**Mini Case 1.1**

**Listening to Customers**

**1. Explain why feedback from social media sites can be more accurate than surveys.**

*As soon as people are asked for their opinion, they filter their replies. Maybe they’re afraid of getting someone fired. Maybe they want to sound smart. Maybe they don’t want to hurt the feelings of the person asking the question. Maybe they are mean. But on social media, you’re seeing people’s unfiltered conversations, reactions, and opinions. That’s a gold mine of information for the brand brave enough to look for it.*

[Gary Vaynerchuk](http://garyvaynerchuk.com/private/78853225/6mI4hc6WDk13myebWCLZFuwh) [*Thank You Economy*](http://thankyoueconomybook.com/). March 2011

With the latest ‘social listening’ tools, you can find out what people are actually saying in their day-to-day interactions on social media platforms, blogs, discussion forums, and websites. The resulting insights are often more accurate than formal surveys, and they are available in real time so that you can know what people are thinking right now − not last month or last year.

This is important, as former chief executive of Tesco, Sir Terry Leahy said ‘never stop listening to customers’, and there is no better way of listening in real time. The speed of change today is rapid and companies need accurate customer feedback quickly to change their offering to suit the demands of ever more fickle customers. This can be the differentiator between companies and often, first to the market ensures a more profitable future. Even, Walmart has changed its approaches toward social media and boosted its presence on platforms like Facebook, Pinterest and twitter.

**2. What strategy would you suggest for a business in handling customer complaints, comments and questions?**

Complaints, comments and questions are an important way for the management of a company to be accountable to the public, as well as providing valuable prompts to review organizational performance.

A complaint, for example, is an ‘expression of dissatisfaction made to an organization, related to its products, or the complaints handling process itself’[[1]](#footnote-1). An effective customer information handling strategy is very important as it can provide the following benefits:

* It resolves issues raised by a customer in a timely and cost-effective way.
* It provides information that can lead to improvements in service.
* It can improve the reputation of a company and strengthen public confidence.

 Before developing any strategy a company must start with developing a customer-orientated environment. This requires senior management’s involvement and support to make sure the company is focused on the customer.

 Committing to ongoing staff training on customer information handling indicates the importance of these issues.

 A simple strategy is to set up a 3-step model of handling customer complaints, comments and questions.

Step 1 **Enabling Complains, Comments and Questions**

Ensure that the company has a simple and appropriate system for customers that is both visible and accessible and supported by management

Step 2 **Responding**

Complaints, comments and questions are promptly dealt with.

In particular, complaints need to be objectively and confidentially handled.

Step 3 **Accountability and Learning**

In place should be clear accountabilities for complaints as well as mechanisms to deal with comments that might improve the service of the organization. All of this information needs to be used to improve the company’s offering and fed into the ongoing training programme.

1. Australian Complaint Handling Standard ISO AS 10002-2006 [↑](#footnote-ref-1)