Customer service is a business ethics issue

By Matthew B. Hodroff

Online commerce, credit card issuers, and global corporations have permanently degraded customer service, or what was left of it, to little more than a dream or memory. Technology has expanded so that business transactions can happen in the click of a mouse or a swipe of your card at the pump, never involving any human interaction. This dehumanizing process encourages a fair market, better prices for goods, and convenience, but cripples the customers' ability to resolve any issues with ease or satisfaction. Many businesses now incorporate "satisfaction programs" into their business model, understanding that consumerism is not driven by customer satisfaction as much as before a boom in Internet sales. What does this mean for the consumer? Businesses realize they will lose your business at some point so instead of trying to retain you, they look to capture the business of the other "you" leaving a competitor. They do this buy offering incentives to new customers, similar to when you buy a new phone and get a great deal, but are then stuck with service for two years. This creates the business customer service program for these companies of: Just Say No. This type of policy ends up hurting the consumer, and eroding trust in the entire marketplace.

As technology expands, it creates the opportunity for commerce to grow, but it also expands the opportunity for these one-and-done type businesses to solve consumer issues with technology. These "Self Service Technologies"[1] provide these businesses essentially a cost free way to create the first hoop to deal customer complaints, issues, or concerns. Companies often create these hoops in layers within customer service, which customers must encounter sequentially before they will typically find any resolution. The businesses that adopt this approach knowingly embrace the fact that all consumers, at some point, will eventually give up any hope of receiving satisfaction or resolving problems they encounter through customer service.[2] Because they know that you will eventually give up, they purposefully make it difficult to get the help or answers a consumer actually wants. Some companies do not even have phone numbers and do not offer any help over the phone! Instead, by providing a frequently asked questions page and some generic examples

of issues a chimpanzee many encounter, they can eliminate any interaction (cost) involved with solving issues.

How does a business know you will give up? Federal minimum wage in the United States is currently $8.00 an hour. Broken down incrementally, every time you spend ten minutes trying to get a dollar back, you are working for less than minimum wage. This, along with the multiple hoops a company creates ensures that most consumers will eventually give up. While your time may be free, it is unlikely best spent chasing down a chance at a refund from a company that most likely does not care about your repeat business. Often times when all is said and done, even when a consumer does get his or her money back, the effort may have been tedious, exhaustive, and annoying, leaving them with a worse impression than before.

When the consumer can't find what they need on the self-help pages on the web, they may be bold enough to call if the business offers a help line. Before getting to a live human being on the other end, consumers are often required to enter a series of prompts, personal information, and verification. Some systems also now use interactive software, where the customer actually talks and gives prompts to a computer. While commonplace, these automated systems are ineffective because they annoy, upset, and leave the customer frustrated when unable to reach the intended party. Extended hold times, transfers, and rerouted calls are all more chances to lose the customer, possibly for good in her quest for satisfaction.

If a consumer goes beyond the self-help, and the automated call system, and is lucky enough to get a real person on the phone, first line customer service representatives often do not have the power to make a decision, but instead will offer help or suggestions in very generic terms. First-liners will often say "no," knowing that many who advance to this far in the journey may stop, thinking they cannot get resolution. Another strategy often used is to make suggestions to "check us out on the web" or to look at our "self-help page," or even to buy a newer or better product. Without resolution still, as the consumer tries to climb the ladder of competency, which at times appears to be rung-less, businesses know the chances of you giving up increase. This is because they will often get consumers off of the phone before escalation to a supervisor, with the promise of a call back. This break in communication means there is a greater chance that you

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will not get satisfaction because of missed calls, failure of representatives to pass messages to supervisors, apathy, and of course the companies' elusive contact methods.

This is not to say that all companies do not care about loyalty and satisfaction, but that the trend is toward ignoring existing customers and focusing on how to get new customers to replace the ones they lose. Several experts think that the actual key to success in business is to create loyalty.[3] These experts tend to agree that customer satisfaction data collection does little help because it often has no correlation to sales or growth. The only thing driving sales and growth tends to be loyalty, which in turn gives free promotion through word of mouth. However, companies do not achieve this type of loyalty, generally, without good customer satisfaction and retention. Companies will waste millions of dollars a year on surveys, but these mean little when car companies can be bribed for $500 off of a new car for a perfect customer service review or chiropractors offer a free adjustment for a positive online review. These are not uncommon, and add to the unreliability of satisfaction surveys and reviews.

Consumers today often have little to no power to negotiate or renegotiate terms once a transaction has been completed. When a company intentionally fails to provide reasonable service, it is failing (some say betraying) its customers, and that is an ethical issue. So what can you do? The easiest way to tell a business you don't appreciate their lack of care is to **take your business elsewhere.** Continue to support business that care about your needs and want to build a relationship. Reward good customer service, and think as a business about how you are choosing to operate. The CEO of Clorox hit the nail on the head in a 2010 F*orbes* magazine interview,

"When a company models that kind of behavior inside and out, when it walks the walk, then it establishes a solid foundation of trust. It solidifies its reputation and makes

business transactions and partnerships happen much more quickly. Whatever a management team can do to engender that trust with customers, with suppliers or with whichever constituency it's dealing with—consistent with a set of values and principles that is just will not violate—is only to its long-term benefit."[4]

Do you care about your customers, or do you Just Say No? ❏

Endnotes

1   *Self-Service Technologies* are instances when a consumer can initiate service without employees and only a technological interface.

2   *What's Wrong with Customer Service?*, Consumer Reps. Mag. (July 2011), *(excerpt) available at* www.consumerreports.org/cro/magazine-archive/2011/july/shopping/customer-service/overview/index.htm (explaining how two-thirds of consumers leave a store each year for bad service and hang up on costumer service every year without resolution of his/her issue).

3   *See* Frederick F. Reichheld & Phil Schefter, *Put a New Lens on Loyalty – to Magnify Profitability*, Harv. Bus. Rev. Onpoint, July 2001

4   Don Knauss, *The Role of Business Ethics In Relationships With Customers*, Forbes (Jan. 19, 2010, 6:40 PM),