Chapter 1

What is Customer Service?
Objectives

- Define customer service and list its goals and challenges.
- Defend the organizational benefits of serving both the external and internal customer well.
- List customer needs.
- Describe the concept of social customers relative to their purchasing habits and impact on organizations.
Defining Customer Service

- **Customer service** is the process of satisfying the customer, relative to a product or service, in whatever way the customer defines his or her need, and having that service delivered with efficiency, compassion, and sensitivity.
Customer–Centric Service Worldview

- A customer–centric organization puts customers first, is service–oriented, and listens to, develops, and satisfies a loyal, repeat customer base.

- A customer–centric customer service representative understands how important it is to value and be respectful of the customer’s point of view.
Customer Service Goals

Setting Goals

• Planned goals ensure that daily business decisions are customer-focused.
• Reviewing goals helps an organization adapt to changes in customers’ needs, desires, and expectations.

Examples of Goals

• “Good service is good business.”
• “Our customers are #1.”
1. “Power shift” from companies to their customers who can now use social media applications to influence their purchasing decisions

2. Internet, mobile/wireless technologies, and social networks that have changed the way people seek out services and choose to shop
Identifying the Customer

External Customer

• Customers whose needs we traditionally think of serving, who purchase and use a company’s products and services

Internal Customer

• People or departments within a company that rely on colleagues to provide the support they need to serve their own internal and external customers
Needs of Customers

- To feel welcome
- To have control and options
- To be understood
- To be treated fairly
Characteristics of the Social Customer

- Turns to friends and online networks for advice and recommendations
- Is vocal about buying experiences
- Is savvy, confident, and fast when using the Internet
- Wants complaints or comments heard and taken into consideration
- Connects good and bad customer service directly to future purchasing decisions
Examples of Social Media

Facebook
Twitter
Yelp
YouTube
Blog
Internet Forum

CUSTOMER SERVICE “LISTENING TOOLS”
Multichannel Customer Contact Points

- In Person
- On the Phone
- Written Communications
- Online
Tiered Service

- **Tiered service** refers to customer service that is fundamentally interrelated with a customer’s actual or potential value as a consumer.

- A common example of tiered service is an airline’s coach class, business class, and first-class ticketing system.

- Remember that customers should never feel they are getting a certain level of service because they are buying a certain level of business.