

CONSUMER AFFAIRS

Handling Customer Complaints

No matter how hard you try, and how good your staff are, it's inevitable that one day a customer will complain about your service, your goods or about how they've been treated. Believe us, it will happen.

At Consumer Affairs, we're at the sharp edge of the complaints-receiving business, with thousands of telephone and written complaints lodged with us every year regarding goods and services provided by traders.

We provide a conciliation service based on the relevant legislation; however in many cases consumers are able to resolve their dispute with the trader with minimal assistance.

CUSTOMER COMPLAINTS

While many business people regard a customer complaint as a negative experience, complaints that are handled properly can result in a previously unhappy customer singing your praises.

Look on a complaint as one of the best opportunities you have to demonstrate your commitment to creating another satisfied customer. Customer loyalty is one of the biggest assets a business has; fight for this loyalty – be passionate about it!

Complaints should be handled sympathetically and promptly. Some businesses believe that if they don't receive many complaints, their customers must be satisfied. Wrong! Only a few customers will complain to you. The majority will not return to your business and will tell others of their bad experience.

WHY SHOULD YOUR BUSINESS WELCOME COMPLAINTS?

Some published statistics say that:

- a typical business hears from only 4% of its dissatisfied customers; the other 96% just go quietly away and 91% of them will never go back;
- a typical dissatisfied customer tells more than 8 people about his or her problem;
- 7 out of 10 complaining customers will do business with you again if you resolve the complaint favourably

HANDLING COMPLAINTS

Try putting the following points into practice:

- Set up a complaints handling system and train your staff to handle complaints well;
- Make it easy for customers to lodge a complaint;
- Welcome customer complaints and deal with complaints promptly.

OVERLEAF ARE SOME STEPS TO SETTING-UP A COMPLAINTS HANDLING SYSTEM

The major cause of a breakdown in communication when handling complaints is misunderstanding. So it's wise to keep a record of all promises, agreements and undertakings. All business, large and small, can benefit from a clear system for handling complaints.

<p>1. Decide how your business should handle complaints:</p> <ul style="list-style-type: none"> • Involve your staff in developing a complaints handling system. • Decide who will handle complaints, while remembering that handling complaints well is ultimately everyone's job.
<p>2. Anticipate potential problems or mistakes, then work out possible solutions with your staff. For example, what do we do if:</p> <ul style="list-style-type: none"> • We're short-staffed? • The customer is angry after we've apologised? • We didn't deliver on time? • The computer 'goes down'? • The order went missing?
<p>3. Write down your new policy and how it will work in practice:</p> <ul style="list-style-type: none"> • Consider what you are required to do under the relevant legislation eg the NT's <i>Consumer Affairs and Fair Trading Act</i>
<p>4. Spread the word:</p> <ul style="list-style-type: none"> • Make sure all staff understand the new policy, why it was introduced, how it will work and what they should do. Be aware that some staff training will be necessary.
<p>5. Make it worthwhile:</p> <ul style="list-style-type: none"> • Encourage and even reward your employees for finding disgruntled customers and handling their complaints well.
<p>6. Make it easy for your customers to complain:</p> <ul style="list-style-type: none"> • Publicise your system – let your customers know that your business welcomes complaints. • Invite your customers to let you know if they were satisfied with the way their complaint was handled.
<p>7. Test it:</p> <ul style="list-style-type: none"> • Trial the system for a set period of time; for example 2-3 months.
<p>8. Monitor it:</p> <ul style="list-style-type: none"> • Assess how well the new system is working and make any necessary changes. • Discuss any problems that occurred with your staff and work out possible solutions. • Use customer feedback to highlight any problems. • Use customer records to check how well and how quickly your staff are handling complaints.

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