Learning aim A: Understand how businesses provide customer service

 Topic A.1 Definition of customer service. The ways in which businesses satisfy their customers

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- Topic A.2 Different customer service roles in a business.
 How businesses deal with customers directly and indirectly.
- Topic A.3 The different types of customer service businesses have. Businesses deal with customers in different ways whether it is face-to-face, through call centres, online and working with other colleagues.
- Topic A.4 Customer satisfaction. This section explores why it is important to make sure customers are satisfied and the different ways this is achieved.

Principles of customer service

- Topic A.5 Different ways that businesses can provide consistent and reliable customer service. Customer service staff make the difference between good and bad customer service. The ways they offer consistent and reliable customer service are explored.
- Topic A.6 The effect of good customer service on the reputation of a business. Good reputations are built on good customer service and this will mean increased sales, more customers and job satisfaction!
- Topic A.7 Different ways of exceeding customer expectations. Customers' expectations are exceeded when they have value for money, are helped and assisted in their purchases and dealt with appropriately.
- Topic A.8 Providing effective customer service through organisational procedures. The ways that businesses deliver customer service are explored ensuring that all staff know what is expected of them and how this helps to contribute to good customer service.
- Topic A.9 Complying with legislative and regulatory customer service requirements. Organisations have to meet all legal and regulatory requirements in order to ensure effective customer service.

116

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- Topic B.1 Customers. The different types of customer, their differences and their expectations are discussed.
- Topic B.2 Skills required to deliver consistent and reliable customer service. How you create a professional image, have a positive attitude and communicate with customers.
- Topic B.3 Developing customer service skills. How to deal with different situations, different customers and their queries and other customer service skills that you need in order to deliver good customer service.
- Topic B.4 Limits of authority. What you can deal with yourself and when you need to ask for help from your manager.

117

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Customer service

2A.P1 Customer service

Customer service describes the actions organisations take to make sure their customers are happy and satisfied. If customers are not happy and satisfied with the service they receive, they will go to another organisation. Therefore it is vital for an organisation's success that their customers' needs and expectations are met.

Your assessment criteria:

2A.P1 Describe the different types of customer service provided by two selected businesses

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'There is only one boss. The customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else.'— Sam Walton, founder of Wal-Mart

In order to offer excellent customer service, organisations need to understand what their customers expect from them. For example, many people need to catch a train to get to work. However, they expect a seat on the train, a clean environment and the train to be on time. Successful train companies know their customers well, are aware of their expectations and meet them.

Customer service can be defined as the ways in which a business meets customers' expectations and satisfies their needs.

Customer service roles



Key terms

Customer service: the ways in which a business meets customer expectations and satisfies their needs

Customer service teamwork: the network of staff in an organisation who deliver customer service, including individuals, departments and other businesses

Face-to-face customer service: when the service deliverer and customer interact in person

Remote customer service: when the service deliverer and the customer interact via telephone or the internet

Service deliverer: the person seen by the customer as providing customer service and representing the business



Design your own definition of customer service, based on your own customer service experiences.



2A.P1 Customer service businesses

Customer service can come in many different forms. In many organisations, customers' expectations are met by a service deliverer, the person seen by the customer as providing customer service and representing the business, for example a sales assistant. This is face-to-face customer service. Other examples of face-to-face customer service include:

- reception staff in hotels
- waiting staff in restaurants
- instructors in leisure centres
- nurses in hospitals.

Other businesses never come into face-to-face contact with their customers. This is remote customer service. For example, if you buy a product from an online retailer like Amazon (www.amazon.co.uk), you never come into contact with an employee. The customer service is delivered to you via e-mails and your online account. Remote customer service can also be delivered through call centres.

In order for an organisation to deliver effective customer service to meet customers' expectations, the individuals and departments within the company need to cooperate. This is known as customer service teamwork. For example, if a customer phones an organisation with a complaint about their mobile phone bill, the call centre staff need to communicate with the finance department and share information in order to solve the customer's problem. Some organisations need to work with other businesses in order to meet their customers' expectations. For example, a customer has a problem with a product bought on www. amazon.co.uk. However, the product was sold by a different company that sells through the Amazon website. When the customer makes a complaint, Amazon has to cooperate with the seller to rectify the problem.

Research Q

Research the different ways that two different businesses handle customer complaints and problems.



Remote customer service

Case study

Joseph ordered a birthday gift for his girlfriend online. The gift did not arrive in time for her birthday so Joseph contacted the company. The customer service representative apologised and explained and that his order had left the depot and was due to be delivered the next day. Joseph was angry. The company had originally said that the product would be delivered in five days. It was now the seventh day.

- 1. Define customer service.
- 2. What role does the customer service representative play?
- 3. Describe the customer service that Joseph received. (2A.P1)

120

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Principles of customer service

UNIT 4

Discuss

In groups, discuss your experiences of face-to-face and remote customer service in your dealings with two different businesses.

121

Customer satisfaction

2A.M1 Customer satisfaction

Satisfying customers is vital to a business's success. Satisfied customers feel that the product or service received has met their needs and expectations and that they have received value for money. If customers are satisfied they become loyal repeat customers. They will continue to return to the same business and recommend it to their friends and family (word of mouth reputation). Turning people into satisfied customers means that the organisation's reputation is enhanced, which will help it become successful.

There are many ways in which organisations strive to satisfy customers and ensure they feel that they have value for money.

Providing reliable products or services

Organisations strive to ensure that their products are the best that they can be. For example, John Lewis states on its website that customers who are not satisfied with its products can simply return them to one of their stores. Customers can also track their orders through John Lewis's website to ensure that they receive a reliable delivery service.

Providing extra services

These include free delivery and follow-up services. For example, John Lewis offers free delivery on items over £30 and also a 'click and collect' service where customers can order their items online and collect them in store the next day. Apple, the technology company, also provides extra services such as Apple Care where customers receive '90 days of complimentary technical support and a one-year limited warranty'.

Being accurate, reliable and efficient

Customers are satisfied if the business delivers what it says it will deliver and when. For example, Next promises next-day delivery on items ordered online by 9 pm. It also gives customers the option to request a call back for urgent enquiries.

Providing value for money

Organisations must ensure that customers believe they are getting value for money for the products or services they purchase. This means they want maximum quality for the price they pay. Customers constantly

122

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Your assessment criteria:

2A.M1 Compare how two selected businesses satisfy customers

Key term

Customer satisfaction: customers are satisfied when they feel their needs and expectations have been met and that they have received value for money

select items and services to buy, and aim for the right balance between quality and cost. They take into account the additional services available and the time it takes to receive the service or goods.

Providing information and advice

Organisations satisfy customers by providing effective and comprehensive information and advice on their products. If customers have confidence in the advice and information given, they are more likely to be satisfied. Currys PC World ensures that the guidance it offers online is as comprehensive as possible. Staff are also trained continually on the products and services sold.

Dealing with problems

In order to be satisfied, customers need their problems dealt with quickly and efficiently. For this reason most organisations have very detailed complaints procedures that staff must follow. JD Sports, for example, has a customer service section on its website, featuring frequently asked questions (FAQs), delivery information, order tracking and size charts. There are also options for contacting the organisation so that problems can be put right on a personal level.

Case study

John Lewis is a large customer-focused retailer. There are many ways in which is ensures its customers are satisfied. You may not be aware of it, but your school or college is also committed to ensuring that you and your parents are satisfied customers.

- 1. Research and explain the ways in which John Lewis tries to satisfy its customers. (2A.M1)
- 2. Research and explain the ways in which your school or college tries to satisfy its customers. (2A.M1)
- 3. What are the similarities between the two? (2A.M1)
- 4. What are the differences between the two? (2A.M1)

Principles of customer service

UNIT 4



Research Q

In pairs, research how two businesses of your choice satisfy their customers. What are the differences and similarities between them?



Many businesses use FAQ sections on their website as a way of dealing with customers' problems



Different ways that businesses can provide consistent and reliable customer service

2A.P2 Consistent and reliable customer service

Customers expect to experience the same high levels of service no matter whom they come into contact with in an organisation. Achieving consistency requires an organisation to spend a lot on staff training to meet customer expectations.

Staff knowledge of the scope of the job role and products or services

All employees need to be trained on what they can and cannot do as part of their job. They need to know the situations where customers should be passed on to their manager. They must also understand the different products and services on sale so that they can offer reliable assistance and advice. Employees should also know where they can find out information about the products, for example in manuals or catalogues, and understand the terms (jargon) used about them.

Staff attitude and behaviour

Employees need to understand the importance of having a positive attitude and being polite and professional to customers. They also need to understand that customers do not like to waste their time, for example by having to wait in long queues. Similarly, being aware of how much time they have and when to approach them to offer help is also important. If employees keep customers waiting, they need to ensure that they apologise and deal with the problem as quickly and effectively as possible. Staff also need to know what products are available and the procedure for helping customers if the product they want is not in stock. This may include putting the customer's name on a waiting list and calling them when the product comes in store.

Meeting specific customer needs

Staff need to know the correct questions to ask customers so that they can identify and fulfil their needs as quickly as possible. For example, service deliverers should ask customers how they can be of assistance.

Working under pressure

Employees should be able to act appropriately towards customers even when they are busy and under pressure. Service deliverers should



2A.P2 Describe the characteristics of consistent and reliable customer service

Key term

Jargon: technical or slang terms used widely within an industry

always maintain high levels of customer service regardless of their own thoughts and feelings.

Confirming service meets needs and expectations

Organisations that try to improve their customer service may check that their customers are satisfied. This may involve phoning them to check that they are happy with the service, or asking them to complete a customer service questionnaire, for example feedback forms in restaurants or on online sites such as Amazon.

Dealing with problems

When customers are unhappy and have a problem, staff need to know how to deal with them. Is the customer always right? Staff need to know what they can offer an unhappy customer. Do they want their money back? Do they want some other form of compensation, for example discounts, vouchers or a free meal?



A customer service questionnaire

Case study

Christine Bleakley and Adrian Chiles were sacked from presenting ITV1's Daybreak show in December 2011. Their dismissal was blamed on inadequate viewer ratings due to their consistently poor presenting performances.

- 1. Come up with your own definition of consistent.
- 2. Why is it important that customers receive consistent customer service? (2A.P2)

Principles of customer service

UNIT 4





Design

Design an induction booklet for new staff giving examples of consistent and reliable customer service. Explain how this ensures that customers are satisfied.





The effect of good customer service on a business and its customers

2A.M2 Exceeding customer expectations

Meeting customer expectations ensures that customers are satisfied; however with increased competition, organisations now try not only to meet customer expectation, but to exceed them. There are several ways in which they can do this.

Providing value for money

If customers believe they have received exceptional quality goods and excellent after-sales customer service for the price paid, they will perceive that they have had value for money.

Providing information and advice quickly

Often companies exceed customers' expectations by responding to their information requests more rapidly than customers expect. Online companies often have a time frame within which they promise to respond to requests. If information and advice are offered before this time has elapsed, customers' expectations are exceeded.

Providing exceptional help and assistance for customers with special requirements

Businesses that recognise that their customers have special requirements and do their best to go beyond them will ensure that customers' expectations are exceeded. For example, most supermarkets have babychanging facilities for customers with young children.

Providing additional help and assistance

Dealing with customers' problems is often to key to exceeding their expectations. For example, the Gro Company is an organisation that sells baby and children's products. It sells predominantly through www. amazon.co.uk and is very aware of the impact that customer reviews have on its business. The owner and inventor responds personally (and promptly) to any negative customer reviews and problems. As a result, most of the negative reviews are deleted by customers who explain that the response has exceeded their expectations. This has led to increased sales as potential customers describe how this has persuaded them to buy products from the company.

Your assessment criteria:

- 2A.M2 Explain how a selected business attempts to exceed customer expectations
- **2A.D1** Assess the effect of providing consistent and reliable customer service on the reputation of a selected business

Key terms

Customer service: *providing a service* that consistently meets or exceeds customer needs.

Good reputation: when customers have a favourable opinion of a business

Value for money: the belief that the goods or services provided by a business are worth the price paid

Word of mouth: when customers tell other people about their experiences

Discuss

In groups, discuss what constitutes excellent customer service. Use examples from your own experiences and your research. How does this impact on the reputation of the businesses you are describing?

Research Q

Research how a company like Gro (or a company of your choice) attempts to exceed customer expectations.

Companies are not always in a position to deal with customers in such a personal way. However, they may offer discounts or additional products and services. An effective and efficient returns policy more than compensates customers for their inconvenience and gives them the confidence to buy from the business again.

2A.D1 The reputation of a business

A good reputation is built by offering good quality products, value for money, consistent and high quality customer service and reliable and

trustworthy service. Emirates, the Dubai owned airline, prides itself on its reputation as one of the world's best airlines. It has consistently won awards for the services it offers. Customers know that when they fly with Emirates they will receive high-quality catering, in-flight entertainment and, on certain routes, be offered the biggest and best aircraft.

Emirates' excellent reputation has earned it:

- Increased sales year on year since the business started in 1985
- · Increased profit since the third year of operation

- · Retention of existing customers
- · New customers who have heard about Emirates' reputation for excellent quality and service. New customers can also read reviews about the airline on the Emirates website
- Word of mouth publicity as customers tell their friends and family about its superior service
- · Competitive advantage with high standards that other airlines struggle to compete with
- · Staff job satisfaction and motivation working for a company with such a high reputation motivates staff to continue to offer customers the highest levels of service

Case study

Partyrama (www.parytrama.co.uk) is a successful online party product business. It has an easy to use website, excellent range and quality of products, reasonable prices and first-rate customer service. They pride themselves on offering their customers value for money and a comprehensive returns and exchange policy. This means that their customers can buy their products with confidence.

1. Explain how Partyrama attempts to exceed customer expectations. (2A.M2)

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Principles of customer service

UNIT 4



Emirates has a reputation for excellence in the airline industry





Providing effective customer service through organisational procedures

2A.P3 Organisational procedures

There are many ways in which an organisation can provide effective customer service in its everyday activities.

Monitoring customer service

Organisations invest money in finding out what their customers think, what they are doing right and what needs to be improved. They can do this by asking for informal feedback from their customers, asking customers to complete comments cards or questionnaires, asking for feedback from their employees, using mystery shoppers or evaluating the compliment and complaints letters they receive. For example, McDonalds uses mystery shoppers to monitor its customer service levels.

Following codes of practice

Codes of practice are voluntary guidelines that identify the standards of service customers can expect. They may also give customers advice about what to do if they are not satisfied. Codes of practice operate at different levels. They include:

- · Industry codes of practice: these set out the minimum standards expected throughout an industry, for example banking and finance.
- · Organisational/business codes of practice: guidelines written by specific companies on their own standards and ways of dealing with customer complaints. For example, retailers with high standards, such as John Lewis, are likely to have 'no quibble' money back guarantees.
- · Professional codes of practice: guidelines that all professional workers, for example doctors or solicitors, should abide by. They are drawn up by professional institutions such as the British Medical Association.

Having ethical standards

Ethical standards set out how organisations should trade fairly and honestly with customers and suppliers and ensure that their employees are trained to be aware of the correct procedures. For example, staff need to know when to refer a customer to someone in authority (for example, a manager), how to deal with refunds, how to deal with questions they cannot answer and how to treat customers fairly.

Your assessment criteria:



Key terms

Codes of practice: voluntary quidelines that identify the standards of service customers can expect

Competitive advantage: the advantage a company gains by providing customers with better service than its competitors

Ethical standards: standards that set out how organisations should trade fairly and honestly with customers and suppliers

Mystery shopper: a person hired by a market research company to pretend to be a real customer and report on customer service

Organisations have to comply with all these organisational procedures to be law abiding, provide consistent and reliable customer service and ensure that they can achieve their aims and objectives.

If businesses can develop organisational procedures that mean their customer service exceeds that of their competitors, they will gain a competitive advantage. John Lewis, for example, has not seen a fall in profits despite trading in difficult economic times. This is because the John Lewis shopping experience is focused on excellent customer service. A key factor in its success is its partnership structure, which means that all its staff own a stake in the business and are more inclined to offer good levels of service.



Outstanding customer service gives John Lewis competitive advantage

Principles of customer service

UNIT 4



Research Q

Research John Lewis's codes of practice. How does John Lewis ensure that its employees are always willing to offer excellent customer service?



Providing effective customer service continued

2A.P4 Legislative and regulatory requirements

Businesses have to comply with all legal and regulatory requirements in order to deliver consistent and reliable customer service. These are the requirements that organisations have to follow by law. They include:

- Sales of Goods Act any goods sold must be of satisfactory quality and fit for purpose (free from defects, durable and safe).
- Health and Safety Act organisations must ensure that any hazards and risks to their customers are minimised. This includes identifying where customers could be injured; informing people about hazards (for example, signs warning about wet floors); complying with fire regulations (making fire exits identifiable, displaying the locations of fire extinguishers, showing evacuation and fire practice procedures and meeting points); and knowing how to deal with security alerts (for example, taking messages, evacuation procedures and meeting points).
- Data Protection Act any organisation that retains and processes customers' and employees' personal information must be registered under the Data Protection Act 1998. This means information retained about individuals must not be excessive or kept for too long, be kept secure, accurate and up to date.
- Equal Opportunities every business has to make an Equal Opportunities statement available to all staff. A business must make sure it has effective anti-discrimination policies so that all staff are treated fairly and are valued equally whatever their race, gender, level of disability, health, religion, nationality or age

If you go into a business such as Marks & Spencer, you will see how the business complies with these legislative and regulatory requirements in order to offer good customer service. All the goods it sells are of good quality and as described. If something has been spilt on the floor, yellow hazard signs are displayed and it is clear where the fire exits are around the store. Where it has taken customers' details, for example in online orders, it asks permission from customers



Design

Design a document that can be given to new staff at John Lewis (or a company of your choice) summarising the legislation it has to comply with to protect its customers and how this dictates its customer service delivery procedures.

if these details can be passed on to third parties. Finally, it complies with equal opportunities legislation and this is outlined in the job vacancies section on its website.

2A.M3 The impact of legislative and regulatory requirements

In order to achieve 2A.M3, you will need to compare the impact of the legislative and regulatory requirements and how these affect customer service in a selected organisation. In order to do this, you will need to explain the similarities and differences in the organisation between the legislative and regulatory requirements. This then needs to be developed into how these impact the customer service offered to customers. This could include looking at customer complaints and compliments and reviews of customer service posted on websites.

Case study

Insideout is a homeware and gift business in Devon. They also have an online shop, www.gottahaveit.co.uk. In order to comply with the Sales of Goods Act, they ensured that they got to know all about the Act, inspected their products and developed a customer service policy.

- 1. What other organisational, regulatory and legislative requirements would a company like Insideout have to comply with in order to ensure that it offers consistent and reliable customer service?
- 2. Explain how the legislative and regulatory requirements affect the customer service that Insideout offers to its customers. (2A.P3 and 2A.P4)
- **3.** Compare the impact of legislative and regulatory requirements affecting the customer service at Insideout. (2A.M3)

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Principles of customer service

UNIT 4



Research Q

Research any businesses that have been featured in the media for not meeting legislative or regulatory requirements.



Customers

2B.P5 Customers

Internal customers

Everybody within an organisation works with and for other people. Just as customers expect goods to be delivered on time, managers expect staff to deliver a report on time or arrive at a meeting on time. Staff should regard all colleagues as internal customers. They are called customers because they depend on the services they provide each other.

An organisation can only achieve excellent customer service if all employees work, regardless of whether or not they deal directly with external customers. In schools, the teachers, education welfare officers, catering staff and caretakers work together to ensure students have a good experience.

In most businesses the key internal customers are colleagues, managers and other departments.

External customers

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External customers are the people who buy or use a business's products or services. An organisation must tailor its services to meet the expectations of customers. Here are some factors a business might consider:

- · Existing or new customers offering promotions to new customers and rewards to loyal customers, for example loyalty cards offering discounts
- Individuals offering promotions to individual customers
- Groups offering group discount tickets
- Members of the public offering new promotions to members of the public to encourage them to become customers, for example one-off 'giveaways' on the high street
- · Business to business most businesses trade with other businesses, for example their suppliers. Organisations sometimes offer special discounts for loyalty to the same supplier and these cost savings can be passed on to the end customer.

Customers with special requirements

It is important for organisations to tailor their products and services to the specific needs of their customers (see Figure 4.1).

Your assessment criteria:

2B.P5 Outline how the business environment can impact on a start-up business

Key terms

External customers: the people who buy or use the products and/or services of an organisation

Internal customers: everybody who is directly connected to a business, for example employees, shareholders and other stakeholders

Businesses have to cater for

customers' special requirements



Type of customer	Ways to meet their needs
Non-English speaking	Staff may need to speak slowly or
Customers of different ages	Organisations have to cater for bo they may have a play area for child stores that they think will attract
Customers from different cultures	Customers from different cultures by having leaflets and signs in different structures by having leaflets and signs in difference of the second structure of the second struct
Customers of different genders	Men and women have different ne rooms.
Families	Organisations may offer family pa
Customers with disabilities	Visually impaired customers may announcements to make them aw customers can lip read and staff sh when talking. Mobility impaired cu provided. Many of these facilities a Discrimination Act, for example dis always be ready to assist.

Many factors can impact on customers' service expectations: older customers may expect a higher level of personal service than younger customers. Customers from different cultures may have different expectations from the British. For example, American customers are used to very friendly and talkative cashiers in supermarkets, while Brit cashiers are more reserved. If a business portrays itself as high quality or highly ethical, customers may expect higher levels of customer service. Customers with high incomes may have higher customer servi expectations than customers on lower incomes because they are able pay for better quality service.

Case study

Jerry works in Argos on the customer service desk. Today, a woman came in with children to return some unwanted gifts. She was then followed by an elderly gentleman who was partially sighted.

- 1. Identify the external and internal customers in Argos.
- 2. How could Argos meet the needs and expectations of the two different customers in this case study? (2B.P5)

132

r write things down.

oth the young and the elderly. For example, ldren. Some organisations play music in their their target customers.

s may have different needs. These may be met ferent languages.

eeds, such as segregated toilets and changing

arking bays or family discount tickets.

need assistance to find products and ware of obstacles. Many hearing impaired should look at the customer and speak slowly customers may need help to use the facilities are a legal requirement under the Disability isabled parking, ramps or lifts. Staff should

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Design a poster describing the needs and expectations of three different types of customer. Ensure you have at least one internal and one external customer. Explain how a company of your choice meets the needs and expectations of these three different customers.



Skills required to deliver consistent and reliable customer service

2B.P7 What skills are required?

Consistent and reliable customer service is crucial, particularly if the employee is face-to-face with customers. Good customer service skills are essential to maintaining satisfied customers in any type of business. A good salesperson can make an overpriced product feel like a bargain while a poor customer service worker can make the customer buying an inexpensive product feel they are being scammed! Most companies train new employees in the skills required to make customers feel that they are receiving the customer service they deserve.

Several skills are necessary in order for employees to deliver consistent and reliable customer service. They include:

- Being professional and creating a good impression. This means having good manners, dressing appropriately and professionally, using appropriate language (no slang), good posture (the way you stand and sit), positive body language (smiling and looking alert), and a tidy work area. Customers will perceive you as organised and efficient.
- · Having a positive attitude, for example being on time, being conscientious and being motivated regardless of how you feel
- · Communicating effectively with customers. This includes:
- Verbal communication Most people make a judgment about staff in the first minute of meeting them, so making a good first impression is vital, for example shaking hands and introducing yourself. Speaking clearly is also very important. Customers need to understand what the member of staff is saying and the tone of an employee's voice should reflect that they are talking to a customer, whether it is formal, informal, concerned, apologetic, persuasive or grovelling. Staff should also be aware of the volume of their voice. A calm and placid voice is often best. If an employee has to speak to a customer whose first language is not English, speaking slowly and clearly will be essential.
- Non-verbal communication What you don't say to customers can be just as important as what you do say. Smiling and making eye contact can make customers feel at ease and the staff look approachable and willing to help. Looking directly at customers and appearing interested in what they are saying can improve customers' perceptions of the service they receive. Staff body language should make customers feel comfortable. No aggressive movements or physical contact should be used and facial expressions should be

Your assessment criteria:

2B.P7 Demonstrate effective communication skills to meet customer needs when dealing with three different customer types in customer service situations

Key terms

Non-verbal communication: messages given without words, for example body language or eye contact

Verbal communication: spoken and written communication

controlled so that staff do not display inappropriate feelings towards customers. It is important also to use hand gestures when explaining or demonstrating a product or service, as this can make the customer feel more relaxed.

• The skills used to end an interaction with a customer are as just as important as the greeting and interaction. Staff must thank the customer, use an appropriate tone of voice, positive body language, address the customer appropriately and professionally (for example, 'Mrs Jones') offer them further assistance and confirm what service they require. It is always important to be polite and well mannered and therefore saying goodbye or wishing them a good day also ensures a positive end to the conversation.



Non-verbal communication is important in creating the right first impression

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Principles of customer service

UNIT 4



🕉 Design

In groups, design a diary where you can record when you have to demonstrate appropriate communication skills to deliver consistent and reliable customer service. Over the next two weeks, use this diary to record all of the times you have to demonstrate these skills.



Developing customer service skills

2B.P7 Customer service skills

Customer service skills are needed in the following situations:

- · Face-to-face where the member of staff deals directly with customers, for example a receptionist greeting a hotel guest.
- Telephone where the customer calls the organisation for information or to buy a product or service,, for example a customer calling a shop to check when an item will be in stock.
- Writing writing a letter or email to the company enquiring about a service, for example a customer e-mailing Amazon to check the delivery time for an order.

The skills needed to deal with these different situations vary depending on the nature of what the customer requires from the member of staff. In a face-to-face customer query about the returns policy, for example, the member of staff must politely inform the customer about what action will be taken.



Face-to-face customer service

2B.M4 Customer service skills

Staff need specific skills to handle customers' problems or complaints. They may offer the customer an alternative product or an exchange. However, they must always follow the business's policy. If they are unsure how to deal with the situation, they must refer the customer to a manager. Sticking to the company policy is often the best way to handle

Your assessment criteria:

- 2B.P7 Demonstrate effective communication skills to meet customer needs when dealing with three different customer types in customer service situations
- 2B.M4 Demonstrate effective communication skills when responding to customer problems and complaints in three customer service situations
- **2B.D2** Evaluate the effectiveness of own customer service skills, justifying areas for improvement

Key terms

Customer problem and complaint: when a customer has a difficulty or is dissatisfied with the product or service.

Customer query: when a customer enquires about a product or service

Describe

Describe three different situations, in your personal life, at school or work experience, where you have had to demonstrate effective communication skills.

a demanding customer. If a customer is abusive, it is best to pass the problem on to a manager.

Staff should know what facilities are available to customers with disabilities (for example lifts) and assist customers in using them. If customers need technical information, and the member of staff has not been trained to provide it, they should be referred to somebody who has been trained, or to information leaflets.

Ensuring that staff are trained to provide accurate information and advice about products and are able to promote additional products and services is vital in delivering efficient customer service.

2B.D2 Customer service skills

Developing reliable and consistent customer service depends on employees implementing the necessary customer service skills. Keeping accurate records of customers' orders; dealing with problems; handling complaints effectively; understanding what you are able to offer customers to remedy a situation (for example a discount); understanding any organisational disclaimers; and following the correct procedures in emergency situations are all customer service skills that have to be developed.

In order to achieve 2B.D2 you need to evaluate your own customer service skills. You will need to explain what you do well and what you do less well and suggest ways you can improve your customer service skills.

Case study

In pairs, act out these three scenarios and follow the instructions.

1. You are a receptionist in a hotel. A guest arrives and you greet them and direct them to their room. They later return complaining that their air conditioning is not working.

2. You work on the customer services desk at Marks & Spencer. A customer has rung to find out when an item will be in stock. He was originally told by one your colleagues that it would be today. You have to inform him that the item is not due in until next week.

3. You work for Amazon.co.uk in the customer service centre. You have received an email from a customer who tells you that she will be out when the item she has ordered is due to be delivered. The item needs to be signed for.

- 1. Demonstrate appropriate and effective communication skills. (2B.P7)
- 2. Demonstrate effective communication skills when responding to the customer's problem. (2B.M4)

136

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Principles of customer service

UNIT 4





Assisting a customer effectively

Describe **R**

Describe three different situations, perhaps in your personal life, at school, or at your work experience placement, where you have had to deal with somebody making a complaint.



Staff need to be trained to understand exchange and refund policies

Describe ST.

Evaluate how you dealt with the three different situations you have described in 2B.M3 and explain how you would deal with them better if they happened again.



Limits of authority

2B.P6 Authority

Staff need to know what they can offer customers and when it is necessary to refer them to someone in a more senior position within the company, for example a supervisor or manager. Sometimes staff can offer only limited customer service to customers, either because they are not trained or experienced enough to offer them anything or because of company policy.

- Service deliverers Service deliverers are the sales staff that you
 encounter when entering a business. They often inform customers of
 the organisation's refund or exchange policies when customers buy
 goods and services. There are, however, limits to the services that they
 can offer customers. If a customer returns an item and wants a refund,
 there may be a problem if it is not in a condition to be resold. Staff
 may not have the authority to offer a free or replacement product to
 customers when they relate to large purchases, for example offering a
 month's free servicing when someone buys a TV. In these situations,
 they will have to refer to their line manager who may have more
 authority to grant the customers' wishes. Service deliverers need to be
 trained to be familiar with the organisation's policies.
- Line manager/supervisor Line managers or supervisors tend to have more power to authorise refunds. They can also authorise free products and services for customers. There is a clear line of authority in companies where the line manager supervises staff at lower levels and ensures that they carry out the correct refund policies and procedures. Line managers and supervisors are more experienced staff who are very familiar with the organisation's policies.
- Senior management Senior managers are experienced members of staff who have a lot of power in an organisation (for example store managers). They are able to authorise refunds when line managers or service deliverers can't. This is usually to protect the reputation of the organisation or to make exceptions for valued customers. For example, a customer returns a coat to the store without the receipt. The customer explains that it has only been worn on a few occasions but the fabric has already worn thin. The manager may agree a refund to protect the reputation of the store, even if the store's policy is not to offer a refund when there is no receipt.

Your assessment criteria:

2B.P6 Describe, using examples, the limits of authority that would apply when delivering customer service

Key terms

Authority: someone who is higher up in the decision making process than you



Discuss with your friends and family members examples of when they have had to ask for assistance from somebody with authority at their place of work.



Managers have the authority to authorise exceptional changes to company procedures and policies

Case study

Look again at the three role-plays you acted out from the case study for 1B.7, 2B.P7, 2B.M4 and 2B.D2.

- 1. When would it be necessary for you to refer the customer to someone in authority in role-plays 1, 2 and 3?
- **2.** Describe, using the case study examples, the limits of authority that would apply when delivering the customer service. (2B.P6)
- 3. Why is it important to refer problems to someone with authority?

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Principles of customer service

UNIT 4





Reflect

In groups, reflect on situations, perhaps in school, college, at home, part-time work or work placement, when you asked someone with authority (for example a parent or a teacher) to rectify a problem.



Assessment checklist

To achieve level 1, my portfolio of evidence must show that I can:

Assessment criteria	Description	\checkmark
1A.1	Define customer service, giving an example of a customer service role in a selected business	
1A.2	Identify features of consistent and reliable customer service	
1A.3	Identify how organisational procedures contribute to consistent and reliable customer service	
1A.4	Outline how legislative and regulatory requirements affect customer service in a selected business	

To achieve a pass grade, my portfolio of evidence must show that I can:

Assessment criteria	Description	1
2A.P1	Describe the different types of customer service provided by two selected businesses	
2A.P2	Describe the characteristics of consistent and reliable customer service	
2A.P3	Explain how organisational procedures and legislation contribute to consistent and reliable customer service	
2A.P4	Explain how legislative and regulatory requirements affect customer service in a selected business	
2B.P5	Describe how a selected business meets the needs and expectations of three different types of customer	
2B.P6	Describe, using examples, the limits of authority that would apply when delivering customer service	
2B.P7	Demonstrate effective communication skills to meet customer needs when dealing with three different customer types in customer service situations	

To achieve a merit grade, my portfolio of evidence must show that I can:

Description
Compare how two selected businesses sa
Explain how a selected business attempts expectations
Compare the impact of legislative and reg affecting customer service on a selected l
Demonstrate effective communication sk customer problems and complaints in thr situations

To achieve a distinction grade, my portfolio of evidence must show that I can:

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Assessment criteria	Description
 2A.D1	Assess the effect of providing consistent a customer service on the reputation of a s
 2B.D2	Evaluate the effectiveness of own custom justifying areas for improvement

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s to exceed customer	
gulatory requirements business	
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	1
and reliable selected business	
ner service skills,	



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