[Some Very Worrying Facts About Customer Service](http://www.thejfblogit.co.uk/2011/05/21/some-very-worrying-facts-about-customer-service/)

Travelling back to Paris recently, I experienced the full range of “customer experiences” – as I inevitably always do – and it is interesting to compare the declining standards of customer service in the UK with the almost non-existent standards in France. Maybe someone should share with these companies what I am about to share with you …

Did you know that one unhappy customer tells 10 to 15 others about their experience? If it’s really bad they’ll tell the whole world.

For every complaint that could be made, around 20 people don’t bother. This means 20 lost opportunities.

If you handle a complaint badly or with a ‘couldn’t care less’ attitude or, worse still, if you hide behind the ‘rule book’, you will lose that customer for good.

You can’t afford to lose even 50p because this will mount up according to something known as the “multiplier effect”.

**The Income Multiplier Effect**:

Example:

A potential customer goes into a leisure center which was built last year. The center is trying to build up its customer base. It employs 50 staff, part time and full time, who haven’t received much training in customer service and complaint handling.

The customer asks about booking a gym session for later that day. He doesn’t receive a positive reply and the receptionist’s attitude is very much ‘take it or leave it.’ He shrugs and walks away.

How much has the centre lost in potential revenue?

• $10.00 primary spend – the price of a gym session
• $10.00 secondary spend – a drink, sandwich, possibly a swim, etc.
• $500.00 potential membership fees

He will tell at least seven people about his bad experience so $520 x 7 = $3,640 It is easy for a small amount of lost income to multiply to dangerous proportions.

**Make It Easy For Your Customers To Complain**:

Customers may well want to tell you they’re unhappy about something but they either:

• Feel uncomfortable about doing so
• Don’t know how to
• Don’t have time; it’s easier to let it go

So, give them a choice of mechanisms. For example:

• Simple questionnaires with pre-paid postage
• Telephone help line
• Customer service points
• Exit surveys – face to face questions
• Comment cards

Let them know it’s not a waste of time!

What are you going to do with the information? File it away? Shred it for next year’s Christmas decorations?

One company I know maintains a whiteboard in the reception listing the key comments/complaints made by customers, with a note of the action taken, or to be taken and by whom. Customers really feel they are part of the product and service improvement team.

Customers need to know what’s in it for them if they do complain.

Respond quickly to complaints. If you give a number to ring, make sure someone is always there to answer the phone. Reply within two days if that’s what you promised to do.

Have an “escalation procedure” which allows for the more serious complaints to be dealt with by a senior member of staff. Directors need to be accessible; hiding away simply creates suspicion.

**Summary:**

Unfortunately, when compared over time, the customers’ interest levels increase while the vendors’ interest levels tend to decrease. This creates a “relationship gap” and is due entirely to complacency.

**Fact**: It now costs fifteen times as much to locate and sell to a new customer as it does to an existing one. That reason alone, should act as sufficient incentive for us to attempt to build brick walls around the relationship in order to deter predatory competitors – and there are plenty of them out there.

We must **continually strive to earn the right to receive our customers business** and one significant stride in that direction, is to implement an effective customer care program.