

# Customer Complaints

Why Customer Complaints are Good for Business



Driven by a passion for customer relationship management, SuperOffice is one of Europe's leading suppliers of CRM solutions to the business to business market. Our software supports the individual user in achieving stronger sales, marketing and customer service productivity.

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## Introduction

In today's Internet-driven world, customers have more power than ever.

A satisfied customer may share their good experience with three friends, whereas an angry customer has the potential to tell 3,000 friends in social networks and communities. And for each customer that complains, there are anywhere from tens to thousands of people that don't complain – And they simply stop doing business with you.

Mishandling customer complaints is an easy way to destroy your reputation.

Consider the following research in that;

- If you resolve a complaint and the customer is happy, they will buy from you again 70% of the time
- Up to 95% of customers will give you a second chance if their complaint is handled quickly and successfully

And studies have found that customers with issues that are resolved quickly can often turn into loyal customers and even brand advocates. Simply put, **a customer complaint can become very profitable** when you can resolve their problem.

A customer complaint highlights problems with employees or internal processes and you can fix them before further problems arise and cause a bad customer experience. One of the advantages of CRM is that you can keep a record of customer feedback, both positive and negative.

- You can use positive feedback to provide social proofing and attract new customers
- You can use negative feedback to fix any internal processes and make your customers happy

## Complaint Analysis

Your company will hear about a complaint either from the customer directly, in written or verbal communication or by leaving your brand to shop with a competitor due a negative experience.

A 2010 Customer Experience Report by RightNow found that the number one reason customers leave a brand to use a competitor was not due to pricing or faster service, but due to poor quality and rude customer service.

In order to analyze the complaint thoroughly, you need to review a number of factors, such as who the complaint came from and how often this customer complains. You can then analyze how often this complaint occurs and then take the necessary actions to ensure it does not happen again.

When it comes to dealing with complaints, you need to consider your organizations service, quality, communication and response time. Look at the cost, billing issues and if problems are regularly followed up. Launching customer service software can help you avoid any future complaints.

In order to manage complaints effectively, you can take a complaint analysis approach. This means asking the following questions:

- Has this happened before?
- Have the complaints been recorded into your customer service system?
- How often does the same complaint arise?
- Is there a pattern to this complaint in how it was received?
- Has the same customer reported this previously?

## How to handle customer complaints

The next time you receive a customer complaint, follow these tips to help transform it into a golden opportunity for your business.

### 1. Listen and understand

Always listen to the customer. They have complained for a reason and it is important to understand why they are complaining. Research has shown that customers care more about good customer service and quality than a fast response - Take the time to listen and understand what their problem is.

### 2. Apologize

Don't be afraid to apologize for the mistake. Many customers are simply looking for an apology and acknowledgement of their complaint, yet so many businesses are hesitant to admit when they have made a mistake. But don't just stop at the apology; follow through with a promise to resolve the complaint.

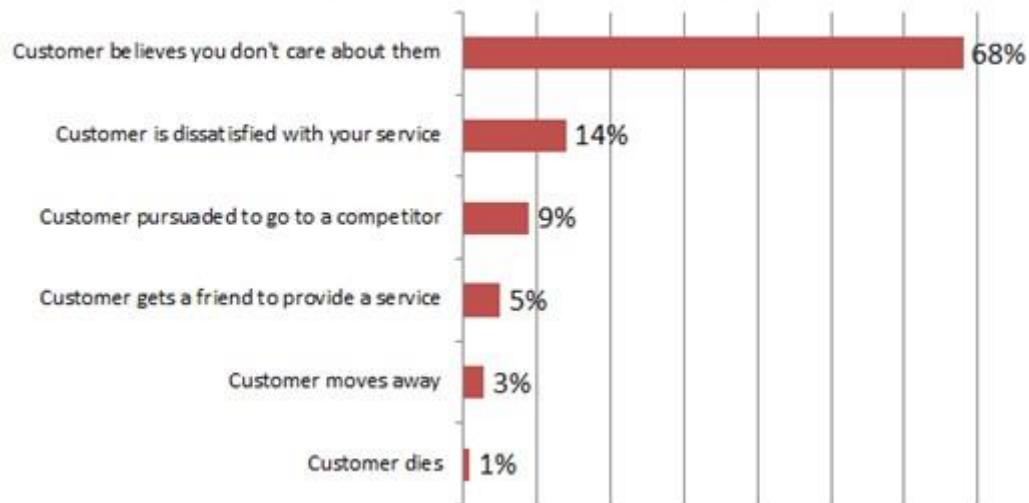
### 3. Find a solution

When your customer has a legitimate complaint, your customer service teams need to find a solution and fix it. Give your team the authority to handle the majority of customer complaints, to avoid passing your customer onto a series of people and managers. If the issue has been or can be repeated, make the necessary changes so you do not receive another complaint.

### 4. Follow up with the customer

Make sure that you follow up with your customer to make sure they are satisfied with the solution. This can be in the form of a follow up email or survey asking for feedback on how the complaint was handled. 68% of customers leave a company because they believe you don't care about them.

## Why do customers leave a company?



### 5. Exceed Expectations

You have acknowledged the mistake, fixed the problem and followed up. Now it's your chance to go one step further and exceed expectations, whether this is to provide a discount on their next purchase or offer a free consultation. In doing so, the next time your customer talks about your business, this will be the message they communicate most.

In addition, you can also create a customer complaint analysis checklist that helps you record complaints and ensure that they are resolved.

The checklist would be:

- a. Is the complaint/ feedback department visible to your customers?
- b. Is a record of complaints kept that can be escalated to top management?
- c. Do you categorize complaints in order to monitor developing trends?
- d. Have you acknowledged the complaint?
- e. Have you informed the customer that you are taking action?
- f. Have you resolved the complaint according to company policy?

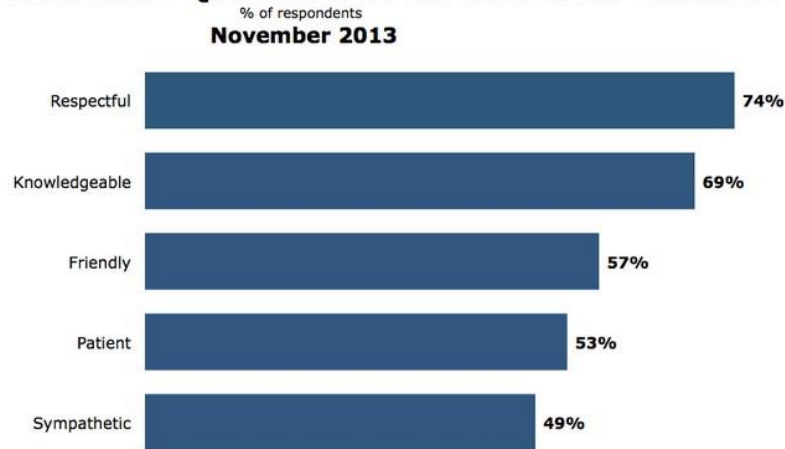
### 6. Respect your customers

Respect. More than anything, your customers want to be treated with respect. And if you talk to your customers and they feel you do not respect them, then even the resolution of the complaint is not enough to turn them into a happy customer.

But when you do respect them, it has an immediate effect as it is the number one quality you

can use to calm an unhappy customer.

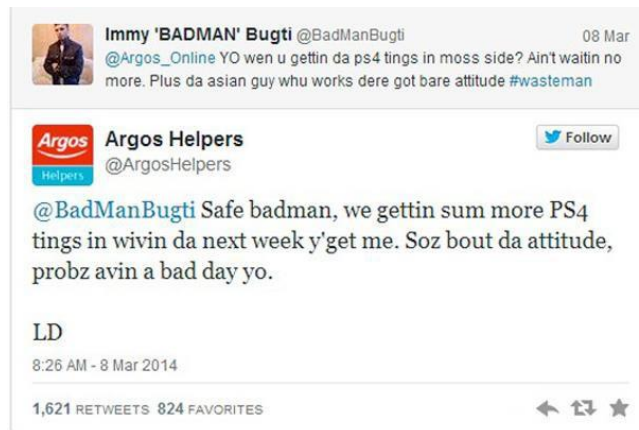
### Service Representatives' Qualities That Can Calm Irate Customers



Personalization is a powerful thing, especially when dealing with your customers.

An elderly gentleman who has retired and has plenty of time to file a complaint will feel respected when you address them as “sir” as oppose to being called “mate”. However, if you are talking to a younger customer, using the same mannerisms can go a long way to getting the customer on your side.

Take this example from Argos on Twitter, which has since been retweeted more than 1,500 times!



This won't work for all brands but, at the right time and right place, it can do wonders for your customer service and complaint handling.

## 7. Know when to say goodbye

If a customer wants to cancel their account, then let them.

If a customer cancels or downgrades their subscription, it doesn't mean they won't change their mind and do business with you again. There could be several reasons for this such as a change in finances or location.

Make this process as easy as possible and show them the great service they will be missing by being helpful and fulfilling their request.

In the following example, a customer wants to cancel their Adobe account yet, they are told the request cannot be completed and they must instead call the customer service line, leaving the customer annoyed.

**Chat Transcript**

**info:** All representatives are actively assisting other customers. Your estimated wait time is 5 minute(s) and 49 second(s) or longer. Thank you for your patience.

**info:** All representatives are actively assisting other customers. Your estimated wait time is 3 minute(s) and 9 second(s) or longer. Thank you for your patience.

**info:** You are now chatting with 'Taramani'

**Taramani:** Hello! Welcome to Adobe Customer Service.

**Taramani:** Hi Zachary.

**Taramani:** May I please have your email address registered with Adobe?

**Zachary Henkel:** Yes, it's [REDACTED]

**Taramani:** Thank you for the email address, I understand that you want to cancel your subscription. Is that correct?

**Zachary Henkel:** Yes

**Taramani:** Thank you for confirming, I will try my best to get this fixed from my end.

**Taramani:** May I have your order number please?

**Zachary Henkel:** [REDACTED]

**Taramani:** Thank you for the order number.

**Taramani:** Please allow me a moment while I review your query.

**Taramani:** I am really very sorry but the order number which you have provided me is still in process, hence it cannot be cancelled as of now.

**Zachary Henkel:** That doesn't make much sense to me. I would like you to cancel my Creative Cloud membership, now.

**Taramani:** In this case I will escalate this case to my senior tier who will contact you regarding the same via email in 24-48 hours.

**Zachary Henkel:** This is unacceptable. Adobe is obligated to uphold their end of the contract I signed. How can I reference you specifically when I complain about this, do you have an ID number of some sort?

**Taramani:** I am really very sorry for the inconvenience caused to you.

**Taramani:** I will escalate this case for you.

**Zachary Henkel:** Yes, please escalate it. But I need to be able to identify you when dealing with this case.

**Taramani:** Yes. Sure.

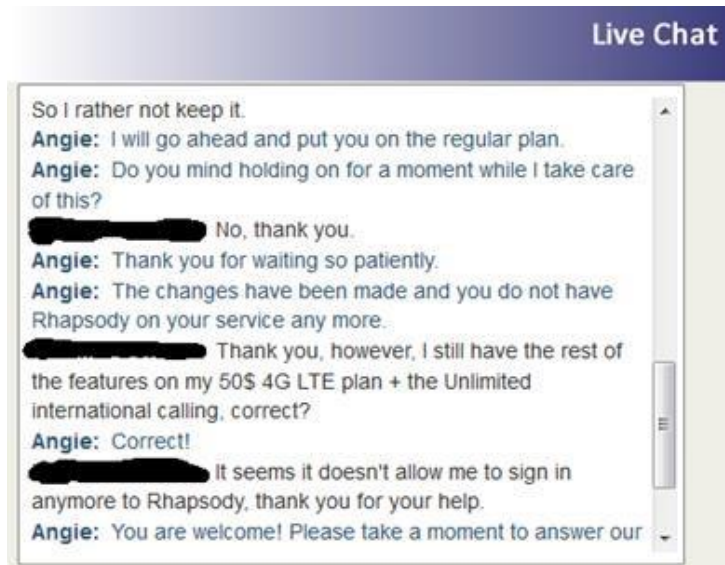
**Taramani:** Apart from this, Is there anything else I can help you with from my end?

**Zachary Henkel:** No

**Taramani:** Thank you for contacting Adobe. We are available 7 days a week, 24 hours a day. Goodbye!

**info:** Your chat transcript will be sent to [REDACTED]

And yet, in the example below, of how Rhapsody handles a request from a customer to downgrade their subscription, it is handled immediately and the customer is left happy.



No doubt that the next time the customer thinks of Rhapsody, they will only have positive thoughts about their experience.

## 8. Don't take complaints personally

We all have bad days, and your customers are no different so don't hold that against them.

You cannot control they act. That's something they have to deal with. But, you can control how you react. Try to push any negative feeling aside. Remember, it's not your fault and the customer is merely looking for someone to vent their frustrations to.

Nine out of ten customers do not complain so try to stay positive and know that the next customer who contacts you is more than likely in a far better and happier mood.



## Searching for complaints on the web

Customer loyalty can be elusive, but it is important in order to run a successful business. In today's digital world, there are thousands of forums, price comparison websites and social networks for customers to vent their frustrations and complain.

Not all complaints will be official and follow the complaint procedures; so you can easily start by reviewing your online social profiles.

- a. Have any negative comments been made on your blog?
- b. Has your brand name been mentioned on Twitter?
- c. Do customers post messages on your Facebook brand page?
- d. Has anyone left a bad review on your Google+ Local page?
- e. Are the comments made on your YouTube channels positive?
- f. Is your brand listed in any complaint directories/ forums when you search in Google?

All these channels will need to be monitored. If you don't respond, readers will assume you don't care. If you respond to messages online, it can be seen as though you are making an effort and that you care. This act alone can inspire brand loyalty and customer confidence.

**If a customer called in to complain, would you ignore the call?**

## Conclusion

A quick response is important, but your customers are much more likely to remember you if you deliver an excellent service to solve their problem than compared to a fast response just to close a customer service ticket.

If your business goal is to keep as many customers as you can (which it should be!), stay calm, find a solution and make sure the problem does not come up again will help turn even the toughest complaint into a pot of gold.