



# 5 simple steps to 5 star customer service





## What is the main cause of poor customer service?

Let's explore 13 areas and see if you agree...



## The Research

What was the biggest cause of poor customer service: attitude of staff or something going wrong?

We gave a number of options. Some were rational, process reasons e.g. overcharged, order was wrong, took too long. Others were more emotional, and focused on the attitude of the person/company serving them e.g. unprofessional, unfriendly, inattentive or impolite.

By far, the highest reasons given were due to the attitude. 39% of respondents stated it was due to the way they were treated, not what was delivered. The attitude of the staff is a fundamental factor in how someone perceived their experience. And the older you get, the more important it becomes. Politeness, paying attention to you and giving eye contact were factors that were rated more highly as each age group progressed.

In contrast, an average of only 16% stated something had gone wrong with their transaction. So yes, improving processes will help customer service. But improving the attitude of the people providing the service will provide much bigger wins.



We asked what were the most important things in giving good customer service, the reasons ranked in the following order:

1. Politeness
2. Pay attention
3. Make sure get what you want
4. Friendliness
5. Offer to help
6. Speed
7. Eye contact
8. Offer ways to lower cost
9. Ask your name



## Are people in US more vocal in complaining?

No.

There was no significant difference between the US & UK. On average 72% of people complained in total, regardless of where they were based.

Whereas this is a large number, we feel the more interesting statistic is that 28% did not complain. This means that  $\frac{1}{4}$  of people did not communicate their dissatisfaction to the company/person providing the service. The company is messing up, and they don't even know it.



Do people tell each other about their bad customer service experiences, regardless of whether they complained or not?

Yes.

Over 80% of people told someone else about their bad experience.  
i.e. more people will share a company's shortcomings with their friends than will share them with the company itself.

On a happier note, people also talk when things go well, but just not as much. If the issue was handled well, 69% of people will share this positive experience. And the younger you are, the more likely you are to tell other people how well your issue was resolved.



Do other people's opinions on customer service have any impact on an individual's decision to buy or not to buy?

Yes.

79% said other's opinions had 'some' or 'a great deal' of influence on their buying behaviour. Robert Cialdini stated in his book, 'The Psychology of Influence' that social proof is the number one 'weapon of influence.' This means that people consider their own behaviour based on how they see others performing the behaviour. Why is Tripadvisor so popular? It's because services/products are reviewed by independent 3rd parties i.e. customers



Are there any differences between how men & women view the customer service experience?

Yes.

More men complained than women (+5% points in UK and +9% points in US). In doing so they were more demanding in term of asking for discounts, extras, apologies, threatening never to go back to the company or escalating the issue. Is this a fight or flight response?

Interestingly, though, men are more likely to still use the company again, even if the issue had not been resolved.

Women may not be as demanding as men, therefore, but once scorned they are less easy to woo back. Women expect to be given good customer service, without having to physically demand it, such as receiving an apology or an individual being sympathetic to their needs. And a significant number of women do not communicate their dissatisfaction, despite receiving poor customer service. You think all is sunny in the rose garden? Think again.





## Are there any differences between how age groups view the customer service experience?

Yes.

The older the age group, the more they complained (ranging from 59% in 18-24 year olds) to 82% in 55+ year olds. This statistic supports the 'grumpy old man' stereotype, of course. And yes, if the older generations are unhappy about something, you can be sure they will tell you about it.

But interestingly, younger people (18 to 24 year olds) reported a much higher rate of poor customer service in the past 3 weeks (65%) compared to 55+ year olds (41%).

Does this mean younger people are demanding more from service today than in previous generations? Has the bar of expectation for older generations been lowered so much that it is easier for companies jump over it? The older the respondents were, the higher the reported incident rate of bad customer service at 12+ weeks. Maybe this is because older people chose just to remember the 'big bad' experience that stuck in one's mind, rather than the daily annoyances?



## Is there life after a bad customer experience?

Yes, particularly if you're under 25.

If the issue had been resolved, over half of the 18-25 year olds would use that that company again. If resolved well 62% of all people would forgive the company or think highly of them.

Remarkably, even if the problem had not been resolved to their satisfaction, 20% of 18-25 year old would continue to use the company.

All of this changes if promises are broken, however. If a promised solution didn't happen, only 5% of 18-24 year olds would forgive the company.





Is there a financial benefit to getting it right?

Yes.

31% of people estimated that by losing them as a customer, the company lost up to £100/\$100 in a year, and 34% said the company lost between £100 & £500 (UK), and in US between \$100-\$500. Maybe when CEOs realise poor customer service equals profit loss, they will invest more in staff customer experience training.



## Does complaining to the manager improve your chances of getting a satisfactory resolution?

No.

There were certain groups that complained significantly more to the manager:

- People in the US are more likely to ask for the manager than in the UK (57% US vs. 35% UK)
- 55+ year olds were +10% more likely to ask for the manager than 18-24 year olds,
- More men asked for the manager than women

The result was none of these groups were any more satisfied however that their issue had been resolved than anyone else.



Did the company do everything they could to keep the customer happy?

No.

In the opinion of the respondents only 37% of companies did everything they could to keep the customer and only 13% of UK thought they were treated as a valuable individual (20% in US).

It looks like the 'customer is king' doesn't seem to have reached the mission statement of most companies.



What is more important, an apology or compensation?

Apology.

We asked what the company should have done to resolve their issue. More people wanted a genuine apology than the company to offer money back or offer a discount (+9%). Only 26% of people said they did actually receive a genuine apology, however. Sorry seems to be a very hard word to say.



What did people say would be the worst response to a customer service issue?

Blame.

57% of people said blaming them would be the worst response to an issue.

Whether the company is right or wrong, the customer shouldn't be blamed. Being told it was your fault will only antagonise the customer even more. Instead companies should take responsibility for the situation. Just because you own it, doesn't mean to say you are accepting blame for it.



What was the best way to deal with a customer service issue?

Find a solution that works; make sure it is fixed; admit responsibility; listen well; be sympathetic.

The scores were very even across the range of answers above. It seems that they are all important in their own way, and all need to be implemented to deliver exceptional customer service. As such, we have used this information to create the 5 steps to 5 star customer service.





# Thanks for watching...

## The 5 simple steps to 5 star customer service

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