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Customer Feedback

<u>Service quality</u> generally refers to a customer's comparison of service expectations as it relates to a company's performance. A business with a high level of service quality is likely capable of meeting customer needs while also remaining economically competitive in their respective industry. Successful businesses who remain competitive and relevant in the marketplace work proactively to obtain information from their current or potential customer base so they can ensure they are meeting their needs.

No amount of discussing with professionals, friends, or colleagues will ever replace the information that a company can receive from a real customer.

The following questions are crucial when obtaining customer feedback:

- What does the customer like?
- What do they dislike?
- How can things be improved?
- Are their needs and expectations being met?
- How much will they pay for something?
- Is convenience important?
- Should items be packaged together?
- Is after-sales service critical?

Customer feedback can be collected by:

• Asking consumers directly: This <u>tactic</u> comes across particularly effective during the point-of-purchase at a retail store because consumers are being probed on their

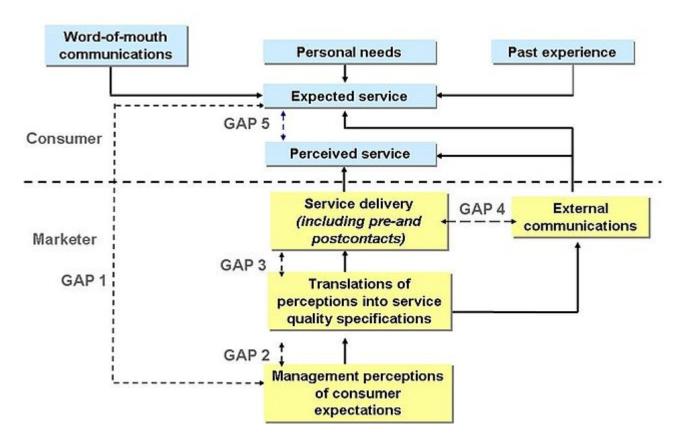
- experiences while they are shopping.
- Questionnaires: Distribute one-page questionnaires that ask some key questions and encourage customers to fill them out. These can be mailed out as pre-paid postcards or emailed to consumers who give their permission to be contacted.
- Focus groups: This involves gathering a number of customers, sitting them down, and discussing a range of issues relevant to a company's business. The advantage of using this method over a questionnaire is that it will yield more detailed information and feedback, rather than "tick the box" style responses from a questionnaire. In-person focus groups and one-on-one interviews are helpful tools that provide an explanation of the product or consumer-related issues because you are going to the main source directly.
- Telephone: Some surveys can be conducted via phone. These yield a more private conversation exchange between the customer and the service provider.
- <u>Virtual online communities</u> or private consumer panels: Technology has made it increasingly easier for companies to obtain feedback from their customers. With the explosion of technology in the marketplace and the consumer's everyday life, many companies are now building their own proprietary online panels of consumers which give them unencumbered access to their target market on an ongoing basis. In exchange for their honest opinions and feedback, customers are incentivized for their time. Community blogs and forums also enable customers to provide detailed explanations of both negative as well as positive experiences with a company.

Instant feedback

Recently, many organizations have implemented feedback loops that allow them to capture feedback at the point of experience. For example, National Express, one of the UK's leading travel companies, has invited passengers to send text messages while riding the bus. This has been shown to be useful, as it allows companies to improve their <u>customer service</u> before the customer defects, thus making it far more likely that the customer will return next time.

The GAP Model

The Service Quality Model, also known as the GAP Model, was developed in 1985. It highlights the main requirements for delivering a high level of service quality by identifying five 'gaps' that can <u>lead</u> to unsuccessful delivery of service.



The Service Quality Model

Customers generally have a tendency to compare the service they 'experience' with the service they 'expect' to receive; thus, when the experience does not match the expectation, a gap arises.

1. **GAP 1:** Gap between consumer expectation and management perception: This gap arises when the management or service provider does not correctly perceive what the customer wants or needs. For instance – hotel administrators may think guests want better food or in-house restaurant facilities, but guests may be more concerned with the responsiveness of the staff or the cleanliness of their rooms.

Factors that affect the size of the knowledge gap include:

• Market research: Before introducing a new product or service into the market, a company must conduct market research to understand whether there would be any demand for the product, and what features should be incorporated. The better this process is conducted, the smaller the knowledge gap will be. There are methods of ensuring that customer desires are taken on board. These include comprehensive studies, gauging satisfaction after individual transactions (surveys immediately after a purchase is made), customer panels and interviews, and through customer

complaints.

- Communication <u>channels</u>: The fewer the layers between management and customer contact personnel, the more likely that customer preferences will be incorporated into higher-level decision making on the product.
- **2. GAP 2:** Gap between management perception and service quality specification: This is when the management or service provider might correctly perceive what the customer wants, but may not set a performance standard. An example here would be that hospital administrators may tell the nurse to respond to a request 'fast', but may not specify 'how fast'.
- **3. GAP 3:** Gap between service quality specification and service delivery: This gap may arise in situations pertaining to the service personnel. It could happen due to poor training, incapability or unwillingness to meet the set service standard. An example would be when a doctor's office has very specific standards of hygiene communicated but the hired staff may have been poorly trained on the need to follow these strict protocols.
- **4. GAP 4:** Gap between service delivery and external communication: Consumer expectations are highly influenced by statements made by company representatives and advertisements. The gap arises when these assumed expectations are not fulfilled at the time of delivery of the service. For example a hospital printed on its brochure may have clean and furnished rooms but in reality, it may be poorly maintained in this case, the patient's expectations are not met.
- **5. GAP 5:** Gap between expected service and experienced service: This gap arises when the consumer misinterprets the service quality. The physician may keep visiting the patient to show and ensure care, but the patient may interpret this as an indication that something is really wrong.

Resolving Problems Quickly

Problem Resolution Through Excellent Customer Service

Ultimately, the best method of resolving simple problems – often before they arise – is through the delivery of excellent <u>customer service</u>. By ensuring a close relationship with the customer, knowing their wants and needs and avoiding any misunderstandings, a company

is able to ensure that problems of a non-technical nature are minimized, often before they even arise. Any problems that do arise can be resolved with an attentive approach to the customer, ensuring that all will be done to solve the problem as soon as possible. When the customer knows that they are valued in such a way, they tend to be much more forgiving and patient with the company.

Customer Support

Customer support is a range of customer services to assist customers in making cost effective and correct use of a product. It includes assistance in <u>planning</u>, installation, training, troubleshooting, maintenance, upgrading, and disposal of a product. Through effective and attentive customer support, any potential problems that the customer has with a product or service can be resolved quickly and cleanly.

Customer support automation involves the building of a knowledge base of known issues and their resolutions to support incidents with delivery mechanisms, often by expert systems. A service automation platform includes a suite of support solutions including proactive support, assisted support, and self-support. Automation of service organizations aims to achieve, for example, lower mean time to repair (MTTR). With automated support, service organizations can make their services available to their customers 24 hours a day and seven days a week, by monitoring alarms, identifying problems at an early stage, and resolving issues before they become problems.

Automated assisted support enables remote access to sites that need instant problem-solving. By automating the collection of information of devices and applications coexisting with the supported application, problems can be quickly detected and fixed. Automated self-support, automates the self-support process, freeing users from self-help diagnostics and troubleshooting from online libraries or knowledge bases. Support automation solutions can be integrated with customer relationship management (CRM) systems and network management systems (NMS). They can also provide full customer reports to management by tallying problems and incidents that were solved mechanically to ensure compliance with industry regulations.

Tech Support

Tech support refers to a range of services by which companies provide assistance to users of technology products such as mobile phones, televisions, computers, software products, or other electronic or mechanical goods. In general, technical support services attempt to help the user solve specific problems with a product—rather than providing training, customization, or other support services. Most companies offer technical support for the products they sell, generally for free. Others provide a fee for technical support or a fee for premium support services (no waiting in line or talking to a machine, for example).

Delivering Excellent Service Quality

Customer Service

<u>Customer service</u> is at the core of any successful business, as it provides an incentive for customers to come back. Bringing in new customers is great, but won't keep a business profitable for long if those customers don't come back for more-and they will only do this if they are happy. If they are happy, they will do your marketing for you, spreading the word and bringing in new customers.

Maintaining a consistently high level of customer service is a challenge for any company. In order to continuously exceed customer expectations, service firms must recognize that every aspect of their business has an impact on customer service in some form, not just those aspects of their business which involve face-to-face customer contact. It comes across in a business and its employees' attitude, customer treatment, and approach to customer service.

Examples of excellence in service quality include personalized service, good return policies, complaints desks and hotlines, being able to speak to a human being when calling for service, and so on. Customer service should be included as part of an overall approach to systematic improvement, as a customer service experience can change the entire perception a customer has of the organization.

An Example

A business should want to be known for how it is better than its <u>competitors</u>. If the business offers the best customer service in the local <u>market</u>, then that could form the basis of the customer <u>value proposition</u>.

Take the example of the local Chinese restaurant in the neighborhood. When entering the restaurant, the family is greeted by name and welcomed to their favorite table. Before being handed the standard menu, the owner recommends a dish that is based on the current availability of the freshest ingredients, careful to avoid the customers' dislikes, and with a good sense of what the customers might prefer on that day, given the time of year, and given the weather. The owner automatically brings a glass of the customers' favorite drinks and ensures that the water has a fresh slice of lemon just as the family likes. The owner knows that the family has a birthday coming up and suggests that they can have the dinner party at the restaurant or cater the event at their home if they so desire. She spends time

talking to the family and knows all the other restaurants that they patronize. She knows how often they dine out.

This kind of personalized service can do much to engage the customer and it is quite conceivable that this business owner has a large share of this customer's restaurant spending. For higher-end customers, recent surveys show that the accumulation of experiences is more important than the convenience factor of dining out. The customer most likely recommends the restaurant to all her friends. This owner can easily charge a premium to the customer for this level of service and the customer will gladly pay for it. She is able to adjust the menus to meet their requirements and draw more customers.

It is important to divide all customers in groupings that define their profitability. Good customers buy ten plus times more than marginal customers. The business should identify good customers and give them the attention they are due. Some businesses will assign staff to high-value customers. They take the opportunity to develop a deeper relationship with these customers. They will call them to get feedback on their experiences. They will thank them for being good customers. They will collaborate with them to customize the product or service so that it better fits their needs.

Consumer Loyalty

- Reward Program Comparison Tool
- Starbucks' Reward Program Comparison

Service Guarantees

- 100% Satisfaction Guarantees at Hotels: Fact or Fiction?
- Critiques

Source: Boundless. "Service Quality" *Boundless Marketing*. Boundless, from https://www.boundless.com/marketing/textbooks/boundless-marketing-textbook/services-ma

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