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RECOVERING FROM POOR SERVICE

Developing a Service Recovery Program for Your Business

An important part of an exceptional customer service program is development of a service recovery program. We would all like to believe that we can deliver exceptional customer service every time, with every customer. However, this is not reality. Our staff will inevitably, for whatever the reasons, irritate or disappoint some of our customers. A proper service recovery program will enable you to not only save that valuable customer, it will help produce loyalty and a strong reference for new customers. Developing and implementing the proper processes in such a service recovery program is vital to your organization's reputation, as well as its balance sheet. Like all processes, implementation must be specific, as well as consistent.

Most organizations do not realize that they do not hear from over 95% of their unhappy customers. This is the first step in correcting poor service delivery. Begin by soliciting complaints from all of your customers. The simplest way to solicit complaints is to make it easy for your customers to complain. Begin with your staff. Be certain to place the right people in front of the customers. You need to choose associates who have the capacity to place themselves in the customer's place. They should be capable of active listening and have great loyalty to your organization, as well as the customer service initiatives that you have implemented. They should be pleasant, extroverted, and smile without trying. Remember to utilize personality testing to identify the correct associate for this very important position. Their ability to read your customers is vital to your survival. Angry customers will make comments, and show displeasure when they feel their expectation has not been met. Your "in-tune" associate will not only recognize their change in behavior but, provided with a correct service recovery process, they will be able to put out the fire before it reaches critical mass.

Posting mission and vision statements where your customers can read them also help your customers to be more willing to complain. Make certain that your statements mention a commitment to 100% customer satisfaction. Suggestion boxes and questionnaires will also encourage customers to voice their opinions. However, they may not provide the best timing in resolving issues quickly. Some organizations will provide one or even five dollars to customers who answer their surveys and provide feedback on the company's service.

The next step in establishing an exceptional service recovery program is to keep records of

all the complaints in a written format. Each complaint should be analyzed to make changes in your products and/or processes to improve services and avoid future situations of poor service delivery. It is important to track whether customers who complained stayed with your organization after the problem was resolved.

Getting customers to complain is vital to maintaining your customer base, as well as turning them into truly loyal customers. Statistics show that exceptional service recovery can create more loyalty from your customers than if service recovery was not necessary. It is important that you and your associates understand that customers who take the time to complain are helping your organization develop a stronger customer service program and business staff.

A study done for the White House Office of Consumer Affairs found that in households with service problems that could potentially cost more than \$100, 54% would maintain brand loyalty if their problems were satisfactorily resolved; only 19% would repeat their purchase if they were unhappy with the problem's resolution. For less expensive problems, in the one to five dollar range, 70% would maintain brand loyalty if their problems were resolved satisfactorily; and only 46% would repurchase if the problem was not fixed.

Do the math with your business. How much do you spend to attract new customers through advertising, networking, and the costs of time and money? Most companies spend more money producing and airing one 60-second commercial than on an entire customer service program. Yet, repeat business depends on how customers view you through your existing customers or through current services provided. Statistics show that customers talk to each other.

Consider this:

- If you do a good job the first time, your customer will tell on average **three** others about your service.
- If you did a great job, they will tell on average **ten** others about your service.
- If you did a bad job, they will tell **25** others about the experience.
- And if your staff argues with them they will tell on average **50** others about your services.

Poor customer service will drive your business into failure or will eliminate you as the provider of the service. Either way, your company, organization, or department cannot afford to deliver poor service.

Finally, exceptional service recovery programs should be consistently delivered. This involves training and scripting your associates. Specific words should be avoided that may create an argument between the customer and your associate. Timing is also critical. All issues should be resolved quickly and with plenty of communication to the customer. Business owners and department heads that focus on exceptional customer service that include specific processes for service recovery will always be successful. Every problem, complaint, or issue needs to be treated as an opportunity to “wow” your customers and to provide a review of your current processes to make them more efficient. They should be considered windows of opportunity by your associates, not burdens of the work day. Remember always, attitude determines outcome.

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