

Unit



Customer Service

Seeing the cut-throat competition in the market, the customer should be treated like a king in the present day. A retailer or shopkeeper should know the importance and value of customers. Retailing is said to be complete and successful only when a customer comes and visits a retail store and buys goods from the retail store and is satisfied with the product and services provided by the retailer. The retailer will also benefit in the form of profit and high margin.

Customers expect almost all retailers to provide certain services like:

- Good appearance and behaviour
- Identify customer expectations
- Be able to recognise customer needs

Customer Service acts as a pipe through which the customer fulfil their needs. Retail has emerged as an important sector and provider of employment opportunities too.

The present unit 'Customer Service' has been divided into four sessions — The first session which deals with differences between customer and consumer, and identifying customer needs and behaviour. The second session explains the identification of effective customer service. The third session describes the organisation standards of appearance and behaviour and the

fourth session discusses how to identify and confirm customer's expectation.

SESSION 1: CUSTOMER NEEDS AND SERVICE

Distinction between customer and consumer

We can understand the difference between the two terminologies customer and consumer through a situation in our day-to-day life. For example, a housewife buys some household goods from a store. She is a customer for the retail outlet. When she reaches home, other members of the family also use those goods, though they haven't purchased it. All the family members including the housewife who have utilised the products for their personal use are consumers.

Marketing helps convert customers into consumers. Satisfied consumers will not only become customers but also promote the marketer and their products and services.

Identifying customers' needs and behaviour

The buying level of any customer depends on their needs. Customers' needs can be objective (e.g., physical needs like food, shelter, clothing, etc.) or subjective (e.g., emotional, moral, intellectual, and spiritual needs like good behaviour, self-esteem, fairness, etc.). Customers' needs vary with place and age group.

Customers' needs are the stepping stone to all modern marketing concepts. The manufacturer has to give due attention, importance and care in understanding and assessing or identifying the needs of consumers to gain competitive advantage. The marketer should use all their efforts and strategies to identify, emphasise, and satisfy customer needs.

Based on the type of products

The customers' needs can be divided into two types: demand for tangible and non-tangible products.

(a) Tangible products: These products are those which can be touched and felt (see Fig. 5.1).

(b) Intangible products: These products are those which cannot be touched or felt.

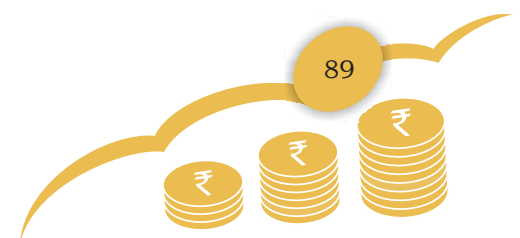




Fig. 5.1 Tangible Products

Basic needs of customer

Following are the basic needs of the customer:

(a) Warm welcome: The sales person has to welcome the customer warmly and greet him/her graciously. The customer shouldn't feel neglected when he/she approaches the retailer or sales associate.

(b) Understanding: Marketer needs to understand and appreciate views, expressions, and circumstances, feelings

without any criticism or judgment for the satisfaction of the customer.

(c) Fairness: Every customer wants to be treated fairly. Customers get very annoyed and dissatisfied when they feel they are not given due attention in the retail store.

(d) Control: Control means the customer's perception to meet his demand at the earliest with a positive outcome.

(e) Options and alternatives: There should be options and alternatives available for the customer. The customers must be educated about the variety of products available. They will then choose to purchase the desired products and services available in store.

To identify the customer needs, the retailer must do these three things:

- Communicate effectively with the customers and satisfy their needs.
- Look for different ways to record customer feedback.
- Effective, use of feedback and other information to take effective decision regarding marketing, buying, merchandising and selling.

There are many employees in the retail organisation, who mainly work for customer satisfaction, called customer service representative. In every stage of the



buying process in a retail organisation they provide the customer service before, during and after the purchase.

Role of customer services in retail

In today's scenario each and every retailer is trying to convert the casual customer into a loyal customer through development of a bond between the retailer and customer. The customer service marketer is able to understand the customers' feelings and emotions with particular products and is also able to understand the buying habits of customer.

A successful and effective customer service results in increase of customer's value for the store.

A good customer service should focus on:

- Building a dynamic relationship with the customer.
- Making customer service a key element to build customer loyalty.
- Building competitive advantage.

Through effective customer service a retailer can maintain a strong relationship with the customer and convert a casual customer into a loyal customer. Loyal customers play an important role in continuous generation of revenue. This is the basic reason why many retailers work hard to increase the level of customer satisfaction.

Elements of customer services

The basic elements of customer services which make it good are as follows:

(a) Communications skills: The salesman initially greets the customer. Throughout the interaction, the customer forms an opinion and attitude towards the retail store as far as the customer service is concerned (Fig. 5.2).

(b) Effective 'face-to-face' interactions with customers: In many retail stores, of course, the employees deal with the customers 'face-to-face' on a daily basis (Fig. 5.3). Unlike telephone communication, in which customers use only one sense organ (sound) to evaluate the retailer and their apparent attitude towards



Fig. 5.2 Communication with Customers



Fig. 5.3 Effective Face-to-Face Interaction with Customer





Fig. 5.4 Listening to the Customer Views



Fig. 5.5 Handling Customer Grievances



Fig. 5.6 New Perspectives in term of Shop Layout

the customers, these personal encounters offer customers the use of at least two or more of all the five senses, upon which to form their opinions.

(c) The art of listening to customers:

Effective communication isn't simply a one-way proposition. Communication directed towards the customer is important, but communication from the customer is probably even more important (Fig. 5.4). The salesman should know what a customer really wants. It is as easy as listening to what the customer says (or doesn't say). Obviously, to accomplish this one must develop good listening skills.

(d) Handling customer's grievances smoothly:

Inevitably, the sales person in a retail store is bound to encounter a customer who is angry, upset, and unreasonable, unusually demanding, or all of the above (Fig. 5.5). Any effective customer service programme will include methods of dealing with this type of customer.

(e) Adopting a new, different perspective:

Customer service is a 'team' effort. In a company dedicated to good customer service, an attitude of 'that's not my job' doesn't exist (Fig. 5.6).

(f) Monitoring and measuring effectiveness:

There are several informal ways to conduct monitoring and measurement for effective customer service. Asking customers themselves how well they think the retail store is doing. This can be accomplished by using basic tools, such as customer satisfaction survey cards, exit interviews with customers, etc.



Advantages of customer service

The advantages of providing customer services are as follows.

- Helps in serving customers better.
- Increases customer revenues.
- Helps in acquiring new customers.
- Aids in selling products more effectively.
- Helps sales staff to close deals.
- Helps in developing or enhancing the value proposition offered to customers.
- Enhances customer loyalty.
- Retains customers to increase profits.
- Helps in focussed customer delivery and support based on customer's segment.

Designing strategic solutions for enhancing effectiveness of promotions and loyalty programs for customers is the most important aspect in the retail environment.

Practical Exercise

Activity 1

Field visit to understand the customer needs and customer expectations in a retail store.

Materials required

Pen/Pencil, Notebook, Checklist

Procedure

1. Visit a retail store near your home.
2. Meet the executives in the retail store and greet them.
3. Note and write about the body language of the sales persons and gestures when a customer enters the store.
4. Meet a few customers and write their expectation.
5. Try to list out the reasons for such gestures and expectations.
6. Prepare a report and submit to the subject teacher.

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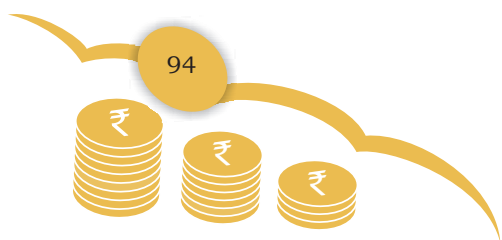


Check your Progress**A. Fill in the Blanks**

1. _____ consumers will not only become customers but also promote the retail store.
2. _____ is necessary for organisms (customer) to live a healthy life.
3. Customers need to be _____ about a variety of different products and services.
4. Designing _____ solutions for enhancing effectiveness of promotions and loyalty programs.

B. Multiple Choice Questions

1. Based on the types of products, customers' needs may be divided into how many types?
(a) Two
(b) Three
(c) Four
(d) None of the above
2. Tangible products are
(a) soap
(b) electronic gadgets
(c) bicycle
(d) All (a), (b) and (c)
3. Customer service is the provision of service to customers
(a) before purchase
(b) during purchase
(c) after purchase
(d) All (a), (b) and (c)
4. Which is not an element of good customer services?
(a) Communications skills
(b) Art of listening to customers
(c) Monitoring and measuring effectiveness
(d) Argument with customer
5. Which of the following is not an advantage of providing customer services?
(a) Serve customer better
(b) Decrease customer revenues
(c) Acquiring new customers
(d) Sell products more effectively



C. True or False

1. Customer is the one who consumes or utilises any product or services for his/her personal requirement or need.
2. Customer's needs are the stepping stone to all modern marketing concepts.
3. Customer's needs can be divided into three types.
4. The businessman has to extend a warm welcome to the customer and greet him/her graciously.
5. Companies have not worked hard to increase their customer satisfaction levels.

D. Short Answer Questions

1. Who is a customer?
2. How is customer service helpful in acquiring new customers.
3. What is the significance of customers' feedback?
4. Effective communication isn't simple a one-way proposition. Explain?
5. What are the ways to build a rapport with the customers?

E. Check Your Performance

1. Demonstrate the elements of customer services and find its significance.
2. Role play on obtaining feedback by interacting with customer and retail store.

SESSION 2: EFFECTIVE CUSTOMER SERVICE

Effective customer service

Always remember that a satisfied customer contributes more in retail for years, through purchases and recommends and refers to others as well (Fig. 5.8). Now let us try to understand the various aspects of an effective customer service.

Deal effectively with customers

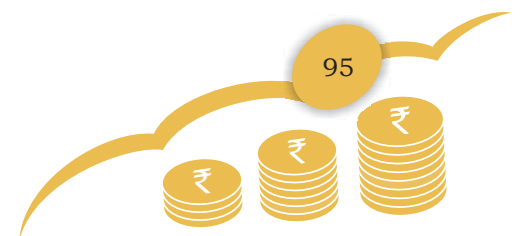
In order to deal with your customer effectively, you need to:

- Develop knowledge of merchandise being sold.



Fig. 5.8 Effective Customer Service

CUSTOMER SERVICE



NOTES

- Acknowledge/approach customers ideally within one minute of their entering the department.
- Be friendly and enthusiastic while welcoming the customer.
- Ask the customers appropriate questions to determine their needs.
- Offer merchandise to customers, describing features and benefits.
- Sell related merchandise in addition to customer's selected item, wherever possible.
- Deal with customers' complaints in accordance with the retail store's policy.
- Place special orders for customers.
- Use all types of methods of payment.
- Handle complaints courteously and sympathetically.

Effective ways to build customer rapport

A retailer should know that rapport building with customers is important to provide good service or increasing sales. Here are some tips for building customer rapport.

(a) Be adaptable: A retailer should define store approach for building rapport.

(b) Pace and lead: This is another way to build rapport. When a customer gets angry or over excited for some issues, the sales person must show concern in the customer's matter and solve it on priority with pace and lead towards good customer services.

(c) Allow them to get it all out: When an angry customer comes to a retail store, let them speak out their problem. After telling his/her problem, the customer might feel relaxed and you can then solve their problems.

(d) Repeat again: Once the customer speaks out the issue, repeat the sentences or important details again to the customer, saying "Okay, just to recap...." This reassures the customer that the concerned person is paying attention.

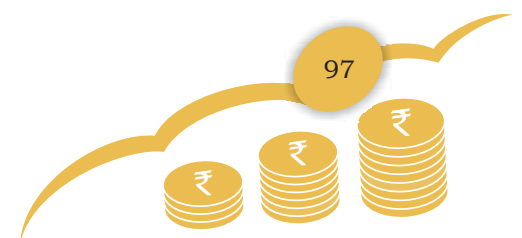
(e) Get customer name first: Before starting the conversation with the customer first ask the name of

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customer rather than the complaint number. The sales person should use the customer's name while discussing the issue with the customer.

- (f) **Make the customer's problem the retailer's problem:** The retailer should treat the customer's problem as their own. A good relationship between a customer and retailer leads to the return of the customer again.
- (g) **See it from customer's point of view:** The customer service associate should put themselves in the customer's shoes. If struggling to show empathy, think of the customer as your close friend or family member.
- (h) **Share their priorities:** The customer has a list of priorities. The retailer makes the customer their priority and addresses their concerns on priority by taking care of them.
- (i) **Remember value of an apology:** Every retailer should know the value of an apology. Even they deal with complaints all the time still they should be very careful while apologising to the customer.
- (j) **Retailer doesn't have to have 'things in common':** Some retailers do not have anything in common with their customers and will therefore be unable to build a rapport.
- (k) **Don't rush:** Sometimes the retailer can identify issues on a regular basis and then rush to rectify the problem quickly.
- (l) **Smile:** The sales person should always interact with customer with a smile. The customers notice such things.
- (m) **Personal interest in customer benefits:** The retailer can build a rapport with the customer by showing personal interest in the customer benefits.
- (n) **Display good listening skills:** Every retailer should show their listening skills by assuring customer that you are listening by repeating what customer says.
- (o) **Remain focussed:** Stay fully focussed on the customer and do not distract him/her.



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(p) Not all customers want to chat: Remember that angry customers will not want to build any rapport. They will just want to tell you what the problem is, for you to fix it.

(q) Avoid assumptions: Do not assume, about what the customer is saying — actively listen!

(r) End on a high: Always ask the customer if there is anything else you can do for them, before they leave. This shows that your priority is giving good service, not just getting over with the call.

(s) Smile through the complaints: The sales person needs to always smile, even when the customer is complaining. They don't want to hear that the sales person is having a bad day—they only want to know whether the retailer will be able to solve the issue and then in turn make the customer smile.

(t) Beware of inappropriate jokes: Everyone must be careful with humour. Sometimes there is risk of a jokey comment.

Practical Exercise

Activity 1

Observation of effective ways to build customer rapport.

Materials required

Pen/Pencil, Notebook, and Checklist

Procedure

1. The teacher to make groups with four students in each group and ask them to visit a nearby retail store.
3. Meet the store manager and greet him.
4. Tell him the purpose of the visit and take permission for visiting the store.
5. The students should observe how the retailer is concentrating on customers.
6. Examine the ways followed by the retailer to build customer rapport.
7. Prepare notes on your observation.
8. Discuss the observation in the class and submit the report to the subject teacher.



Check your Progress

A. Fill in the Blanks

1. Always remember that a _____ customer will contribute to your business for years.
2. _____ building with customers over the phone is so important to provide a good service or increasing sales.

B. State whether the following are True or False

1. All customers should be approached using the same style.
2. When the customer is angry, allow them to vent without interruption.

C. Short Answer Questions

1. Why should a retailer be a good listener?
2. Every retailer should know the value of an apology. Elaborate.
3. Why is it important to build a rapport with a customer?

D. Check Your Performance

1. Demonstrate the effective ways to build customers rapport.

SESSION 3: ORGANISATION STANDARDS

Standards of staff appearance in retail

All officers and staff have a personal responsibility to maintain the standard of appearance in an organisation. Managers and supervisors are responsible for ensuring all personnel achieve standards of appearance set out in the form and they should give recommendation and guidance wherever necessary.

Standards of dressing and appearance perceive to offer a number of benefits to the organisation, such as alignment of employee's appearance with the organisation's brand, the professionalisation of job role, creation of a sense of organisational identity and health and safety concerns.

CUSTOMER SERVICE

NOTES



NOTES

- (a) Overall appearance:** The retail staff should maintain their standard of appearance. The type of work sets the formal standard of dress.
- (b) Dress code:** The employees' dress code must be unique in all aspects like age, gender, religion and culture.
- (c) Hair:** The hair should be well-tied and well-coloured. The employees of the store should avoid unnatural hair colour.
- (d) Identity cards with company logo:** ID cards mainly include name, photo, job title and designation of employee.
- (e) Body language:** Understanding the body language is a very important aspect of personal appearance. So, the body language of the staff should be impressive.
- (f) Cosmetics:** The make-up should be sober, not obtrusive or excessive.
- (g) Tattoos:** Quarter, half and full sleeve tattoos must be covered at all times.

Precautions to be taken by male staff

The total staff of the retail store should be cautious of the appearance and behaviour in the store.

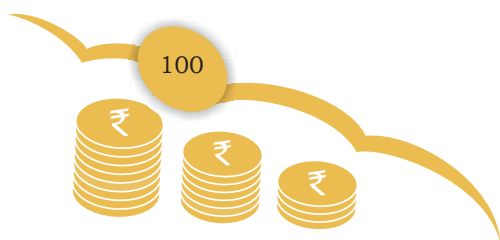
The precautions for male staff are as given below:

- The prescribed uniform should be neat and clean and ironed.
- Hair must be short, clean and tidy.
- One is expected to have a clean shaven look.
- Nails should be cut or trimmed neatly at regular intervals.
- Avoid earrings and bracelets during official hours.

Precautions to be taken by female staff

The precautions for female staff are as given below:

- Female staff with long hair should tie their hair at all times during official hours.
- No flowers hooked on the hair are desirable.
- Avoid dark colour nail paints and long nails.



- No heavy jewellery should be worn.
- Don't wear dangling earrings, noisy anklets and bangles on the floor.
- Apply light make-up

Behaviour in the organisation

A satisfied customer contributes to retail revenue for years, by his/her purchases and by recommendations and referrals to other customers. Now, let us try to understand various aspects of effective behaviour and dealing with customers, colleagues and superiors.

Dealing with customers

As we know a customer is the king of the market, so every employee of the retail store should behave gently with customers.

Some of the guidelines are as given below.

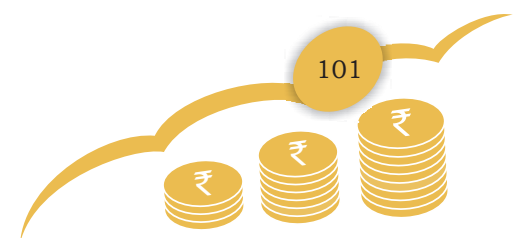
- Every salesman should encounter, meet or talk to the customer.
- Treat everyone with respect and dignity.
- The staff should be aware of the trends, changes taking place in the market, taste and habits of the customers.
- The staff should listen carefully and intently to their customers, demonstrate respect.
- The salesperson should be comfortable discussing both small and big numbers of customers.

Dealing with colleagues

Dealing with colleagues is a very important aspect. It builds the relationship between the colleagues.

- A sales person should behave decently and politely with his/her colleagues in the organisation.
- Being over competitive should be avoided, this is a negative thing. Try working with rather than against openly competitive colleagues.
- Avoid misunderstandings with colleagues.
- Try praising the competitive co-worker for work well done.
- Take competition positively, not personally.

CUSTOMER SERVICE



NOTES

Dealing with superiors

Dealing with supervisors is also another very important aspect. It builds the relationship between the subordinate and the supervisor. The immediate superior is the boss of the subordinate.

Generally, supervisors control the subordinates like workers.

Practical Exercise

Activity 1

Visit a retail outlet/mall to observe the appearance and behaviour of the male and female staff and their way of dealing with customers.

Materials required

Pen/Pencil, Notebook, Checklist

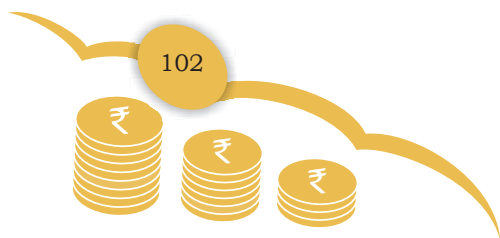
Procedure

1. Reach the retail outlet/mall at the decided time with your group.
2. Meet the executive, greet them and tell the purpose of the visit.
3. Observe the following and make a note.
 - Appearance of male/female executive
 - Dress code of both types of employees
 - Hairstyle of both
 - Tattoo, cosmetics and body language of both
4. Observe their way of dealing with the customers in the organisation.
5. Finalise your notes with your friends.
6. Confirm and finalise with the executives.
7. Make a report and submit to the subject teacher.

Check your progress

A. Fill in the Blanks

1. _____ is an important aspect of personal appearance.
2. Quarter, half and full sleeve _____ must be covered at all times.



B. State whether the following are True or False

1. The hair should not be of a colour unnatural than human hair colour.
2. An employee's dress code must be unique in all aspects like age, gender, religion and culture.
3. Dangling earrings, noisy anklets and bangles can be worn on the floor.
4. Only frontline staff in the store should wear a prescribed uniform every day.
5. Try working with rather than against openly competitive colleagues.

C. Long Answer Questions

1. Discuss the standards for staff appearance.
2. What are the precautions to be taken by male and female staff while working in a retail store?
3. How should one deal with customers, superiors and colleagues while working in retail store?

D. Check Your Performance

1. Demonstrate personal responsibility to maintain a high standard of appearance in an organisation.

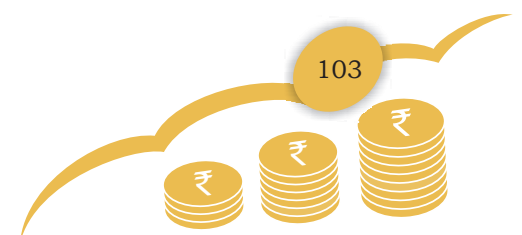
SESSION 4: CUSTOMER EXPECTATION**Meaning of customer expectation**

Customer expectation is the total perceived value from the products or services. If the actual experience of customer with goods is more than the perceived value, the customer will be satisfied. If the actual experience of customer is less than the perceived value, the customer will be dissatisfied or disappointed.

Identifying customer expectation

Customer expectations are increasing day-by-day in the modern times. If the retailer is unable to fulfil the customer expectations, their existence will not stand for longer and their reputation will be tarnished. The

CUSTOMER SERVICE



NOTES

customer expectations change with time, efforts and customer needs. Information technology is responsible for new customer expectations.

Some of the modes of identifying customer expectations are as follows:

- (a) Concept meets reality:** Every customer wants his/her expectations to meet with reality.
- (b) Conversation with customers:** Conversation with the customer is also a way of identifying the customer's needs and customer expectations. The customer handling department in the retail is designated for managing troublesome customers.
- (c) Group feedback:** A group feedback makes sense for a whole group of customers for feedback in parts.
- (d) Gain insights from community:** To know the customers' expectation, community is the best source. Many people use social media, where they speak freely and openly. Retailers take the feedback from there and identify the customer expectations. It is their own motivation to talk about what drives them, which also means that if they do, it's relevant for them and the organisation.

Customer expectations from retailer

Given below are of the latest customer expectations which are met by retail stores:

- (a) Personalisation of goods or services:** Every customer wants personalised information from the retailer which attaches the customer to the retailer.
- (b) More options:** Every customer wants many options in a product, such as product variety, quality, availability and affordable price.
- (c) Listen closely, respond quickly:** Every customer wants retailer information quickly and accurately. Even every retailer should maintain feedback systems.
- (d) Give front-liners more control:** Customers' expecting from front-line service executives should understand the type of problem.



Confirm customer expectation

After identifying the customer's expectation the retail organisation representative should confirm it in the most effective manner, which is as follows:

- By calling the customer
- By providing extra services

Responding to customer appropriately

Identifying customer needs is a very important function of the sales representative/executive. After identifying the customer needs every sales representative has to respond accordingly and appropriately.

- (a) Find their real need:** Before responding immediately, the salesperson should pause for a moment and think from the customer's perspective. Why do they want that feature?
- (b) Fulfill the customer need:** Once a sales representative identifies the customers' needs he/she must fulfil it.
- (c) Meet our customer needs with appropriate product:** Hand over the product as per the customers' demand.
- (d) Give an honest explanation:** If there is a shortage of the product and it can't be provided to the customer then say 'No'; be transparent and provide an honest explanation.

Practical Exercise

Activity 1

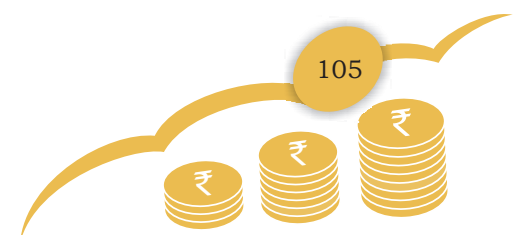
Visit a retail outlet to recognise customer expectations and the way of responding to their queries.

Materials required

Pen/pencil, notebook, checklist

Procedure

1. Reach the retail outlet/mall on time with your group.
2. Meet the executives, greet them and request to work with them.



NOTES

3. While working, observe:
 - Customer expectations
 - Customer queries
 - Customer needs
 - How they get satisfied?
4. Note down all expectations, customer queries and your experience of working in the store.
5. Discuss the reports with your group members.
6. Confirm with executive and add their experiences on:
 - Customer expectations
 - Customer queries
7. Finalise the report and submit to the subject teacher

Check your progress

A. Fill in the Blanks

1. Customer expectations are raising _____ in modern times.
2. Most customers still want a personal _____ experience.
3. Every customer's needs are dependent on the availability of _____ in product.

B. State whether the following are True or False

1. 'Expectations' are the anticipated circumstances of purchase.
2. Customer service decision makers meet the expectations.
3. Service conversations with customer are also an investigation of the customer's needs and expectations.
4. It makes sense to look at the part of group of customers for feedback in parts.

C. Short Answer Questions

1. Why is there a need to identify customer expectation?
2. How can the retail store efficiently meet the customers' expectation?
3. How can one respond to a customer appropriately?

D. Check Your Performance

1. Demonstrate personal responsibility to maintain a high standard of appearance in an organisation.

