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'Hi Frances. When can I expect to receive the financial report from you?'

'I aim to finish the report by 5.00 pm today. Will this be a suitable time frame?'

'Yes. Thank you for your commitment to finishing the report on time.'

## Example: government agency customer service charter

The Office for Recreation and Sport is a state government agency with a commitment to promoting growth and excellence in recreation and sport for South Australia. The following excerpt is from their customer service charter.



### **Office for Recreation and Sport, South Australia**

#### **Our commitment to service for internal customers**

- We will facilitate teamwork at all levels.
- We acknowledge that our performance may affect other staff members' efficiency and effectiveness.
- We will share information with each other to increase our knowledge of the industry.
- We will communicate openly and honestly and maintain confidentiality where appropriate.

(Source: [www.ors.sa.gov.au](http://www.ors.sa.gov.au))

## Quality assurance and customer service

For many organisations, a customer service charter is just one tool in their quality assurance (QA) system. A QA system includes the documentation, monitoring and review of policies and operational procedures across all facets of the organisation.

Some organisations maintain a simple QA system with in-house policies and procedure manuals against which all work practices are reviewed and improved annually. Other organisations belong to much larger QA systems recognised Australia-wide or internationally.

**External customers may seek information relating to:**

- the organisation and what it does
- office opening hours
- products and/or services offered (general or specific)
- prices
- delivery details
- payment options
- obtaining a refund
- returning products
- making a complaint
- speaking to someone responsible for a product
- arranging an appointment.

**Internal customers may seek information relating to:**

- information about your department or area; for example, if you work in a sales department, you may need to provide sales figures to other departments
- specific information; for example, the cost of an item
- research information; for example, details on catering firms or government policy
- a report your department has prepared
- information regarding a particular customer.

## Customer contact

You may find that someone outside the organisation needs to be contacted before information can be supplied to an internal customer; for example, your supervisor may have asked you for travel information, which means that you may need to contact a travel agent.

Listening carefully is hard work. Because people think faster than they speak, it is easy to rush in with a response before the other person has stopped speaking.

#### **Listening carefully**

When you actively listen to customers you:

- show that they are important and worthwhile
- are interested in who they are
- help to reduce emotions and anger
- develop trust and confidence in the relationship

#### **Not listening carefully**

If you do not listen carefully there is a risk that you will misunderstand what the person is saying, which could result in providing the wrong information.

When people don't listen carefully they can:

- hear only part of what the other person is saying
- hear information incorrectly
- assume they know what the other person is going to say and interrupt or complete their sentence
- forget what the other person has already said.

## **How to listen**

Listening to a customer is probably the most important aspect of dealing with queries over the telephone or face to face. Good listening skills can save time and help establish stronger business relationships. Unfortunately, some people are so eager to talk to a customer and supply them with information that they don't listen to the customer's request.

#### **Take notes**

It is sometimes difficult to remember everything a customer says, especially if the conversation is long. Always record the important aspects of what is being discussed and the action that will be taken. These can be used for later reference. Taking notes also shows the customer that you are listening to what is being said.

#### **Get rid of distraction**

Do whatever it takes to eliminate distractions when listening to others. It's always hard to listen well if there are other distractions, such as a noisy machine or loud music.

## Summarise the discussion

When a person is talking, it is important to summarise what is being said. This means repeating what has been said in just a sentence or two. This technique reassures the customer that they have been listened to.

You can even tell them what you are doing; for example, you might say, 'I'll just repeat that to make sure I understand. You are interested in the 10-day leisure cruise around the Whitsunday Islands, commencing on the third of April. Is that correct?'

Using this technique shows the customer that you have been listening and have heard everything that has been said. It also reduces misunderstanding.

The customer will tell you when you have not understood what was said.



## Speak effectively

The second part of effective communication is being able to speak effectively to customers. You must know what to say, how to say it and what to do if there is a problem.

### Consider your customers

When building a relationship with customers, be aware of their age, gender, religion, culture and experience. You also need to know your organisation's products and services. Use language that is suitable, based on what you see and hear.

Talk with people in ways that are best for them; for example, a customer may not have a good command of the English language. When talking with this customer, it is important to listen carefully and not speak too quickly.

Be careful of using 'jargon' or expressions that relate to a specific product or service. Simplify the language so that the customer understands. A customer may be confused when technical terms are used.

## Secondary research

Secondary research is information that has already been gathered, and sometimes analysed, by others. It is often free or available at a minimal cost.

Secondary information can be found on the internet or in company newsletters, magazines and trade journals, television and radio programs and notes from consultants or professional development speakers.

Organisations that carry out and document research for the public include:

- government agencies; for example, the Australian Bureau of Statistics or Austrade
- employer bodies; for example, the Australian Chamber of Commerce and Industry or the Business Council of Australia
- specific research bodies; for example, the National Centre for Vocational Education Research or the Children's Nutrition Research Centre
- universities.

### Example: ask questions to identify customer needs

Michael works for a company that organises seminars and conferences for businesses. A customer, Sondra, telephones wanting a quote from the organisation of a two-day seminar for her firm, bringing together 20 of their representatives from around the country.

Michael explains the various options and costs associated with:

- venues – their capacity, location and accessibility
- equipment available for hire
- availability of technician support
- catering
- services offered by the organisation, such as travel and accommodation arrangements, sourcing keynote or after-dinner speakers, printing agendas and session handouts, and arranging for a trade exhibition at lunchtime.

He asks questions to ensure that the image he has of this seminar is similar to the one Sondra has in her mind.

He finds out:

- the purpose and subject of the seminar
- when it will take place
- where the client would like the seminar to be held; for example, a beach resort, city convention centre, rooms in an educational institution or local council buildings
- what style of after-dinner speaker would suit the seminar attendees – humorous, motivational or business-focused
- what equipment will be needed
- the style and price of catering required.

The answers to these questions provide Michael with a deeper understanding of Sondra's needs. Focusing on Sondra's responses prevents him from wasting time offering her unsuitable services and helps Sondra create a successful occasion for all involved.

The person taking the request needs to identify any factor that might interfere with the company meeting its promise; for example, the customer lives in a remote part of Australia where delivery services are infrequent, or the customer pays by personal cheque that could take up to a week to clear.

Clarifying the urgency of an internal customer's request is necessary so that tasks are allocated fairly and only truly urgent tasks are attended to out of schedule. It is also necessary so that, where possible, special needs can be met without disadvantaging other customers.



## Practice task 2

Read the case study, then answer the questions that follow.

### Case study

A customer purchases a printer and computer from a small communications company. A condition of the purchase is the provision of two training sessions within one week of the delivery of the goods. After 10 days, the specialist still hasn't been in touch with the customer to arrange a time for the training. The customer calls to complain.

The receptionist receives the call, obtains details from the customer (including the date of purchase and the product purchased), and explains to the customer that he will transfer her to the specialist concerned. The specialist is busy on another call and the customer says she is not happy to wait.

1. What options are open to the receptionist now?

*continued ...*

You should be able to explain the following:

- Features and benefits
- Costs
- Discounts
- Special offers
- Availability
- Payment options
- Return policies
- Product options
- Packaging and delivery options

## Product features and benefits

Features are the characteristics that define a product or service. Examples may include a product's purpose, size, cost, attachments and models; and extra services that come with the product, such as free training.

Benefits are the advantages the product or service will give the customer.

Depending on the product or service, benefits include:

- saving the customer time
- saving the customer money
- providing security or reassurance
- being convenient
- being adaptable.

If a customer visits the organisation, show the product or use the catalogue to explain the benefits and features. Keep comments brief and describe the most important elements.

Your employer may provide you with a chart or catalogue that clearly displays the features and benefits of their products or services. If not, find out where advertising material is kept or write your own list.



## Costs

One of the most frequently asked questions by customers is the cost of a product or service. Internal customers may also ask you about the cost of travel or accommodation, or about the cost of stationery and postage; for example, you may be asked to price a bulk mail-out for distribution of products.

An organisation might offer a range of products or services at different prices depending on their quality, size or purpose. Be familiar with your company's pricing structure as well as pricing policies and procedures.



Generally, refund conditions are clearly explained to the customer prior to purchasing or booking, or they are printed on the registration form.

An organisation may prefer to give customers a replacement product or service, or an exchange, whereby they can swap the product for something else rather than obtain a refund. Certain conditions can apply if a customer wants to return goods.

If the fault lies with the customer, you may be permitted to offer to accept the goods as long as the customer pays the postage. If your organisation is at fault, you may be authorised to offer to send a courier to collect the goods, send a replacement immediately or perhaps do both, plus offer an additional 10 per cent discount on future purchases.

Customers might receive a refund for goods that are:

- faulty
- damaged
- incomplete
- delivered late
- not delivered as ordered.

## Product options

As a service provider, you have a responsibility to provide options to customers. When speaking with customers, try to provide a range of options or suggestions regarding their needs.

Question the customer regarding their specific needs. You will often find that the customer will tell you exactly what they require.

If there are options available that will assist in the purchase of a product or service, let the customer know. Don't provide options based on price alone, but offer what is most suitable for the client. This builds good customer relations.

Perhaps your organisation has packaged its products at a range of different prices. A customer may decide to buy a particular product or service but is not sure which package is the best. You would describe the various pricing structures, compare the packages and suggest the best option for the customer based on their needs.

Product options may include:

- providing a range of goods to suit various needs, differentiated by price, colour, size, quality or model
- packaging products in different ways to suit customers' needs; for example, single items or packs of 10
- providing a range of quality options, from standard to deluxe.

Every organisation has a different way of recording contacts with their customers. A recording system may be computer-based or paper-based. Some use a code to record the contact information. Some require a record of every contact made with a customer. Others require customer details to be recorded only if an order has been placed. Many organisations use specific customer management software.

Follow the organisation's policies and procedures for keeping a record of customer contacts. Ask your supervisor to explain the system to you, and how the organisation uses the information.

When recording customer service details:

- make sure you record the correct information
- listen carefully and repeat the customer's name, address and contact phone number
- do not be afraid to ask the customer to repeat anything that is unclear.

### Example: information obtained from a customer

Client record form					
Name and contact details	Date and method of contact	Reason	Information given	Action taken	How did the client know about Acme Painters?
Jim Pugh 26 Bass Road, Hollowdene Tel: 03 5641 9010	4 April; telephone	Quote for painting house	Ben can give a quote this week. Job can be started as soon as quote is accepted.	Arranged for quote 7 April 9.30 am	Telephone book
Cherie Li Electrical Bits 4 Main Road Manindra Tel: 03 8930 3269	5 April; on-site visit	Can company paint factory exterior?	Acme Painters only does domestic painting.	Gave names of two appropriate companies that specialise in commercial work	Ad in local paper
Mick Doneri 35 Stapleton Road Creyton Tel: 0411 481 111	5 April; telephone	Wants to arrange painting of interior of house	Provided suitable times for job.	Tentatively arranged for job to be done; will confirm with Ben	Used Acme before

4. Identify and briefly describe key provisions of the *Competition and Consumer Act 2010* (Cth) that apply to customer services.

## Part B

Read the case studies, then answer the questions that follow.

### Case study

Leisha and Rami work for T-shirts ABC! Their job is to take orders from customers and relay them to the printers, who print the required lettering and/or images onto plain T-shirts. Most of their customers purchase in bulk; for example, thousands of T-shirts will be sold on a concert tour or T-shirts are purchased for a football team and its supporters. Occasionally they do a small print run or an individual T-shirt, although this is much more expensive per item.

One Monday morning Leisha takes a call from a customer asking if T-shirts ABC! could do an urgent print run of 45 T-shirts for a class reunion to be held the following Saturday. Leisha is in a rush to get to a training session but she checks the printers' order book and sees that they have some downtime on Wednesday. She tells the customer that it will be possible and that she should bring a copy of what she wants imprinted on the T-shirts into the office that afternoon.

In the early afternoon Rami is working behind the counter. The customer arrives with a class photo from 1972. It is quite faded and has poor definition of the 25 faces in the class. Rami explains that Leisha has taken the call and has not left instructions so he will need to clarify the customer's needs once again.

Rami quickly establishes that the customer wants to use T-shirts in the school colours and trim, not the plain T-shirts that T-shirts ABC! normally uses. The customer has already purchased the T-shirts somewhere else and has brought them with her. She wants the photo scanned with lettering underneath that say Undermool High School – Class of 1972. On the back she wants a list of the 25 names printed.

Rami then has some difficult issues to address.

Company policy is not to use T-shirts supplied by customers as the company has no control over the quality of the garments and the printing may not be as successful on inferior material.

The photo is much too faded to scan clearly, especially on non-standard colours.

The job is much more complex than the straightforward scanning Leisha imagined and therefore might not be finished on time.

## Overcome weaknesses in customer service

Have you ever been on the receiving end of poor customer service?

Have you ever approached a counter or front desk where the staff member continued a lengthy conversation with a colleague before attending to you?

Have you made a request or order that was neither acknowledged by the organisation nor fulfilled?

Have you ever specified your request must be met within a certain time frame, yet that deadline has been ignored?

Some simple strategies can overcome these weaknesses in customer service. The same strategies apply to requests from internal customers, such as colleagues requesting to have a report read by a certain time or the minutes of a meeting emailed to them urgently.

Acknowledge the request, indicate whether you can meet that request immediately or at a later time, and let them know what action is being taken to fulfil their needs.

### Simple strategies to overcome weaknesses in customer service

If it is necessary to finish a conversation, apologise to a waiting customer and assure them they will be attended to in a moment.

If you receive requests, record any responses that need to be made in a diary or electronic calendar, along with accurate client contact details.

When a response will take some time, send an email assuring the customer that the organisation received the request and that it will be fulfilled as soon as possible.

Respond immediately to anyone who is working to a deadline, especially if it cannot be met by the organisation.

**Product knowledge**

Customers prefer to deal with service providers who have established rapport and are knowledgeable about the features and benefits of their products or services. The customer will quickly pick up whether you have enough time and patience to explain the features of a product or service.

In some instances, the customer does not want to know about the fine details of each product or service, but will rely on the recommendation of the person serving them. The organisation's reputation then relies on the assistant making the best possible match between the customer's needs and the product or service that will meet them.

**Enthusiasm**

Customers are likely to go elsewhere for their purchases if they have not established rapport and detect a lack of enthusiasm from the service provider.

**Guidance**

Where products are on display, customers appreciate being guided to appropriate areas. Many customers will then be happy to browse and will call for assistance when they want specific help. Don't 'oversell' at this point by being too forceful or over-enthusiastic. For each customer, a balance needs to be struck between offering informed help and pushing too hard for a sale. Quiet confidence is the key.

## Complete the sale efficiently

Rapport building continues through to the final transaction of a purchase. Whatever transaction occurs, you must be well trained in the relevant procedures so that the customer is not confused or left waiting for lengthy periods.

When goods are to be taken from the establishment by the customer, you should package them in a way that shows you care for the product, ensuring the goods can be transported securely.

When services are purchased, a contract may need to be completed, service dates settled on and customer contact details documented.



#### External customers

- Administrative errors – incorrect client, product, quantity, price or terms stated on the invoice
- Warehouse/storeroom errors – incorrect product or quantity delivered
- Service errors – repair or service is not adequate
- Delivery errors – products are damaged, lost or delayed during delivery
- General site issues – the office is too noisy, there should be more car parking facilities



#### Internal customers

- Work not completed on time or to expected standards
- Facilities or resources not available when required
- Mistakes made in appointments, travel itineraries or other scheduling
- Inaccurate records management
- Poor technical support
- Poor interpersonal skills

## How to handle customer complaints

Customer complaints are an important asset. You need to handle complaints and angry customers in a professional manner.

### Listen without interrupting

When confronted with an upset or angry customer, the best approach is to listen fully to the complaint without interrupting. Write down vital information. At the end of each statement, question the customer to ensure that important information is not missed. Do not argue or deny anything, just listen.

### Remain calm rather than becoming defensive

Sometimes the customer will become abusive or critical of you and your organisation. The worst thing to do is to become defensive. Let the customer verbalise what they are thinking and feeling. Keep listening and you will find that the conversation will eventually get back on track.

If the customer continues with the attack, when given the opportunity, summarise what you understand the problem to be and then try to solve it.

*continued ...*

## 2D Deliver high-quality service to all customers, including those with specific needs

Some customers may have a physical or mental disability or impairment. They may require extra assistance to access your organisation, communicate their needs or understand your procedures. You should make every effort to accommodate customers with disabilities by anticipating their needs, providing reassurance if necessary and maintaining your professional service. Customers have varying degrees of disability and every customer has individual needs you should be sensitive to.

### Visual impairment

- Read brief documents aloud.
- Provide a spoken summary of longer documents.
- Where possible, provide information in an audio format.
- Let the person know when you are walking away.
- Either close doors or open them. Don't leave them half open.

### Hearing impairment

- Try to reduce any background noise. Move to a quiet area. If you have a radio playing, turn it off or down. If you are near other people, ask them to speak quietly.
- Look at the person face-to-face. Your lips and your facial expression can increase the customer's level of understanding. Make sure you have the customer's full attention before you start talking.
- Speak clearly and a little more slowly than you would usually do, but don't shout.

### Speech impairment

- Be patient. Allow time for the customer to express themselves.
- Where speech is not possible, provide writing materials for the customer.
- Have brochures or catalogues handy so that the customer can point out the product or service required.

*continued ...*

## Summary

1. Always give customers more than they expect and try to give them more than you have promised. Deliver service promptly.
2. If the customer's request may not be fulfilled immediately, a prompt acknowledgement and explanation of why and when they can expect to have their needs met is essential to excellent customer service.
3. Applying principles of excellent customer service includes:
  - making a good impression by being professionally groomed and having a tidy workstation or service area
  - approaching the customer in a warm and welcoming manner
  - demonstrating confidence and pride in the organisation, its products and its services
  - directing the customer to relevant products or information on the relevant service
  - thanking the customer for visiting the organisation whether you have secured a sale or not
  - efficient completion of the sale and gathering of all required data.
4. Dealing with customers with special needs requires:
  - sensitivity and understanding
  - adaptation of customer service practices to cater for diversity.
5. Customer complaints provide an opportunity to improve the organisation. Aim to welcome complaints. Documentation must show that complaints have been recorded and investigated. It must also show if changes have been introduced and the customer notified of these changes.
6. Customers who complain must be treated with integrity and respect. Negative word-of-mouth can have a significant effect in the market or workplace.
7. An efficient customer service provider shows initiative and enterprise by identifying opportunities for products and services to be promoted to customers.



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## Topic 3

# Monitor and report on customer satisfaction

In a competitive marketplace, where businesses compete for customers, customer satisfaction is seen as a key differentiator. Customer service has increasingly become a key element of any type of business. If customers are happy, they will remain loyal to the organisation and may bring new customers.

In order to improve the service provided, most organisations seek ways to enhance and prioritise their methods for monitoring the feedback they receive from customers. This feedback keeps a business on track by letting them know what they are doing and how they are going.

Methods used to monitor and report on customer service differ depending on the size of the organisation and the manner in which it does business. Methods include analysing completed questionnaires, surveys, reports and complaint forms; assessing returned goods; monitoring service calls; and tracking existing or lapsed customers.

In this topic you will learn how to:

- 3A Review customer satisfaction through the analysis of verifiable evidence
- 3B Identify opportunities to enhance the quality of services and products
- 3C Monitor delivery of customer service
- 3D Use customer feedback to improve the provision of products and services
- 3E Report on and recommend improvements to customer service

## Surveys and questionnaires on existing products and services

Many organisations produce a customer satisfaction sheet with questions about the product or service that the customer service received.

The questions aim to find out as much as possible regarding how the customer feels about the company and its products or services.



A feedback form can be included with a product, or the customer may be given one directly. A variety of response options, such as mail, email, fax and telephone should be provided to encourage each customer to reply. Some organisations include a 'No postage required if posted in Australia' envelope.

Some organisations provide written survey forms while others post surveys on their website then invite customers to comment, as in the following examples.

### Written customer feedback forms

A written customer feedback form is used to seek feedback on products, the purchasing process and delivery. This type of form can be inserted into the product package, posted or handed out to customers. The challenge with this type of form is in having the form returned. Some organisations follow up by calling their customers.

Here is an example of a customer feedback form.

## Training feedback forms

Training feedback forms or evaluation forms, such as the one below, are usually given out on completion of a training session. This information gives the trainer feedback on how well the session was conducted and areas for improvement.

The Training Network Managing change seminar

We welcome your comments about our seminar. Your information will help us continue to provide the highest quality service to our clients.

**Name:** (optional)

**Position:**

**Did the presentation provide you with the sort of information you required?**

Yes    No

What other information would have assisted you?

**Rank the session from 1 to 5 (5 being the highest rating).**

What is change?

Change agents

Handling stress

Strategies

Future directions

**Did the practical exercises help you understand the change process?**

Yes    No

**Did the program allow you sufficient time to ask questions and discuss the material?**

Yes    No

**What other issues do you think should have been covered?**

**How did you hear about this seminar?**

**Please comment on the venue: parking, location, facilities and services.**

**Thank you for taking the time to answer these questions!**

## 3B

## Identify opportunities to enhance the quality of services and products

Every progressive customer-focused organisation will identify all types of opportunities to enhance the quality of its services and products.

The challenge facing many organisations is improving products and services, particularly when the business is already highly efficient. However, with a high degree of innovation, organisations can still find creative ways to enhance their products and services.

An organisation relies on the motivation of people at all levels for obtaining feedback. Customer service is everyone's responsibility. Be observant, listen and talk with customers.

### Customer loyalty programs

Some organisations have created customer loyalty programs; for example, awarding points, reward schemes and company-specific credit cards. With the introduction of these types of programs, data on the buying habits of customers is obtained so that new and different products and services can be introduced. Once a customer has joined a program and the relationship is established, there are new opportunities to communicate with the customer regarding other products and services.

### Feedback from frontline operators

Some organisations rely on obtaining feedback from frontline operators who have day-to-day contact with customers. On a daily basis, these people encounter feedback from customers regarding all aspects of the organisation's products and services.

### Feedback from staff

Staff who are given more opportunities to address customer service issues will increase and improve the level of service. When given the chance to resolve problems, staff often lose the pass-the-buck attitude prevalent in many organisations. They take pride in being able to help another person and provide a service that is seen as valuable.