⚫ **Unit 36: Develop customer relationships**

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**n this unit you’ll learn to build on your customer service skills to develop long term relationships with your customers. The best type of customer is a returning customer & a customer is likely to return if they have received truly excellent service from YOU!**

**CUSTOMER RETENTION**

We live in a competitive world and there will always be another organisation eager to make your customers theirs! Any successful organisation knows that a loyal customer is worth their weight in gold.



It is relatively easy to bring in new customers with the help of marketing and promotion, a far trickier task is keeping those customers long term, developing a great relationship with them and making sure they have no intention of looking elsewhere for the services and products you supply.

It is well proven that any organisation with a high customer retention rate will grow faster than one that constantly strives to find new customers.

Customer retention only occurs when an organisation ensures a high level of satisfaction in every transaction with the customer. The customer must feel that your organisation exceeds all expectations and has the flexibility to adapt to changing needs. A long term customer is the best form of marketing that your organisation can develop because they will happily and readily recommend your services to others.

**GET PERSONAL!!**

A customer is far more likely to return to your organisation if they feel that they’ve had a really personal level of service.

**There are lots of things you can do to provide this personal service including :**

* Meeting every customer with a smiling friendly greeting. Introduce yourself and ask them how you can help.
* Make them feel valued as an individual. Use their name-let them know that you know who they are.
* Try to remember specific details about them; what products and services they’ve used before, when they last visited, or ask them personal questions: “how are your family?”, “ Was your holiday enjoyable?” Etc.
* Always listen carefully to everything they say. Showing an interest in people makes them feel good!
* Always remind them that you’re here to help with whatever they need.

**ALWAYS BE HONEST!**

You’ve already learnt that it’s important to under promise and over deliver. If you over promise, a customer will feel let down and dissatisfied. You must also make sure that every customer is aware of the limitations of your service. There will always be a limit to what you can offer anyone; products you can’t supply or services that are beyond your organisations capabilities. Good customer service is not just about saying “YES!” , sometimes you need to say “NO” but you must find a way of saying it politely and reasonably. If you’re honest about what you can’t do, as well as what you can, your customers will be much happier.

Customers may make requests which you cannot deliver for legal reasons, they may ask you to do the impossible or they may ask you to do something that is against your company policies and procedures. When this occurs, be honest with them. Explain why it’s impossible for you to say “Yes” and try to suggest alternatives instead. Try to tell them what you CAN do instead of what you can’t.

**ADAPT TO CHANGE!**

Customer’s expectations inevitably change, to succeed in business your organisation much change with them. A customer will quickly get used to a good level of service and expect more! To provide exceptional customer service you need to be flexible and adaptable and constantly strive to improve.

By interacting with your customers and offering them a personal level of service you will be far more aware of their needs. Speak to them as you’d like to be spoken to yourself, show you care wherever and whenever you can & try to get some feedback from them. If you maintain a good personal relationship with your customers you will be aware of their changing expectations and better equipped to adapt. Get feedback from them and pass this feedback on!! Let your line managers know what your customers want & become part of a responsive organisation that really understands exceptional customer care.

**WHAT CUSTOMERS EXPECT FROM YOU**

Customers will always expect you to :

* Respond to their requests promptly
* Understand what they need or want
* Tell them what to expect
* Follow up their requests or enquiries
* Be socially responsible and ethical
* Do it right first time
* Be accessible-attend to a customer straight away and answer the telephone promptly
* Be courteous at all times
* Be fully informed of your services and products

**THE TRUE COST OF CUSTOMER RELATIONS**

If your organisation can constantly deliver a superior standard of customer service and understand the importance of developing customer relations, it will find itself saving money in the long run.

Adapting to customer’s changing expectations may have financial implications but any cost will serve as an investment in maintaining good customer relations and ultimately save your business money.

The cost of bringing in new customers is ALWAYS higher than the cost of retaining existing customers. Bad service costs money. On average an organisation spends up to 40% of operating costs putting right customers problems or doing a job again because it was unsatisfactory the first time round. However, efficient, customer focused organisations that invest in customer relations and therefore ensure customer retention can expect to reduce this cost to just 10%.

**Meanwhile at a really personal level…**

Relationships with customers are enhanced require that you demonstrate assertive behaviour as effectively as possible.

 Assertiveness is a method of communication that lets others know your ideas and feelings, while respecting their feelings as well.

**Aggressive behaviour**

A person behaving aggressively states her feelings directly, but she violates the rights of others. For example, suppose a neighbor asks you to baby-sit her four children and you don't want to. An aggressive response would be to say, "No, I won't baby-sit. You just drop the kids off and don't come back when you say you will and so I end up canceling my plans. And besides your kids are brats and don't know how to be quiet when my shows are on." While all of this may be true, your aggressive response may anger your neighbor or hurt her feelings.

Aggressive behavior often produces the desired outcome--at least for the moment. Releasing feelings of anger or frustration can sometimes give a person a sense of control in the situation. If, however, a person continually ignores the feelings of others, she may find herself alone and un-liked.

**Assertive behaviour**

An Assertive answer would be honest and direct, but not disrespectful. One such response might be, "No, I'm sorry I can't baby-sit today. If you need me to help you out in the future, I need to have at least a few days notice so I can fit it into my schedule. I would also need you to work with me to reinforce the rules of my house with the children."

Assertiveness allows individuals to feel good about having expressed their needs, thoughts, or feelings and about making their own choices. Assertive behavior also produces desired results more often. This skill takes practice. By expressing yourself in ways that don't put down or offend others. You are more likely to make your point. Likewise, making your feeling known, instead of keeping them hidden, lets others know where they stand.

**Passive behaviour**

When you respond passively, you avoid immediate conflict, but you may be upset and resentful because you haven't expressed your true feelings. A passive response would be to cancel your own plans and take care of the kids.

Just because you give in to someone else doesn't always mean you've been passive. It could mean you've made a conscious choice in yielding. Or, it could be because you honestly agree with the other person. Being passive refers to consistently doing things you don't want to.

How good are you at communicating your needs? Do you let people know how you're feeling? Or do you expect them to get that information from reading your mind? If your words say one thing and your body language says another, people will remember and believe the non-verbal clues.

Verbal language is the language of information

Non-verbal language is the language of relationships

**Unit 36 Assessment Activities**

**This unit is all about how you develop relationships with your customers**

**When you deal with your customer** regularly, you want to make each encounter a good customer experience. The impression you create and the way the service is delivered affects this in just the same way as when you deal with a customer only once.

**Key words and phrases for this unit:**

• retaining customers

• customer confidence

• allocate time

• reassure customers

• meet expectations

• balance expectations

• work with others

• give additional help

• long-term relationships

• advise others

• gather feedback

However, a longer-term relationship with a repeat customer also depends on building up your customer’s confidence in the service you offer. Loyalty and a long-term relationship rely on your customer having a realistic view of your organisation’s service and being comfortable with it.

Your customer will return to your organisation if they feel confident that they will receive excellent service because they have enjoyed good customer experiences with you before.

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| **⮛ START HERE ⮛** |

**1. Why is customer retention important to your organisation?** *36.ku.a*

**2. What are the cost implications of bringing in new customers as opposed to retaining existing customers.** *36.u.h*

**3. What are the cost and resources implications of an extension of the service offering to meet or exceed customer expectations.** *36.ku.g*

**4. What are the limits of your organisation’s current service offering.** *36.ku.e*

**5. Who would you have to consult, obtain authorisation form, to change your service offering.** *36.ku.i*

**6. How does your own behaviour affect the behaviour of the customer** *36.ku.b*

**7. What can you do to defuse a potentially stressful situation; ie a queue of customers is forming** *36.ku.d*

**8. How might your customers’ expectations change as they deal with your organisation** *36.ku.f*

**9. Give 3 examples from your own experience in which you have behaved assertively under pressure.***36.ku.c*

The knowledge and understanding from unit 36 has been satisfactorily completed, all work carried out by the learner

Assessor’s Name: Signature:

The work in this unit is all my own

Learner’s Name: Signature: Signature:

Date:

Assessor Feedback:

**Below are the standards for Unit 36.**

**Working with your assessor you will need to provide evidence that you are competent in each standard.**

***UNIT 36*** *Customer Service Standards*

***When you develop customer relationships you must consistently:***

*36.p1.a) show that you know and understand your organisation’s services or products*

*36.p1.b) allocate the time you take to deal with your customer according to organisational guidelines*

*36.p1.c) reassure your customer that you are doing everything possible to keep the promises made by your organisation*

*36.p2.a) recognise when there may be a conflict between your customer’s expectations and your organisation’s service offer*

*36.p2.b) balance your customer’s expectations with your organisation’s service offer by offering an alternative or explaining the limits of the service offer*

*36.p2.c) work effectively with others to resolve any difficulties in meeting your customer’s expectations*

*36.p3.a) give additional help and information to your customer in response to their questions and comments about your organisation’s services or products*

*36.p3.b) discuss expectations with your customer and explain how these compare with your organisation’s services or products*

*36.p3.c) advise others of feedback received from your customer*

*36.p3.d) identify new ways of helping your customers based on the feedback they have given you*

*36.p3.e) identify extra added-value that your organisation could offer to long-term customers*

***People competent at developing customer relationships you need to know and understand:***

*36.ku.a) the importance of customer retention*

*36.ku.b) how your own behaviour affects the behaviour of the customer*

*36.ku.c) how to behave assertively and professionally at all times*

*36.ku.d) how to defuse potentially stressful situations*

*36.ku.e) the limitations of the service offer*

*36.ku.f) how customer expectations may change as they deal with your organisation*

*36.ku.g) the cost and resource implications of an extension of the service offer to meet or exceed customer expectations*

*36.ku.h) the cost implications of bringing in new customers as opposed to retaining existing customers*

*36.ku.i) who to refer to when considering any variation to the service offer*

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**On-programme administration checklist**

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| **Activity to be completed at the end of this unit** | **Assessor’s initials** |
| 1) Complete Action/Review Plan with learner |  |
| 2) Forward copy of assessment plan/review to Administration |  |
| 3) Update Skillwise |  |

All administration for the end of Unit 36 is complete

Signed…………………………………………. Date…………………