

# 8 Strategies to Improve Customer Service

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Every brand believes that its customer service is excellent. In reality, however, customer service across brands is mediocre. The experience is generally inconvenient, unpleasant, unsatisfactory, sometimes humiliating, and definitely expensive.

Good customer service is an integral part of business. It affects important brand and business objectives like customer satisfaction, loyalty, retention, repeat purchase, up selling and usage revenue. In light of these business implications, there is continuous pressure on brands to improve customers' perceptions of their service.

Improving customer service should not be that difficult. It can happen if organizations reconsider certain business strategies. The following eight strategies are very important to improve customer service:

## 1. Incorporate In Business Planning

The quantum and nature of service requirements are dependent on the activities of many other functions. Organizations should incorporate customers' service requirements into all aspects of business activities, like product design, procurement, production, handling, pricing, communication, people, and culture. This would help organizations to prepare better for service eventualities and at the same time make customer service the responsibility of the entire organization.

## 2. Change Attitude To Service

Despite being a critical business activity, customer service function does not command the same respect that many other functions do. Many perceive it to be dirty, menial, and unpleasant. Service center appearances and resources are always far inferior, especially to that sales and marketing. If an organization treats the service function in this manner, customers are likely to get the same treatment from the service function.

An organization's attitude to service is a reflection of its attitude to customers. Management has to go far beyond providing mere lip service if the rest of the organization is to respect customer service and customers.

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## 3. Integrate With Marketing

Customers are an important marketing resource. They are the most credible brand ambassadors, their word of mouth recommendation is far more effective than all other marketing activities put together. Given its importance to marketing, organizations should make marketing solely responsible for customer care and if necessary create a separate customer marketing function to protect, nurture, and leverage its core assets (customers) far more productively. Integrating it with core marketing will also remove the stigma associated with service.

## 4. Shed the Profit Center Approach

Many organizations try to make a profit through customer service. In a profit center approach, revenue-generating activities like sales of maintenance contracts, spares, and expensive call charges become more important than the aforementioned business objectives. Selling at low margins is normally the reason for the profit center approach. Attempting to increase profit through service would not work anyway, as customers expect service charges also to be low if the product purchase price was low. Expensive service charges would also force customers to choose cheaper third party service providers.

Brand and business objectives should be the only purpose of the customer service function. The collective value of these business measures, in near term and long term, would always be higher than the profits made from normal service activities. A profit center or cost center approach, disregarding business objectives, would be detrimental to the brand.

## 5. Adopt Retention Pricing

Product pricing should include the cost of acquisition and the cost of retention including the service cost. Discounting the service and retention cost to make the sale price attractive would only force the brand to recover the lost margin through subsequent transactions.

It is wrong to believe that customers do not deserve good service just because the sale price was low. Every customer, irrespective of the price that he pays, expects good service. The product price should therefore, have a sufficient margin to meet those expectations.

## 6. Manage Expectations

Customers have explicit and implicit service expectations. Explicit expectations are formed based on the claims and promises made by the brand at the time of purchase. The brand has complete control over explicit expectations. Implicit expectations formed based on the customers' perception of brand image, stature, reputation and the price premium they pay for a brand are far more difficult to gauge and manage.

Most often organizations measure only the explicit commitments. Failure to identify and measure implicit expectations is a big reason for the gap between its understanding of the quality of service rendered and customers' perception of the service received. Customers' perception of service will improve only when both these expectations met.

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## 7. Recognize the Role Reversal

Brands make an emotional pitch to sell but provide service by the rulebook. Customers though, buy rationally but react emotionally to product and service failures. Recognizing this role reversal will help brands to appreciate the customer's pain better and adopt an appropriate service response. Brands should remember that they are not dealing with failed products but with people's emotions caused by failed products. An emotional approach to service, similar to the sales pitch, might work better than a rational response.

## 8. Focus On Customers' Convenience; Not Yours

Most service facilities and procedures are not customer friendly. Service centers are few and far between, the locations are remote, phone lines are always busy, the service center timings always conflict with customers' work hours, and the waiting time at the service center is invariably long. Further, asking such aggrieved customers to fill lengthy forms, answer questions (often interrogatory and structured to make the customer feel that he or she is responsible for the problem), wait inordinately, listen to policies and rules is inconsiderate and humiliating.

These inconveniences dissuade customers from choosing company service. Removing such irritants, besides improving customer experience, would also encourage more customers to choose company service over third party service. Increase in service revenue due to more customers choosing company service should compensate for the increase in cost, if any, of providing service at customers' convenience.

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PhaseWare's features focus on the specific needs of the complaint from the simple request for information to complex issues requiring two-way communication. Every step and interaction is tracked, timed, and classified until the issue is resolved with multiple opportunities of providing status and feedback to the customer.

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The key driver of PhaseWare's help desk management solution is automation of incident management. Our solution tracks the entire incident life-cycle including resolution and closure of trouble tickets. Additional self-service options with knowledge management increase the QoS for end-users while decreasing the load on the help desk.

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