



CUSTOMER SERVICE IN THE UK – RECESSION & CHRISTMAS WHAT A TIME TO BE IN CUSTOMER SERVICE

It's a funny time of the year in the UK right now as the twin effects of the recession and Christmas begin to bite.

The recession, of course, has been with us for a long time – at least in theory – but it is only in the last few weeks that the signs have started to indicate that the average person, even though still in employment, is beginning to feel the pinch and realise that spending has to be reigned in, even if only to ensure that the Christmas orgy of expenditure will be as high as ever.

My local and favourite Chinese restaurant can vouch for this. The owner – Sidney from Hong Kong – tells me that the turnover for October/November has been the lowest in the 23 years that he has been in residence but his Christmas bookings are as strong as ever.

When I speak on Customer Service around the country, I normally start with the Don Hales Research – just a show of hands to ask, on a scale of 1 to 10, how important do the delegates think Customer Service is to UK commerce and, secondly, how well is it delivered.

My audience last week were from the thriving social housing sector at the South-East Conference of the Chartered Institute of Housing (I was pleased to be invited to speak as I addressed the Northern Region earlier in the year and I like to think that my service delivery led to the second invite). The response was pretty much the same as I get everywhere – 9.5 for importance and just 5 for delivery. I frequently go on to ask how vulnerable is Customer Service to be affected by cuts as soon when organisations embark on cost cutting exercises. The answer comes back at 8.

So there you have it. Customer Service is deemed vitally important is not very well delivered – despite its importance and highly likely to be cut in times of need.

It is a short-sighted policy. As a veteran businessman, I have been through more recessions and boom periods that I care to remember. I know that companies, whilst needing to cut unnecessary costs, that invest in customer service and staff training and development will be the ones that benefit when the good times return...and return they will.

In the 1980s, during a major recessionary period, I was marketing director and shareholder in a company where our M.D. insisted we double the training and motivational budget. When the better financial conditions returned, we were streets ahead of our rivals and had the best growth and retention rates in our sector. A few years later we sold the business making £5 on every 2p share we owned.

Meanwhile, what has Christmas got to do with it? Well often service standards deteriorate in the hustle and bustle of busy periods for many businesses. It is however a time of goodwill and an opportunity to cement great customer relationships.

Too often this manifests itself in meaningless gifts, party invitations when everyone is all partied out and greetings cards that are hardly looked at amongst several hundred almost identical items.

Two really customer oriented Christmas goodwill gestures came to my attention last year that are worth special mentions. The first was a relatively small company with modest budgets that knew that their two biggest corporate clients supported a couple of charities with cash and practical help. Not being able to help financially to any real extent they asked their staff if they would like to help the clients' staff in helping on the frontline with soup kitchens for the homeless and visiting lonely and terminally ill people in a hospice. This cemented working relationships more than any party would ever have done.

The second story is admittedly driven by necessity rather than planning but illustrates how a customer centric approach can turn a negative into a positive. The organisation concerned is Butlins Resort at Minehead in Somerset. They had a situation whereby, due to (for us in the UK) extreme weather conditions meant that their pre-Christmas guests could not leave the complex as their cars were snowed in and the roads impassable. Instead of adopting a "make do and amend" approach, the management team in consultation with staff, decided to provide the guests with an extra days stay, free of charge and still lay on full entertainment as though they were paying. The next morning with the weather conditions easing a little, the staff were up at crack of dawn clearing the snow and digging the vehicles out.

The staff lost a valuable day to prepare for their own family Christmas celebrations and had just 48 hours to prepare the resort for their Christmas holiday guests but the goodwill they created was fantastic and ...surprise, surprise bookings are up in 2011.....despite the recession.

Recession! What recession?

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