness of the customer perspective and the importance of standard process. This approach also encourages each team member to delight customers in our ever-changing world by using experience standards as a guiding light for action, with process standards created to assist but not disable.

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