

How to deal with a brand crisis caused by poor customer service

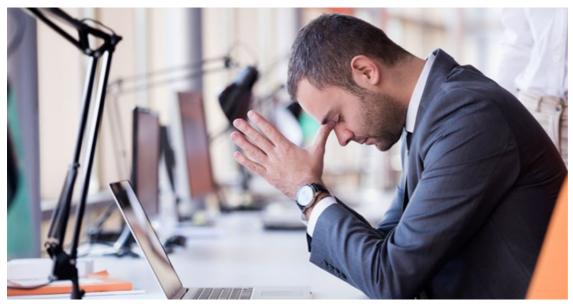
By <u>Diana Costelha</u> 21 Apr 2016

Brand crises are a harsh reality for all organisations. Dealing with them is not becoming any easier. Instead they have become complex tasks that require constant supervision. We live in a digital world and social media is often the catalyst that fuels brand crises, especially those caused by poor customer service.

From a product failure to a faulty part or a service failure, organisations have to ensure they have the right processes in place to overcome and fix these challenges, particularly in today's social environment. The global economic climate is also changing consumer buying and behaviour patterns, adding another layer of complexity to the fold. Ultimately, the way you handle a crisis will determine the future of your brand.

A lack of understanding could be putting you at risk

A lack of understanding or even mapping of your customer journey can have a huge impact. If you have mapped your customer journey and you have a customer feedback mechanism, be it Net Promoter Score or Customer Experience Score, then you are in a great position to identify where your opportunities to enhance your customer experience lie. It also allows you to understand where your problems are – is it within the contact centre or another area of the organisation such as sales, marketing or IT?



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There are various examples where divisions outside of the contact centre can have a negative impact on customer experience. Say, for example, the marketing department launches an amazing new product or advertising campaign but does not inform the contact centre timeously, not allowing them to plan or train their agents effectively. Should a customer call the contact centre and deal with an agent who is not aware of the product or campaign, this will lead to a bad customer experience and could lead to bad publicity on social media. A similar result can be expected if IT, for example, introduce new functionality without consulting end users, resulting in delays or backlogs in dealing with customer queries.

Declining customer satisfaction

Customer service has an enormous role to play in either causing or preventing a brand crisis. According to the 2016

Dimension Data Contact Centre Benchmarking Report, 82.5% of organisations surveyed saw customer experience as a key competitive differentiator, whilst 77.5% recognise it as the most important strategic performance measurement. Yet, while customer experience has steadied after a four year drop, services are not keeping pace with customer expectations.

If you have knowledgeable staff and great customer feedback mechanisms in place that help you understand process failure as well as to identify opportunities for improvement, this could go a long way in preventing a bad experience, or, at a minimum, recovering from a bad experience much quicker. If the opposite is true, then the propensity for a bad experience is increased, which leads to unnecessary stress for the contact centre agent, your customers and ultimately your profit.

Overcoming a brand crisis

The first step in overcoming a brand crisis due to poor customer service is acknowledging the problem. Once that is done, apologise and advise on what actions can be taken to rectify the problem. Internally, you should investigate what lead to the situation in the first place and determine whether it's product knowledge, process breakdown, a system problem or something else. Finally, you must ensure you put measures in place to address it so that it does not happen again.

Jeanne Bliss, founder and president of CustomerBliss, sums it up perfectly: "Your apology is your humanity litmus test. It is unavoidable that at some point, your business will suffer a failure that disappoints customers. How your company reacts, explains, removes the pain, and takes accountability for actions signals how you think about customers and the collective heart of your organisation."

Is it really that serious?

Poor customer service can have a severely negative impact on business. You run the risk of alienating current customers through poor service levels and consistently poor service can impact your potential of attracting new customers, which in turn will impact revenue. If not handled correctly, it could lead to huge damage to the organisation's staff, reputation, customers' purchasing intention and, ultimately, brand attitude. All of these elements can lead to a vicious cycle in which an organisation tries to save money on staffing or customer service training, which in turn lead service levels into a downward spiral and could lead to a loss of "trust" and profit.

But, what now?

I would advise organisations that have experienced a crisis of this nature to take a retrospective look at the events that caused the crisis. Develop new training for your employees and enhance processes or systems, depending on what caused the situation, to prevent a similar situation from happening again. Also, consider running regular disaster rehearsals to make sure that your crisis management plans, processes and employees are properly geared to accommodate issues of this nature moving forward.

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