



Customer Service

9. Handling complaints

In business, an effective system for handling complaints is critical. Good complaint management can have a positive impact on customers.

Customers are essentially looking for their problem to be:

- easy to report
- acknowledged
- dealt with quickly, sensitively and fairly.

If a customer raises a problem with you and it can be dealt with early, it may prevent it escalating into a formal complaint.

The more times the customer has to contact you about the complaint, and the more times it needs to be escalated to someone higher up in the business, then the more dissatisfied the customer will become.

The management of complaints should include a system of recording them, as this provides a valuable source of information on issues causing problems for customers in general. This in turn allows you to take the necessary action to ensure the source of the problems is identified and prevented from recurring.

Research has shown that in some cases you can regain, maintain or even increase customer satisfaction by handling complaints well. However, emphasis should still be placed on getting things right the first time. It is certainly less costly, disruptive and risky as a customer retention strategy.

Handling customer complaints involves handling the customer well. It is not just about focusing on the specific problem or complaint. There are three key stages, namely:

- taking details of the customer's problem
- dealing with the customer and the problem
- following up after the problem.

To assist you to handle complaints from customers, follow the checklist on the next page.

Checklist - Handling complaints

1. Taking details of the customer's problem

- ▷ Make it easy for your customers to raise problems with you.
- ▷ Thank the customer for raising their problems with you.
- ▷ At all times treat the customer with genuine empathy, courtesy, patience, honesty and fairness.
- ▷ Respond to the problem quickly, tell the customer how it will be handled and advise them when they can expect a response.
- ▷ Speak to the customer in person and do not rely solely on any written complaints or records of conversations.
- ▷ Demonstrate to the customer that you clearly understand the full nature of their problem, by:
 - listening – do not jump to conclusions, apportion blame or become defensive
 - asking questions to clarify the situation. Familiarise yourself with any background information before you speak to the customer. This could include checking internal records, speaking to staff involved and checking how this compares with the customer's version of events
 - summarising your understanding of the problem.
- ▷ Once details of the problem have been taken, advise the customer what will happen next.
- ▷ Provide one person to manage the problem to its outcome.
- ▷ Ensure that all your staff dealing with complaints have the full authority to organise solutions acceptable to the customer.

2. Dealing with the customer and the problem

- ▷ Advise the customer that you are taking full responsibility for dealing with the problem.
- ▷ Adopt a solution-focused approach by actively involving the customer in this process.
- ▷ Ensure the customer is happy with the proposed solution before proceeding.
- ▷ Keep the customer informed of progress during the process.
- ▷ Ensure all promised action is fully completed promptly.
- ▷ Clearly advise the customer of the outcome of their problem.
- ▷ Advise the customer of any action that will be taken to prevent the problem arising again.
- ▷ Always work within government regulations and ensure customers' rights are protected.

3. Follow-up after the problem

- ▷ Ideally within 1 week, follow up with the customer to check that everything has been satisfactorily resolved.
- ▷ Keep a record of all problems and complaints raised and analyse the information gathered.

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May 2006