



Aptean Respond

Optimise Your Business Growth with Customer Service Excellence

How understanding the
customer complaint
journey can unlock
your true business
potential





Changing the face of customer service is all about aligning the day-to-day, customer-facing tasks with executive and customer priorities.



Customer service isn't easy. Without happy customers, it's impossible to grow your business. Because of this, many financial services organisations are putting customer service at the very heart of their business. While feedback and complaints play a vital role in driving product, service and process improvement, many businesses still struggle to harness the insight that be derived from these two crucial aspects of customer service.

Changing the face of customer service is all about aligning the day-to-day, customer-facing tasks with executive and customer priorities. It's important to understand the connection between complaint management, customer experience (CX) excellence and organisational performance, and a failure to recognise the interconnectivity of customer service with every other department, leads to inevitable gaps within your business. This whitepaper provides valuable complaints and feedback insight from the customers' perspective. We shine a light on how to improve the customer experience, as well as looking at how the right complaint management solution can improve customer interactions, accelerate case and complaint resolutions, and generate actionable insights to boost your overall business performance.

What do customers care about?

Companies that succeed often follow the same simple rule: the customer always comes first. Customer service shouldn't be an isolated department but a service that's in place across every aspect of your business. If all your employees make decisions with a customer-first mentality, you can't help but improve the customer experience. And, make no mistake, customers expect nothing but the best. A Microsoft [study](#) discovered that as technology continues to drive the customer experience, customer expectations are rising and show no sign of stopping.

54%

of respondents say they have higher expectations for customer service today than they had one year ago.

68%


of customers have a more favorable view of brands that offer or contact them with proactive customer service notifications.

72%

of respondents expect customer service agents to have insight into their purchase history and previous engagements with the brand.

96%

of respondents say customer service plays a role in their choice of and loyalty to a brand.



Businesses that address complaints in a timely, genuine manner are setting themselves up for success. Conversely, firms who don't take customer complaints seriously are preparing themselves for failure.

These numbers are simply too high to ignore. Instead, they can and should be used to motivate executives and employees alike to put customer service excellence at the heart of the business. The payoff will be worth it if organisations seize the opportunity.

Dimension (score out of 100)	Jan 2020	Jan 2019	Year-on-Year Change
Experience Measure the quality of customers' experience and interactions with organizations	78.1	78.6	-0.6
Complaint Handling How organizations respond and deal with problems and complaints	58.8	59.4	-0.6
Customer Ethos Extent to which customers perceive that organizations genuinely care about customers and build the experience around their customers' needs	76.4	77.5	-1.1
Emotional Connections The extent to which an organization engenders feelings of trust and reassurance	76.0	77.0	-1.0
Ethics Reputation, openness and transparency and the extent to which an organization is deemed to "do the right thing"	74.9	75.8	-0.9

The [Institute of Customer Service \(ICS\)](#) studied customers' behavioural patterns over 12 months. The chart above highlights what it is that customers value as most important when evaluating an organisation—a shortlist of what they consider when forming an opinion of a company.

Simply put, complaint handling is the management of customer complaints; how employees within an organisation process a complaint from start to finish. The businesses that handle complaints most effectively tend to retain their customers, have clear communications (both internally and externally), and operate efficiently.

While the research shows that complaint handling is a critical aspect of the customer journey, other customer service functions have a key role to play as well. The ICS found that the highest performing organisations for customer satisfaction tend to be highly rated across all dimensions of customer satisfaction, including but not limited to complaint handling.

Businesses that address complaints in a timely, genuine manner are setting themselves up for success. Conversely, firms who don't take customer complaints seriously are preparing themselves for failure. The Microsoft study indicates 58% of global respondents who have stopped doing business with a brand due to a poor customer service experience, so it's clearly a risk not worth taking.

It's important to remember: if a customer complains, it means they care. Take what each of your customers has to say seriously and communicate clearly every step of the resolution: the right complaint management solution is the perfect tool to help you do this effectively and efficiently.

The Complaint Journey

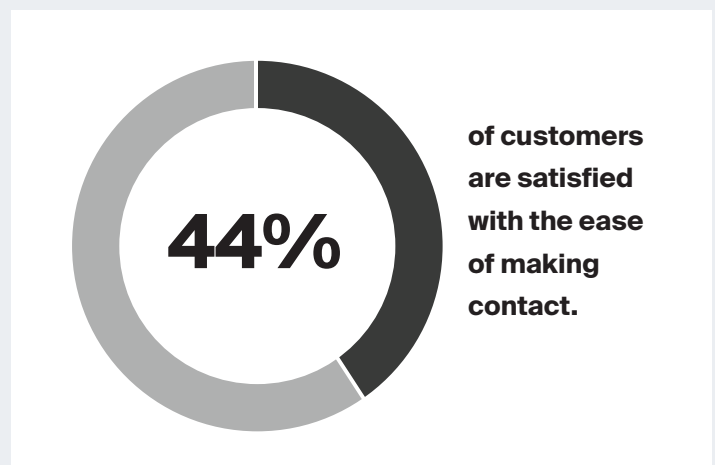
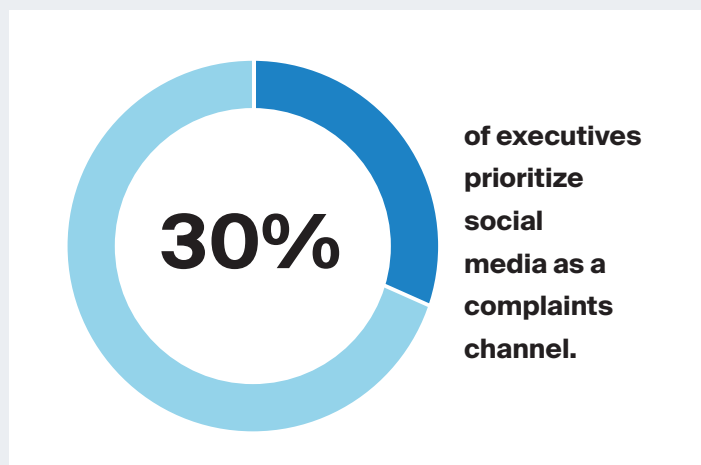
The complaint journey is a complicated one—a lot must happen for a dissatisfied customer to feel they've achieved a definite sense of resolution. A complaint typically moves through five stages in its journey, with each step invaluable to ensuring the customer has a positive experience with your enterprise, paving the way for increased customer loyalty and assured future business.

1. The Capture Stage - keep stats image - link to source <https://www.huntswood.com/insights/complaints-outlook-2019-insight>

Offering a choice of communications channels is critical at the capture stage. Customers like to use their preferred communications channel (email, telephone, social media, etc.) to complain. The customer who can communicate with their preferred channel when complaining is more satisfied than the one who can't, and customers tend to be more upset if they have to use a platform they don't necessarily enjoy. Customers want to feel like it's easy to raise issues with companies; that the company empathetically understands their problems and their needs from the outset, so they can begin to trust that you will investigate their issue fairly and promptly.

Selecting which channels to offer your customers should not solely be about cost-to-service. There's a risk involved in driving customers to a channel that may not be their first or even second preference and so it's vital to grant your customers that choice, letting them decide what works best for them.

In terms of aligning executive priorities with those of frontline complaint handlers, it's valuable to consider the ROI involved in a complaint management solution. By providing customers with self-serve complaint communication options, the phone will undoubtedly ring less, meaning that there's no need to dedicate an entire team to a call-center operation, for example. By utilizing the tools within a complaint management solution, you can record all those first-points-of-contact, eliminating the need to re-key information and optimizing your staff resource, saving you time, effort and money.



Source: Huntswood Complaints Outlook 2019

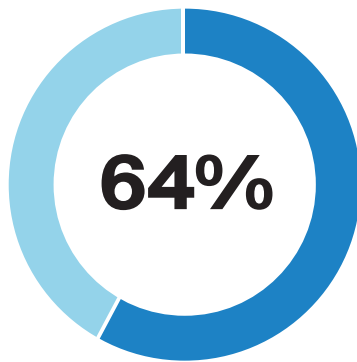
2. The Investigation Stage

When investigating a complaint, customers need to be updated and their expectations managed. They often understand that complex issues take time to resolve, but they need to know that your organisation is doing what it can to address the issue. They also want to know that you're considering their particular set of circumstances.

Much of the complaints heavy-lifting is performed at this stage of the journey, and it's crucial to better align employees' capabilities by moderating some of the low-value activities of case professionals, freeing them up to pursue more considered, value-add activities. With the right complaint management solution, regular communication with the customer can be automated and delivered at the right time, meaning less onus on the customer to chase-up outstanding issues and more time for case handlers to progress the resolution.

This stage of the journey also provides a unique opportunity to not only nurture customer loyalty but to create valuable customer advocates in the process. With 74% of consumers identifying word of mouth as a key influence in their purchasing decisions, never has customer advocacy been more important.

By complaining, a customer is presenting you with an opportunity to earn back their business and their trust. This stage gives you a real opportunity to show customers that you know them and their history with you, but also that you really GET them. It's about their needs, their circumstances, and their limitations. Yes, there will be frameworks and guidelines in place to help shape outcomes, and rightly so, and you'll want a complaint management solution that can manage the complexity involved with case management—the capture, storing and sharing of evidence internally and with arbitrators. But, listening to and understanding a customer may mean going outside of those guidelines. Your employees, with the right governance, should be empowered to do so. It's only then that you can hope to start the transformation from unsatisfied customer to loyal customer advocate.



**of customers
had to
contact their
provider to
chase for an
update.**

Source: Huntswood Complaints Outlook 2019



3. The Resolution Stage

Keep diagram, link to source <https://www.huntswood.com/insights/complaints-outlook-2019-insight>

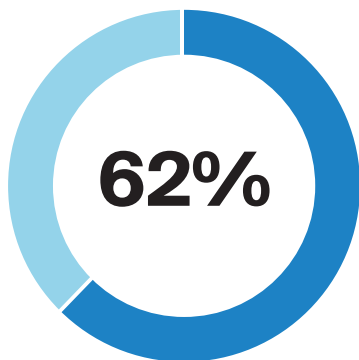
This is undoubtedly the most critical stage of the journey. What happens in the resolution stage can make or break the future of your customer's relationship with your company. Truly understanding your customer's complaint and coming to a resolution that promotes trust and transparency is the key to success.

When a customer raises a complaint, they are looking for a resolution that seems right (to them) and one they can understand. We can see that 62% of customers are not happy with the explanation they received about the outcome of their complaint. If they don't understand why a decision has been made, it's highly unlikely they'll feel that it's right and fair.

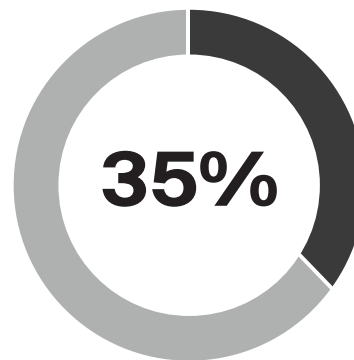
Complaint handlers must showcase their emotional intelligence in these situations. Firms that are hiring complaint handlers should make this attribute a priority when it comes to staffing the frontline. More important than product or process knowledge is the ability to display empathy, listening carefully and showing authentic interest in the complainant's predicament. Your complaint handlers are at the forefront of the customer experience journey and so it's vital that they have those qualities and the ability to communicate clearly and effectively.

When a customer complains, you want to make them comfortable not only with the outcome, but throughout the entire process. This starts with the complaint handler.

Risk reduction is key. In the resolution stage of the customer journey, you want to create as few risks as possible. This means mitigating adverse outcomes associated with the customer experience. By employing a complaint management solution, you're eliminating some of the common potential danger zones—miscommunication, delayed communication, undesirable outcome, customer defection. Risk reduction is all about ensuring quality and plays an essential part in the entire complaint resolution process. As such, a thoughtful, thorough and tenacious approach to quality is key to improving customer outcomes.



62%
of customers are dissatisfied with the explanation they received about the outcome of their complaint.



35%
of customers are satisfied with the outcome of their complaint.

Source: Huntswood Complaints Outlook 2019

Utilizing a complaint management solution that has text alert capabilities can help ensure quality. Providing just-in-time alerts has a significant impact on our behaviour. The Financial Conduct Authority's (FCA) [research](#) shows that customers receiving a text notification at the right time prompts them to get in touch, speeding up the resolution process. This helps to reach a mutual agreement, bridging the expectation gap and putting you and your complainant on the same page.

Trust is essential to any relationship, and it's at this stage in the customer journey that you have the chance to build trust. Part of that is done through communication and involves being clear and transparent in how exactly you've fixed something for a customer, whether they like the outcome or not. We often focus on the happy path, when there's a lovely mutually agreeable solution to a complaint, but that isn't always the case. The need to help and guide the team in delivering an outcome that isn't what the complainant wants is both an art and a science. The art is the emotional intelligence of the complaint handler, making the selection of team members crucial. The science involves guiding handlers along the process, which makes it all the more important to choose the right complaint management solution to do just this.

At this stage of the journey, it's also important to be aware of inefficiencies in your complaints management processes. Creating email and letter responses to complaints on an ad-hoc basis, for example, is time-consuming and prone to human error. Complaint management solutions promote consistency and efficiency across all types and levels of complaint handling.

In addition to selective automated responses, a complaint management solution allows users to track the status of open complaints in various stages of resolution; uncover the root cause of customer complaints, spot trends and correct underlying issues, and comply with regulatory demands through templates, timelines and reporting features.

Complaints are typically friction points in customer journeys, highlighting areas that cause customer irritation. By identifying the root cause of complaints and then eradicating them, the entire journey will be more pleasant, the customer experience will be improved, and you can create customer advocates. Simply put, a robust complaint management solution provides you with the analytics and insight you need to make your business better.

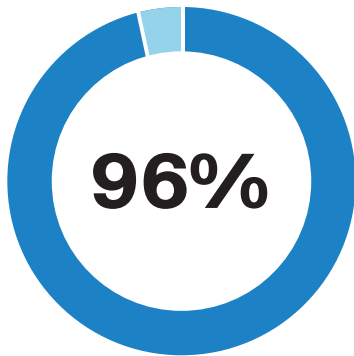


4. The Fulfilment Stage (keep diagram, link to source - <https://www.huntswood.com/insights/complaints-outlook-2019-insight>)

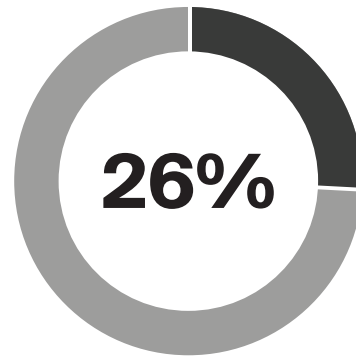
In terms of fulfilment of the case, keeping your promises is crucial to driving up satisfaction. By delivering a positive complaint experience, you're much more likely to create a customer advocate. 96% of companies believe that complainants can be turned into advocates, but only 26% of customers are satisfied with their complaint experience. While it's almost impossible to get 100% customer satisfaction, there remains a massive opportunity to get things right more often.

Too often, the fulfilment process is a manual activity with holes in it, as colleagues outside the case-handling function invariably complete it. The handoff is often manual and assumed to have taken place, potentially causing reputational damage. Consider the benefit of automating that handoff via a robust complaint management solution—not only is it operationally more efficient, but you can ensure your fulfillment promises have been kept.

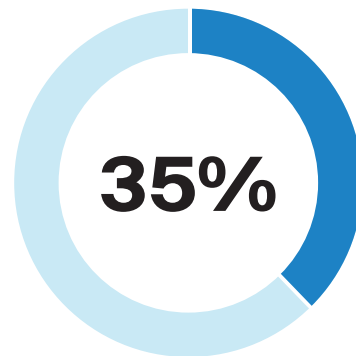
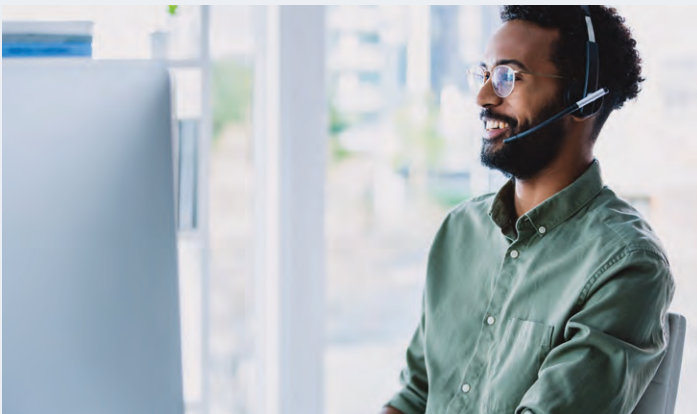
Complaint handling and customer recovery are critical measures for customer satisfaction. How a customer scores these measures depends on their experience, their emotions and your ethics. You may also want to consider a progressive approach to how you measure the performance of your case handling professionals, incorporating satisfaction scores directly from customers. Automated survey capabilities within a complaint management solution allow you to do this based on a specific case handler or a case-by-case basis. This represents a direct link between the case handler and the customer's perception of them, helping your employees to feel understood and that their performance is being fairly evaluated.



of companies believe that complainants can be turned into Advocates.



of customers were actually satisfied with their complaint experience.



of satisfied customers tell friends/family of a positive complaint experience.

Source: Huntswood Complaints Outlook 2019

5 The Insight Stage

Now that you have captured, investigated, resolved and fulfilled a complaint, there's still one more stage to go: the insight stage.

Complaint handling is key to combatting dissatisfaction but it's not a guarantee of increased satisfaction. The [UK Customer Satisfaction](#) Index identified that it's only complaints achieving a satisfaction rating of 9 or 10 (out of 10) that lead to a higher-than-average overall satisfaction. This means over 70% of complaints are likely to result in lower-than-average customer satisfaction. Complaint excellence matters when looking to improve customer satisfaction.

While productivity, channel preference and addressing the root cause of complaints are important when looking at improving customer satisfaction, it's also worth considering employee engagement. You need your customers to feel you're capable of fixing things, reducing problems to make it easier for them to do business with you. That sentiment needs to be felt through the technology you offer and your processes, but also through the experience they have with your employees. And your employee needs to be engaged to deliver that level of expertise.

The Institute of Customer Service found compelling [evidence](#) that high levels of employee engagement lead to stronger customer satisfaction, loyalty and business performance. A comparison of organisations' customer satisfaction and employee engagement scores suggests that a one-point increase in employee engagement is likely to give a 0.41-point increase in customer satisfaction. And [Forbes](#) highlighted that 73% of companies with above-average customer experience perform better financially than their competitors.

Increase in
employee engagement

Employee Engagement

+1 = 0.41

Increase in
customer satisfaction

Source: Institute of Customer Services



5.8 out of 10

Average satisfaction rating with
complaint-handling processes

Achieve Customer Service Excellence

The customer experience informs all departments within an enterprise, shaping products, processes and organisational culture. This is why achieving customer service excellence should be a topmost priority for your enterprise. By successfully managing complaints, you have the potential to create not only brand loyalists but brand advocates. They offer unsolicited praise of your business, sending other customers your way. And, the best part of the unsolicited praise is it's free! The only way to experience this kind of brand loyalty is by taking care of the customers you do have, treating them and their opinions with respect and empathy, and delivering on your promises.

There is an ever-increasing conversation around the importance of the customer experience and the need to provide an authentic, transparent, trustworthy and differentiating experience for customers. Many organisations want to drive further customer experience improvements but struggle to get senior leadership support. It's safe to say that executive priorities are often centered on growth, cost reduction and risk reduction but increased customer satisfaction is proven to lead to more revenue growth, and excellent complaint handling inevitably leads to increased customer satisfaction. As the key to overall business growth and success, it's never been more critical to invest in achieving customer service excellence.

Conclusion

As the research in this whitepaper indicates, it's extremely valuable for your enterprise to make customer satisfaction a key performance indicator. Good complaint handling is no longer enough. Ticking the regulatory boxes is not enough. And that's not just for organisations who want to deliver a great customer experience, but also for those organisations who wish to optimise their growth potential. You need improved customer satisfaction to do that and complaints excellence is a key part of getting that customer satisfaction up to where it should be.

A complaint professional does more than only manage complaints; it's their responsibility to drive up customer satisfaction and grow the business. It's hard to do, but it's no longer hard to measure. With the right training, staff and tools in place, you can quantify the impact of making your business customer satisfaction driven, with complaints excellence a crucial factor in driving increased revenue for your organisation.



Aptean Respond is a solution that puts customer satisfaction at the forefront, and the Aptean team is committed to enabling and ensuring your organisation's success. If you'd like to learn more about how you can utilise all the tools within Aptean Respond to position complaint handling excellence at the forefront or further discuss the customer journey, reach out to us at info@aptean.com.

Aptean provides very specific industries with very specific ERP, supply chain management, and customer experience solutions. In today's fast-paced, highly competitive economy, organisations don't have time to waste forcing home grown software, spreadsheets, and one-size-fits-all solutions to do things they were never designed to do. Aptean is on a mission to end those workarounds – with industry-specific solutions instead of generic software, expert support instead of making you go it alone, and a steady influx of new ideas instead of the status quo. For more information, visit www.aptean.com



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