

# Customer Service Representative 1 Semester II

## **Content Review for:**

## Section 1 – Identification and classification of customer service – Exceed expectations with value (A-plus perceptions)

## **Chapter 9 Notes:**

Poor value is a major form of customer turnoffs, along with ineffective systems and inappropriate people skills. On the flip side, exceptional value or, more accurately, exceptional perceptions of value, is one way to create customer loyalty. **Perceived value** is defined as a subjective perception of the tradeoff between multiple benefits and sacrifices, relative to competition.

Key points of the above definition include first that value is perceived, meaning that it is individual and personalized. What one may find to be valuable may be worthless to someone else. Second, value arises from some tradeoff between the benefits gained and the costs (sacrifices or investments) expended. A more simplified definition of perception of value is a person's sense of a product or service's quality relative to its cost.

**Intrinsic value** arises from the core product or service itself. This form of product value may not become immediately evident in some cases as it usually takes time, and is some cases years, to see the true extent of the value of a product (for example, a truck that still runs well after 100,000 miles).

**Associated, or extrinsic, value** goes beyond the core product. It is associated with the product, but it is not essential to it. Associated value encompasses the entire customer experience with the company. Companies need to create conditions that improve the likelihood of customers seeing extrinsic or associated value favorably. We can build customer loyalty with the creative application of the following techniques for enhancing the perception of value. Companies serious about customer loyalty would be wise to consider each as part of an ongoing process of offering A-plus value. They include:

- Packaging
- Guarantees and warranties
- Goodness of product fit
- Memorability of product experience
- Uniqueness and shared values
- Company credibility
- Add-ons



- 1. **Build A-plus value with packaging.** Packaging can enhance the perceived value of a product or service. The little things principle means that tiny differences make the extrinsic value of the product greater. For instance, a gift-wrapped book, or an insurance agent giving his clients their policies in an attractive leather portfolio with the client's names engraved, which they will keep and use for years to come, this way the associated value of the product and service lives on.
- Build A-plus value with guarantees or warranties. Long-term or lifetime warranties have a higher perceived value than short-term ones. If your product has good intrinsic value, the return rates for short-term guarantees versus long-term or lifetime guarantees will be virtually equal.
- 3. Build A-plus value with goodness of product fit. This means thinking *one-size-fits-one*. Personalization, not classification into demographic groups, permits real relationship building. Taking the concept of goodness of fit to new levels, mass customization is all the rage in manufacturing. Companies are creating products just the way the customer wants them. For instance, some clothing manufacturers can custom-make jeans to the exact measurements of individual customers.

When companies offer menus of product characteristics for customers to select from, they can create industrial intimacy. This "intimacy" comes from better understanding the specific needs and personal wants of customers. Ultimately, the key is to focus on what is important to the customer and, so long as this still permits the company to make a profit, give customers exactly what they want.

The marriage of technology and customer data can build relationships, industrial intimacy, and ultimately enhance customer allegiance. People don't want to be treated like pieces of demographic data. People have unique, individual needs and wants. A-plus value involves doing all you can to be sure the products or services you offer fit the needs of the individual customer, not just some large demographic group. [See the CRM example in the text.]

4. **Build A-plus value with memorable experiences.** Smart companies are connecting with their customers through experiences. An experience occurs when the company's core products are used as props to engage individual customers in a way that creates a memorable event.

A word of caution, however, when creating extrinsic A-plus value using customer experiences, don't let the core product go bad. Even the best associated value cannot make up for a poor core product. Put differently, keep the most important thing, the most important thing.



5. Build A-plus value with uniqueness and shared values. An enhanced sense of value can stem from a company being perceived as unique or novel. Much of this uniqueness arises from the personality or culture of your organization. The best companies (see examples in the text) offer their internal customers – their employees – A-plus value by inviting participation in their uniqueness and shared values. Customers will often go out of their way to support companies that *share their values*.

Political, church, civic, alumni, and charitable groups often band together to promote or support certain organizations. The opportunity to share in affiliation, an interest, or a cause can be an enhanced sense of value for customers and employees.

On a more local basis, we become loyal to companies that make us feel comfortable. We patronize organizations that reflect our values and preferences and make us feel comfortable. People do and will pay a premium for exceptional extrinsic value.

6. Build A-plus value with credibility. Customers also feel they are receiving extra value when dealing with companies that have exceptional credibility. A critical dimension of value is the degree to which customers trust a company or organization. Failure to follow through on commitments and other deceptive practices can (and should) destroy a company. You should communicate clearly with customers to enhance your credibility. For example, keep pricing and restrictions simple and understandable for customers. Most airlines do the opposite of this, with complicated fares and the perception of inequity among passengers hurt their credibility.

If you offer incentives (such as frequent flyer miles), you as a company need to deliver on those promises in a transparent and uncomplicated fashion. Put differently, either do not offer incentives you cannot provide or make good on your word. We all prefer to do business with people we can trust.

 Build A-plus value with add-ons. Once of the simplest ways to surprise customers or employees is to give them something unexpected – or sell them something else they need. Sometimes add-ons are sold, sometimes given away, but both can be effective. The best kinds of free add-ons are those with high perceived value and low cost to the business.

Obviously, this A-plus opportunity area ties in closely with its marketing counterpart, add-on sales. Marketers have long recognized the value of trying to sell current customers something else so long as they are already buying. This can backfire if too pushy, but most customers will not resent low key inquiries about the need for other products.



Central to the philosophy of add-ons is the belief that you cannot give away more than you eventually receive. That is a tough concept for people to accept. But at some philosophical level, you need to be comfortable with the belief that what goes around comes around. In fact, that is fundamental to all the A-plus loyalty-building tactics. You really will benefit from generosity. Take the leap of faith and reap the rewards of greater customer and employee loyalty.

#### A-plus value and your Employees

The principles for creating A-plus value not only work for customers but also apply to employees – internal customers. Companies with strong employee allegiance regularly use these kinds of ideas to surprise their people – to exceed their expectations with little things. Employees who receive small tokens of appreciation respond as positively as do other types of customers. Employees who enjoy the shared experience of working in a good company, who appreciate the credibility of the organization, who recognize the company's efforts to fit people to the best job for them, and who are offered unexpected value will be loyal to the company. Loyal, long-term employees make economic sense.

Get all the members of the organization thinking about ways to utilize little things to create A-plus value. The payoff in customer and employee allegiance can be enormous.

Exceeding customer expectations with an enhanced sense of value can be a powerful way of tipping the balance in favor of your company (or you as an individual). A key term is perception. People may or may not recognize that value includes both intrinsic and associated or extrinsic value. But, at some level, customers will sense that you are offering something more when you give A-plus value.

It's the little things that mean a great deal, and that can provide a value-enhancing customer experience that leads to loyalty and repeat buying.



## Section 1 Check-Off

Go through this list of objectives and check off each one that you have achieved. If you see an objective that you do not feel confident that you have mastered, go back into the textbook and review the material until you have attained your goal.

\_\_\_\_\_ I know what perceived value means.

- I know what intrinsic value and extrinsic, or associated, value mean, as well as their difference.
- \_\_\_\_\_ I understand that companies need to create conditions that improve the likelihood of customers seeing extrinsic or associated value favorably.
- I understand the importance of the creative application of the seven techniques for enhancing the perception of value and that companies serious about customer loyalty would be wise to consider each as part of an ongoing process of offering A-plus value – including: packaging; guarantees and warranties; goodness of product fit; memorability of product experience; uniqueness and shared values; company credibility; and, add-ons.
- \_\_\_\_\_ I understand that the principles for creating A-plus value not only work for customers but also apply to employees, who are also internal customers.
- I comprehend that ultimately a company's core products or services are the most important and are "the main thing."
- \_\_\_\_\_ I understand that it's the little things that mean a great deal, and that can provide a value-enhancing customer experience that leads to loyalty and repeat buying.



## Self-Test

After you have reviewed the assigned readings in chapter 9 thoroughly and checked off all of the objectives on the Check-Off list, you are ready for this Self-Test. Use the links provided in this Study guide to find the answers to this Self-Test. For any missed items, go back into this Study guide for Section 1 and review to determine why you missed the question before you go on to the next section.

- 1. Perceived value is:
  - a. An objective perception of the tradeoff between multiple benefits and sacrifices, relative to competition.
  - b. What you know to be true in terms of the actual value of a product or service.
  - c. What your service provider tells you a product or service is worth.
  - d. A subjective perception of the tradeoff between multiple benefits and sacrifices, relative to competition.
- 2. The form of intrinsic value of a product or service may not become immediately evident, but may take years with some products:
  - a. True
  - b. False
- 3. Extrinsic value arises from the core product or service itself.
  - a. True
  - b. False
- 4. If your product has good intrinsic value, the return rates for short-term guarantees versus long-term or lifetime guarantees will be virtually equal is related to which extrinsic value technique:
  - a. Packaging
  - b. Company credibility
  - c. Guarantees and warranties
  - d. Add-ons
- 5. *An insurance agent giving his clients their policies in an attractive leather portfolio* is an example related to which extrinsic value technique:
  - a. Packaging
  - b. Company credibility
  - c. Guarantees and warranties
  - d. Add-ons



- 6. When the company's core products are used as props to engage individual customers in a way that creates a memorable event is an example related to which extrinsic value technique:
  - a. Company credibility
  - b. goodness of product fit
  - c. Add-ons
  - d. Memorability of product experience
- 7. The opportunity to share in affiliation, an interest, or a cause can be an enhanced sense of value for customers and employees is an example related to which extrinsic value technique:
  - a. Anything can and will communicate
  - b. Uniqueness and shared values
  - c. Packaging
  - d. Memorability of product experience
- 8. If you offer incentives, you as a company need to deliver on those promises in a transparent and uncomplicated fashion is an example related to which extrinsic value technique:
  - a. Add-ons
  - b. Company credibility
  - c. Goodness of product fit
  - d. Memorability of product experience
- 9. It's only the big things that mean a great deal, and that can provide a value-enhancing customer experience that leads to loyalty and repeat buying.
  - a. True
  - b. False
- 10. *You really will benefit from generosity* is an example related to which extrinsic value technique:
  - a. Add-ons
  - b. Company credibility
  - c. Goodness of product fit
  - d. Memorability of product experience



## **Content Review for:**

## Section 2 – Identification and classification of customer service – Exceed customer expectation with convenience and timing

## **Chapter 11 Notes:**

Enhancing speed and convenience for customers is a critical tactic. E-commerce sites live and die by their speed and responsiveness. Traditional businesses build great loyalty among customers who value the ways they respect their time and try to provide easy, timely transactions.

Let's look at the first component, speed. Surpassing what the customer anticipates about speed may be one of the simplest yet most powerful ways of building customer loyalty. Conversely, many companies over-promise and under-deliver when it comes to speed of service. They simply take longer than the customer has been led to expect. Consistently beating a time deadline provides customers with A-plus speed and convenience.

Time is a valuable commodity to your customers. When we disregard it or fail to share our customer's sense of urgency, we discount our customer. Few things are more frustrating than waiting for something that seems to take longer than necessary. Speed is easier to work with than convenience. Customers often don't know how long things take. You need to advise them and, in so doing, set expectation. It is better to give the customer a time you can beat than a pie-in-the-sky estimate you cannot meet.

In addition to regarding customers' time, companies need to think about time's cousin: customer convenience. For example, products packaged together allow the convenience of not having to shop for separate ingredients, as well as pizza and food delivery, one stop shops, ten minute or less oil changes such as offered by Jiffy Lube, among many others offer convenience to the customer.

Waiting can cause customer dissatisfaction that impacts the intent to be a repeat buyer. So, what can companies do to reduce waiting time for customers? And if waiting times cannot be avoided, what can companies to do minimize their unpleasantness? A breakthrough article published by the Cornell University Hotel and Restaurant School summarizes some creative and effective ways to apply "virtual waiting."



Hospitality management scholars Duncan Dickson, Robert C. Ford, and Bruce Laval suggest three possible strategies:

- 1. Manage the reality of the actual wait through the use of techniques that better match capacity with customer demand.
- 2. Manage the perception of the wait by responding to how customers perceive the wait.
- 3. Make the wait invisible through developing virtual queries, which allow customers to participate in other activities while they wait for an appointed time at their desired activity.

Companies can quickly determine their busiest times and slower times. The first step to reduce undue waiting is to plan for peak-time loads with adequate staffing. For example, supermarkets that open additional checkout lines in the early evening when customers are shopping after work are doing such capacity management. On the other side of the coin, companies can beef up low demand periods by enticing customers to come in when business is slow.

A good way to make waiting less unpleasant is to be distracted. Companies can help provide for customer distraction, such as through music if on the phone (virtual queues), a T.V. at a doctor's office, a band passing by in an amusement park as you wait for your ride.

Waits involve two major customer issues: 1) how long people actually wait, and 2) how long they think they are waiting. Companies, then, have two options when attempting to exceed customer expectations regarding timing. They can either cut the actual wait time, or, if that is not possible, shorten the perceived wait time. The perception of time is reduced when customers are occupied or entertained. Remember, too, the role of expectations in the customers' perception of time. For example, if a restaurant tells you it will be 15 minutes until you get a table, and you are called in 11 minutes, you are likely to be pleased.

#### MAKING THINGS EASIER FOR CUSTOMERS

Another way businesses provide A-plus convenience is by taking the hassle out of cumbersome systems. Unnecessary paperwork in an area where many companies can improve. Smart companies regularly look at the forms or applications customers need to complete and determine if these are all really necessary. They check for redundancy or requests for unnecessary information that may be making the paperwork process more difficult than it needs to be. You can make life easier for customers by simplifying forms, applications, and so on. Contact management systems can gather and store a great deal of customer information, making it unnecessary for repetitive work.



#### CREATE ONCE-AND-DONE SERVICE

"That's not my department." may be one of the least favorite phrases for customers. Likewise, having to repeatedly tell a story to person after person while a seeking a solution drives people nuts. Strive for **once-and-done** service. Make it easy for customers to get everything they need and any problem solved at a single place. For example, the Ritz-Carlton Hotels are well known for their simple employee position that they are "ladies and gentlemen serving ladies and gentlemen." When a hotel guest asks any employee for something, that employee "owns" that request or problem until it is fulfilled or solved. At the heart of once-and-done service is employee willingness and ability to take responsibility for meeting needs and reducing customer inconvenience. Strong companies hire people with initiative and empower them to do whatever the customer needs.

#### MAKE DOING BUSINESS EASY

Simple things like shopping carts and convenient store location can enhance customer loyalty. For example, shopping malls are beginning to recognize the importance of making shopping easier. Worried about competition from e-commerce, developers are working to cluster similar stores together so customers can comparison shop. The traditional mall was designed to be difficult. Retailers wanted people to wander through the malls to increase exposure to other stores. The more the customer walks, the greater the chance he or she will find something else to buy. But e-commerce, or online shopping, is changing this, too. People want to compare prices and selection at similar stores and they don't want to have to walk far to do it.

#### OFFER ANCILLARY SERVICES

Supermarkets such as Loblaw's Supermarkets, from Canada, offer multiple ancillary services that include fitness clubs, dry cleaners, coffee shops, etc. inside the supermarket through space they lease to those companies. Another example of effective ancillary services is Starbucks, which offers wireless internet connections (Wi-Fi). As a result, many students, business people and others spend countless hours at Starbucks, and spend money too.

#### SIMPLIFY THE PRODUCT

Simplification of products sold can improve customer convenience and win loyalty. For example, product packaging is responding to customer's desire for convenience. The Kellogg cereal, Special-K Plus, is packaged in a re-sealable box that looks like a half-gallon milk carton, which contains the same amount of cereal as larger more cumbersome boxes. Premeasured



## Customer Service Representative 1

products and portion-size packages are additional examples of achieving additional convenience through packaging.

Customers are easily surprised by efficient service that goes beyond what they anticipate. Likewise, they appreciate anything that can make life more convenient for them. This need has spun off some pretty innovative time-savers such quickie wedding chapels, and the like. And don't forget the "little things" principle. The little things can make a big difference. For example, when restaurant servers automatically bring customers their check or supply beverage refills without being asked. The best servers anticipate customer needs and meet them promptly.



## Section 2 Check-Off

Go through this list of objectives and check off each one that you have achieved. If you see an objective that you do not feel confident that you have mastered, go back into the textbook and review the material until you have attained your goal.

- \_\_\_\_\_ I understand that surpassing what the customer anticipates about speed may be one of the simplest yet most powerful ways of building customer loyalty.
- \_\_\_\_\_ I comprehend that similarly and in relation to speed, convenience is paramount to customers and promote customer loyalty.
- I understand that waiting can cause customer dissatisfaction that impacts the intent to be a repeat buyer.
- I understand the three possible strategies related to virtual waiting offered by Hospitality management scholars Duncan Dickson, Robert C. Ford, and Bruce Laval.
- I understand that waits involve two major customer issues: 1) how long people actually wait, and 2) how long they think they are waiting.
- I comprehend different tactics to enhance customer convenience, including: create once-and-done service; making doing business easy; offering ancillary services; and simplifying the product.
  - \_\_\_\_ I understand that the little things can make a big difference, and what this really means.



## Self-Test

After you have reviewed Chapter 11 thoroughly and checked off all of the objectives on the Check-Off list, you are ready for this Self-Test. Use the textbook and this Study guide to find the answers to this Self-Test. For any missed items, go back into the textbook and this Study guide for Section 2 and review to determine why you missed the question before you go on to the next chapter.

- 1. Typically, customers know exactly how long things are supposed to take.
  - a. True
  - b. False
- 2. products packaged together allow not having to shop for separate ingredients is an example of:
  - a. Speed
  - b. Timing
  - c. Customer loyalty
  - d. Convenience
- 3. Most customers are OK with waiting if they see that everyone is really busy, even if no explanation is offered by the business or other forms of convenience while waiting.
  - a. True
  - b. False
- 4. Which one below is <u>not</u> a tactic for virtual waiting offered by Hospitality management scholars Duncan Dickson, Robert C. Ford, and Bruce Laval?
  - a. Manage the reality of the actual wait through the use of techniques that better match capacity with customer demand.
  - b. Manage the perception of the wait by responding to how customers perceive the wait.
  - c. Make sure to tell the customer that sometimes things take a bit longer than expected and they need to be patient.
  - d. Make the wait invisible through developing virtual queries, which allow customers to participate in other activities while they wait for an appointed time at their desired activity.



- 5. Supermarkets that open additional checkout lines in the early evening when high numbers of customers are shopping after work are an example of:
  - a. Simplifying the product
  - b. Capacity management
  - c. Reducing overhead expenses
  - d. Offering ancillary services
- 6. Which one below is a strategy that takes into account *the role of expectations in the customers' perception of time*:
  - a. The product or service is delivered on time
  - b. The product or service is delivered late, but with an explanation why
  - c. The manager personally comes to explain the reason it took longer than expected to receive the product or service
  - d. The product or service is delivered five minutes before the promised time
- 7. An example of an ancillary service is:
  - a. Wi-Fi at an internet café
  - b. A new brand of coffee at your favorite coffee shop
  - c. Free chicken wings to go with your pizza at Dominoes
  - d. None of the above
- 8. Apple has made a dramatic impact on personal entertainment products with their popular I-pod products that have exceptional ease of use is an example of:
  - a. Offering ancillary service
  - b. Create once-and-done service
  - c. Simplifying the product
  - d. Making doing business easy
- 9. *Employee willingness and ability to take responsibility for meeting needs and reducing customer inconvenience* is an example of:
  - a. Offering ancillary service
  - b. Create once-and-done service
  - c. Simplifying the product
  - d. Making doing business easy
- 10. People want to compare prices and selection at similar stores and they don't want to have to walk far to do so it is an example of:
  - a. Offering ancillary service
  - b. Create once-and-done service
  - c. Simplifying the product
  - d. Making doing business easy



## **Content review for:**

## Section 3 – Identification of customer service skills – Electronic communication and user-friendly websites

## **Chapter 5 Notes:**

The internet has become the place for searching and shopping. For businesses, the potential advantages of websites are increased exposure and sales, decreased marketing costs, and better customer service.

Not only is the Web a 'perfect' sales channel, it's the perfect channel for pre-sale and post-sale customer support. Customers have to assume that almost every business today has a website that will provide some kinds of customer service. Although the telephone is still the dominant way to contact businesses for support. Websites and email are expected to handle about 45 percent of such customer contacts in the near future. Further, studies show that more than two-thirds of customers stop doing business with a company because of poor access to services and information.

In web-based customer service, the customer isn't physically present, and there is usually some kind of internet communication software between the company and the customer. Given these conditions, customer contact can occur in several ways and for several purposes, including:

#### SELF-SERVE COMMON ANSWERS

- Here customers take care of themselves using knowledge bases, which are databases of answers to **frequently asked questions (FAQs).** FAQs typically include key product information with short answers.
- Knowledge bases may be structured or unstructured
- Structured knowledge bases are organized into a question-and-answer format
- Unstructured knowledge bases are repositories of customer interaction, such as email correspondence with customer service or postings to an electronic bulletin board. Such repositories are indexed by key word.
- To provide such basic information, the organization will create and host a static (unchanging) webpage, something like an electronic version of a marketing brochure. Information usually includes organizational contact information such as name, address, phone number, and little more.



- The problem with such static webpages is that, in order to get an answer, customers have to wade through a list of the top 100 or so questions hoping to find one that matches or comes close.
- More sophisticated websites can do multi-word searches of the FAQs. Some offer a searchable, self-learning knowledge database, which is an online repository of information the collective wisdom regarding the product of service. Unlike a static FAQ, this knowledge base is dynamic, ever changing, and self-learning meaning that the repository evolves with each new question.

#### **DELAYED ANSWERS**

- When customers can't get the answers they need from self-serve sites, they often turn to email. Customer service reps look up answers and take turns responding to customer-initiated inquiries.
- Typically, response times are no better than snail mail, while customers expect a 24 hour turnaround to their questions.
- Large volumes of email result when customers are unable to find answers on the website.
- As such, rather than representing an effective customer care solution, handling a lot of email can be a symptom of an ineffective webpage.

#### LIVE ANSWERS

- High-assistance service can be provided by such things as web chat or live chat. When customers begin to complain about the slow response times of email queries, several companies responded with online chat, which allows for real time responses to customer questions. This is an adaptation of the "chat rooms."
- A variation on chat rooms is the use of blogs. A **blog** is a log or journal maintained by a company or individual. Bloggers play a role in shaping a company's discussion and even public image.
- Regarding blogs, the following is relevant:
  - Use blogs as a real-time online conversation, especially if it is about your issue or your organization.
  - Remember the 80/20 rule; 20 percent of the people in the world have great influence on how the other 80 percent think. The 20 percent are actively reading blogs.
  - > Of the 185 million online users a day, 50 million of them are reading blogs.
  - Reach out to bloggers who follow your issues. Engage them.
  - Submit posts/comments from your CEO on blogs. It establishes that you are willing and able to part of the conversation.



#### SELF-SERVE PERSONALIZED ANSWERS

- Personalized service customized real-time data about the customer's specific problem

   is the ideal technology-assisted service a company can offer since it tailors content to
   the customer's specific needs.
- Webpages are dynamically adjusted (frequently changed) based on customer profiles.

#### ADVANTAGES AND DISADVANTAGES OF WEB-BASED CUSTOMER SERVICE

Using the web can be very cost effective with the average cost per transaction for self-service at 24 cents, versus \$5.50 for telephone customer care.

E-service alone is not a 100 percent, surefire strategy for handling all customer contacts. It is a helpful platform for several cost-effective channels but e-service is not a substitute for old-fashioned phone calls and direct contact with customer care representatives. E-service is "in addition" or another set of channels for communicating with customers.

The internet, like most information technologies, is a moving target. The hardware used has a life cycle averaging five years before it becomes obsolete, and software even shorter with minor product updates appearing every few months and major updates every 18 months.

Ignoring the human side of customer service can turn what looks like a low-cost service alternative into a costly mistake. But it doesn't have to be that if you apply some action tips for better service on the Web.

- 1. Be there and be quick. In an internet world, a competitor is only a click away. If pages load too slowly, or worse your page is down, customers let their mouse do the walking.
- 2. **Make site navigation simple**. Web customer service should be only a click away. Once customers connect to a homepage, they should be able to get to the customer assistance page with simple click. Site navigation should be simple and obvious, with a consistent scheme for going from page to page.
- 3. **Respond quickly**. Waiting for more than two to three seconds for a computer screen to refresh is unacceptable for today's X-Box generation. Even more important is a quick turnaround for customer questions. For email, a response time of 24 hours or less is recommended. In a live web chat, waiting more than 5 minutes is too long.
- 4. **Provide communication alternatives**. At some point, customers may become frustrated with the various self-serve options or the distant communication of bits. The key is giving them numerous alternatives. Some customers just need the human touch or a telephone call.
- 5. **Pay attention to form and function**. Web users want substance and form. Don't distract them with technology for technology's sake.



The following are action tips that can take your website to new levels of effectiveness and give customers a better experience:

- 6. **Track customer traffic**. You can do this by determining the click path the customer took to get to the site and whether the customer is a first-time visitor. If companies want to know where to spend their time to better serve customers, they should track customer paths and then use the data to systematically improve the site.
- 7. Web sites with successful customer care benchmark and compare against themselves and their best competitors. **Benchmarking** means keeping careful statistics about existing service levels. These statistics can best be used to set targets for the future. Typical services monitored include:
  - Average response rate per page request
  - Average time to respond to email inquiries
  - Average time to respond to web chat inquiries
  - Number of resolved and unresolved inquiries per day.
- 8. Teach your site to learn. If the content of a website remains the same today as it was last week chances are it will be able to satisfy only last week's customers. Successful e-service requires learning the following: what doesn't work and what content is missing; which click paths end with dissatisfied customers; and what new questions customers are asking. Dynamic websites let customers know the organization is listening and responding to their needs.
- 9. Build an ongoing E-relationship. Traditional customer service tends to be primarily customer-initiated and thus mostly reactive. To build an e-relationship, companies can simply offer email notifications to customers. With each change in product, catalog, or content area, the company can automatically fire off an appropriate email to its customer base. Customers should agree to receive notifications, and the company should always give the option of being removed from notification list with each email. Spamming, which is the practice of sending unwanted email, can damage a relationship instead of enhancing it.
- 10. End high for better loyalty. Before customers log off from a website, the company should always thank them visiting. If the customer has had a problem, there should be some kind of a peace token (for instance, a discount on their next purchase, small gift, etc.).

The web has made building and maintaining customer relationships simpler and offers a lower-cost approach for normal customer transactions. Few companies today can thrive without an electronic presence and successful companies put significant effort into their websites, blogs and email processes.



## Section 3, Check-Off

Go through this list of objectives and check off each one that you have achieved. If you see an objective that you do not feel confident that you have mastered, go back into the textbook and review the material until you have attained your goal.

 I understand what web-based customer service is, and its components.
 I know what FAQ means and the difference between structured and unstructured knowledge bases.
 I understand web-based customer contact, including live answers, delayed answers, self-serve common answers and self-serve personalized answers.
 I comprehend both the advantages and disadvantages of web-based customer service.
 I understand the five action tips for better service on the Web.
 I understand the five action tips that can take your website to new levels of effectiveness and give customers a better experience.





## Self-Test

After you have reviewed Chapters 6 and 8 thoroughly and checked off all of the objectives on the Check-Off list, you are ready for this Self-Test. Use the textbook and this Study guide to find the answers to this Self-Test. For any missed items, go back into the textbook and this Study guide for Chapters 5 and 10 and review to determine why you missed the question before you go on to the next chapter.

- 1. Self-learning knowledge bases constantly update themselves based on customer inquiries.
  - a. True
  - b. False
- 2. In the near future, websites and email are expected to handle about \_\_\_\_\_ percent of customer contacts.
  - a. 28
  - b. 35
  - c. 45
  - d. 78
- 3. Repositories of customer interaction, such as email correspondence with customer service or postings to an electronic bulletin board that are indexed by key word are.
  - a. Unstructured knowledge bases
  - b. Word documents
  - c. Structured knowledge bases
  - d. None of the Above
- 4. Unfortunately, with email, response times are no better than snail mail, while customers expect a 24 hour turnaround to their questions.
  - a. True
  - b. False
- 5. Which of the following statements is not relevant to blogs:
  - a. 20 percent of the people in the world have great influence on how the other 80 percent think. The 20 percent are actively reading blogs.
  - b. Use blogs as a real-time online conversation, especially if it is about your issue or your organization.
  - c. Of the 185 million online users a day, 50 million of them are reading blogs.
  - d. Blogs are part of the delayed answer type of customer contact.



- 6. Webpages are frequently changed based on customer profiles is indicative of:
  - a. Live answers
  - b. Delayed answers
  - c. Self-serve common answers
  - d. Self-serve personalized answers
- 7. The average cost per transaction for self-service is only \_\_\_\_\_ percent the cost per transaction for telephone customer care.
  - a. 24 percent
  - b. 55 percent
  - c. 4.3 percent
  - d. 5.5 percent
- 8. *Some customers just need the human touch or a telephone call* is indicative of which action tip for better service on the Web.
  - a. Pay attention to form and function
  - b. Provide communication alternatives
  - c. Respond quickly
  - d. Make site navigation simple
- 9. *Site navigation should have a consistent scheme for going from page to page* is indicative of which action tip for better service on the Web.
  - a. Pay attention to form and function
  - b. Provide communication alternatives
  - c. Respond quickly
  - d. Make site navigation simple
- 10. **Benchmarking** means keeping careful statistics about existing service levels. These statistics can best be used to set targets for the future. Which one is <u>not</u> a typical monitored service?
  - a. Average response rate per page request
  - b. Average time to respond to email inquiries
  - c. Average amount of worktime the individual in charge of benchmarking needs
  - d. Number of resolved and unresolved inquiries per day.



## **Content review for:**

## Section 4 – Identification of customer service skills – Providing A-Plus Information to customers

## Chapter 10:

A company delivers A-plus information – that is, exceeds expectations – by communicating in ways that are more timely, clear, interesting, or creative than its customers anticipate.

Every product, service, or purchasing experience has an informational component. If you buy a can of soup, its label is likely to include nutritional data, preparation tips, and recipes. Another example are vehicles, tools, appliances, and electronic equipment that have detailed owner's manuals. Customers have come to expect such information.

For e-commerce, timely information on the status of customer orders is especially important to retention and loyalty. Online customers may feel left in a vacuum if the company does not communicate efficiently, clearly, and in a timely manner. Companies that improve upon response times and quality of information given will be likely to please their customers.

As Woody Allen once said, "eighty percent of all success is just showing up." While many companies are improving at being available and responsive to customers, too many still fail to provide even the most basic information in a timely fashion.

Information handling provides an opportunity to surprise customers. A-plus information happens when customers receive timelier, clearer, or more useful information than they anticipated. The same applies to employee communication, of course. When workers feel well informed and involved in their company, loyalty increases.

Categories for providing A-plus information include:

*Provide informational hand-holding*: The rapidly changing e-commerce world offers a wide variety of service levels as many companies work to figure out how to do it well. Customers are developing loyalties to certain online vendors and are bookmarking select websites on their computers. Until customers feel completely comfortable about the information they receive on the web, they may examine information on the web, and then purchase it offline at brick-and-mortar retailers.

People are getting increasingly comfortable with e-commerce, or online shopping, but there will always be a substantial number who prefer the kinds of information they get from human



contact. Getting useful, reassuring information into the heads of customers should be an important part of the development of any e-commerce efforts. Companies that have personal guides, personal shoppers, and private bankers are doing additional hand-holding. Companies that have exceptionally friendly receptionists or folks at the door who greet and keep customers informed of matters of interest to them are doing hand-holding. Managers who maintain legitimate open-door policies and are receptive to employee concerns are doing additional hand-holding for their internal customers.

Select informational media carefully: When providing customers with information, consider various media options. Media should be chosen on the basis of communication effectiveness, not just efficiency. Communication efficiency is a simple ratio of the costs of communicating relative to the number of people reached by the message.

As soon as you go beyond simple messages, such as a parking sign, communication effectiveness becomes more important. **Effectiveness** is achieved when the message is:

- Received by the right people (and not others),
- Understood
- Remembered for a reasonable amount of time, and
- Used

Effective media are seldom simple or cheap. The greatest effectiveness is typically achieved when people talk face-to-face. When conveying important information, sometimes it doesn't pay to be efficient. Creative companies surprise their customers by breaking away from the usual and by using a variety of media for various messages.

Many organizations use FAQs, but the best ones use several levels of FAQs, which have basic ones for most customers and more sophisticated ones for customers who know their way around the company's products and services.

The best companies typically use active, multimedia employee communication and training.

*Message clarity:* Regardless of media used, information must be clear and understandable. Intelligent companies seek clarity by presenting their messages with short, clear sentences, a logical sequence of information, and enough repetition to effectively teach the message receiver. Redundancy can be very effective where the same message is delivered through different mediums.

Many organizations assume they are doing just fine with the messages they send customers, but it would benefit them to have a professional communication expert do an audit of their written documents, telephone scripts, and presentations. The following are problems found in documents and messaging:



- 1) Abrupt tone. There is a fine line between getting to the point, and being abrupt.
- 2) Use of clichés or jargon. If you are not sure the customer will know the meaning of a term, use a simpler, clearer description.
- 3) Use of abbreviations, which the customer may not understand.
- 4) Failure to express appreciation. The most powerful phrase in any relationship is Thank you.
- 5) Failure to offer an alternative to solve a problem.
- 6) Failure to provide a reasonable explanation.

Making information easily accessible is important, such as with graphics and icons. Sometimes something simple as better signs or color-coded lines can surprise the customer with A-plus information. Signs can also have marketing and employee benefits as well.

*User groups:* Companies that bring groups of customers together for user's groups are also offering A-plus information. Such groups are naturals for craft shops, computer stores, financial institutions, auto repair shops that offer classes on auto maintenance, etc. It's typically the case that those who attend the workshops are or become loyal customers.

Internal customers – employees – can also gain great benefit from user groups. Businesses should try to increase the level of interaction with their customers and employees using any available media.

PAY SPECIAL ATTENTION TO INFORMATION IN E-COMMERCE. Two critical factors are to make customer support easily accessible, and to honor the customer feedback loop.

- Make customer support accessible One of the greatest challenges of business today is providing timely, effective support to customers who have questions. E-commerce is especially vulnerable to complaints of lack of support. Electronic commerce relies too heavily on email for communicating with customers – sometimes too heavily. Yet, surveys show that 40 percent of companies don't provide an email address for customers to ask questions, and 75 percent don't post phone numbers.
- 2. Honor the customer feedback loop A related and all too common complaint of e-commerce buyers is the lack of responsiveness when customers do contact the company with a problem. The point is clear, answer your email. Making your company more accessible to your customers is an excellent way to exceed customer expectations and surprise with service that's better than expected. If you offer help lines, make sure they are staffed with qualified people.



EVALUATE YOUR A-PLUS INFORMATION EFFORTS. Measuring the effectiveness of information provided to customers is critical or assessing the effectiveness of providing A-plus service. Two key measures are logging common questions and auditing communication effectiveness.

 Logging common questions (FAQs) – Develop a system for keeping track of common customer questions. If several people are asking the same questions or experiencing similar confusion, then you have a communication problem. This advice applies to all companies, not just technologically sophisticated ones.

However this information is gathered, managers need to make it worthwhile for employees to record and pass on the customer's feedback. Offer employees incentives for listing and reporting customer comments. Invite customers to tell you what they are thinking, in writing or preferably verbally.

2. Audit your company's communication. A communication audit is a process for determining the quantity and quality of information flowing through the company as well as that coming into the organization from outside stakeholders. Often done with a communications consultant, an audit uses multiple approaches to objectively pinpoint communication roadblocks, identify overload problems, and assess the effectiveness of the company's formal and informal communications networks.

Such audits can range from relatively informal observation to gathering information with interviews to content analysis of the documents you give customers. Try to put yourself in your customer's shoes and ask if the information exceeds your expectations. Be particularly alert to messages that may confuse customers.

For internal customers, remember that internal communication effectiveness reveals a great deal about the status of employee relations. Employees who feel free to communicate and who see that their input is being considered are far more likely to be loyal to the company than those who feel outside the communications loop.

Look carefully at the quality, quantity, and usability of the messages conveyed in all company interactions. Then, find ways to exceed customer expectations – ways to surprise people with even better, clearer, more timely, and more interesting information.



## Section 4, Check-Off

Go through this list of objectives and check off each one that you have achieved. If you see an objective that you do not feel confident that you have mastered, go back into the textbook and review the material until you have attained your goal.

 I understand what A-plus information means.
 I comprehend the special informational demands of E-Commerce.
 I comprehend the difference between efficiency and effectiveness in providing information to customers.
 I understand how to produce A-plus information, including informational hand-holding, media selection, message clarity, information accessibility, and user groups.
 I understand the importance of auditing your company's written messaging and communications.
 I understand the importance of message redundancy.
 I understand what honoring the customer feedback loop means.



## Self-Test

After you have reviewed the assigned readings in Chapter 10 and thoroughly and checked off all of the objectives on the Check-Off list, you are ready for this Self-Test. Use the textbook and this Study guide to find the answers to this Self-Test. For any missed items, go back into the textbook and this Study guide for Section 4 and review to determine why you missed the question before you go on to the next section.

- 1. Based on recent surveys, the U.S. insurance industry is doing a better job than online brokerages in terms of responsiveness to customers.
  - a. True
  - b. False
- 2. The following "Eighty percent of success is just showing up" is by \_\_\_\_\_\_.
  - a. Woody Allen
  - b. Paul Allen
  - c. Barack Obama
  - d. Robert DeNiro
- 3. The following statement: *The greatest effectiveness is typically achieved when people talk face to face* is indicative of which A-plus information category?
  - a. Provide informational hand-holding
  - b. Message clarity
  - c. Select informational media carefully
  - d. User groups
- 4. The following statement: *It's a safe bet that those who attended the classes were loyal customers* is indicative of which A-plus information category?
  - a. Provide informational hand-holding
  - b. Message clarity
  - c. Select informational media carefully
  - d. User groups
- 5. The following statement: *The best companies typically use active, multimedia employee communication and training* is indicative of which A-plus information category?
  - a. Provide informational hand-holding
  - b. Message clarity
  - c. Select informational media carefully
  - d. User groups



- 6. The following statement: *Better organizations of all types are increasingly sensitive to customer discomfort and are doing things to reduce it* is indicative of which A-plus information category?
  - a. Provide informational hand-holding
  - b. Message clarity
  - c. Select informational media carefully
  - d. User groups
- 7. The following statement from Dr. Sherron Bienvenu *Don't just tell readers what you cannot do; tell them what you can do* is indicative of which typical problem found in company informational documents?
  - a. Abrupt tone
  - b. Failure to offer an alternative to solve a problem
  - c. Failure to provide a reasonable explanation
  - d. Use of clichés or jargon
- 8. Surveys show that 30 percent of companies do not provide email addresses on their websites, and 55 percent don't provide their telephone numbers.
  - a. True
  - b. False
- 9. A communication audit entails which of the following components?
  - a. Determines the quantity and quality of information flowing through a company
  - b. It is usually implemented with the help of an outside consultant
  - c. Uses multiple approaches to objectively pinpoint communications roadblocks, identify overload problems, and assess the effectiveness of the company's formal and informal communication networks.
  - d. All of the Above
- 10. Typically, if an employee (also known as an internal customer) believes that their input and ideas are being heard by the company, s/he will:
  - a. Want to leave and find another job
  - b. Believe that he or she is more qualified than their manager
  - c. Feel motivated and appreciated by the company, increasing his or her loyalty
  - d. None of the Above



## **Content review for:**

## Section 5 – Recognize the emerging trends in customer service

### **Chapter 14 Notes:**

It is now possible for companies to tell its customers apart and remember them-and what they want- individually. With **mass customization** technology more and more businesses can actually make and deliver a single, customized product or service –cost efficiently- to an individual customer.

While it is impossible to predict the future, there are some indicators that seem consistent among those who are looking to the future of customer service. The future of customer service is likely to focus on at least three keys:

- 1. Increased personalization;
- 2. Further applications technology; and
- 3. Increased awareness of changing demographics.

Customers will no longer stand for being treated as one of a demographic category. They will demand - and get – individually specified products, services, and communications. Successful companies will adapt to these demands. They will thrive by exceeding customer expectations in "goodness-of-fit." They will master the art of communicating with each customer as an individual with special needs and wants.

While technology is the engine that will allow much of this customization, the future will also be shaped by changing demographics and the global marketplace. Young people are becoming active customers while the baby boomers (those individuals born between 1946 and 1964) are creating a huge market of 60-plus buyers. More and more the global economy requires businesses to be aware of a broad range of cultures. The demands for **personalization** will be further complicated by the changing nature of customers and employees as groups.

THE IMPORTANCE OF "ONE-TO-ONE" PERSONALIZATION FOR CUSTOMER SERVICE IN THE NEW FUTURE

In the past, keeping track of customer names and addresses, sales data, and personal preferences was a complex and time-consuming process. Many businesses kept customer data on note cards in a file box. As the number of customers grew, the task became impractical. Today's computer technology and point of sale electronic data gathering devices make it easy. We can now track individual preferences, poll customers about their needs, and customize services and products to meet those needs. Many stores now offer coupons instantly at the



## **Customer Service Representative 1**

counter. Interactivity between a business and its customers will now let consumers instantly respond to advertisements through their TV sets and computers.

One of the most significant trends with media is in the increasing ability to efficiently generate personalized, one-to-one messages tailored to the needs and wants of individuals, especially customers, coworkers, and associates.

Communications experts have long recognized that (1) the more we know about our message receiver(s) and (2) the more we personalize a message to the receiver's wants and interests, the more effective we will be in communicating and building relationships.

We are seeing a shift from mass marketing – sending the same message to a large number of people in hopes that some of them will respond favorably – to individualized marketing where we send a unique personalized message to each person.

The personalization began with word processing which gave us the ability to produce "merge" letters that include personalized sections interspersed with the generic message. For example, a mass letter would be addressed to you individually with your name listed. But today's media lets us go far beyond what has been done to now include past buying information and personal preferences to convey a sense that we know and understand our reader. Online retailers have taken personalization to higher levels. Amazon.com, for example, routinely tracks what you buy and recommends complementary products.

With mass marketing and its communication media such as mass media ads or junk mail, the goal has been to gain a larger share of the market. The assumption is that a larger market share, larger profits. However, high advertising costs doesn't always mean increased profits. It costs more and more money to get a new customer into your business using traditional approaches.

The **one-on-one marketing** instead focuses on establishing an ongoing relationship with existing customers. You do this by gathering as much information as possible and responding to their needs.

The one-to-one principle holds for internal customer relationships, too. Managers who keep closely attuned to their employees' preferences, talent and wants build long-term relationships that can be mutually beneficial to the company. The best companies offer "cafeteria" style benefits programs-approaches that give their employees choices among benefits.

#### SOCIAL AND ECONOMIC SHIFTS IMPACTING CUSTOMER SERVICE FOR THE FUTURE

Aside from technological changes, on the social and economic scene we see substantial demographic shifts. Workforces are increasingly diverse, made up of people from a wide range of economic circumstances, cultures, religions, and both genders.



Other key trends include:

- We have more two-income family and single parents, with the associated family responsibilities this poses. We also have an increasingly educated workforce that is less tolerant of repetitive work and that expects to be involved in organizational decisions.
- The shifting social conditions of customers have stimulated demand for new and different products and services.
- Politically, organizations face increasing government regulations, most of which reflect levels of social awareness previously not considered in the business world, such as equal employment opportunities for people of all backgrounds, concern for the environment, employee health and safety, and even emotional well-being of employees.
- In the United States, the rapidly growing diverse Hispanic population has called for greatly expanded use of the Spanish language and wider offering of consumer goods appealing to those populations.
- People are also increasingly mobile, and changing jobs is commonplace. We are quick to change jobs if an employer fails to provide opportunities for engagement and meaningful work.
- Another trend is the aging population. As the huge baby boomer generation grows older, and will live longer, many new services are being offered to this demographic. Companies offering services and products that appeal to these aging populations will likely thrive.
- Male-female shifts continue with ever more women in the full time workforce at all organizational levels. Females are estimated to account for some 85 percent of all buying decisions. Services with special appeal to females cannot be ignored.

#### NEW INTERACTIVITY OPTIONS FOR CREATING STRONGER CUSTOMER RELATIONSHIPS

Efficiency in communicating will be the key driver of customer service in the future. Ross Dawson identifies three key domains for customer communication:

- 1. Presence being physically in the same space with customers
- 2. Human connectivity people connected by telecommunications
- 3. Automated such as automatic response emails, and other technology

The relative usefulness of each communication activity depends on what customers need and how each medium can impact relationship building. Keep in mind that knowledge differs from



information in that knowledge, which is a foundation for relationship building, "involves the ability to act and make good decisions in complex and uncertain situations. This is, for the meantime, the domain of humans, and computers are only very slowly making ground in this field."

#### UNDERSTAND THAT SOME THINGS REMAIN CONSISTENT

Human contact will never be replaced by even the most sophisticated technology.

Companies that profit from inflated prices, confusing rate structures, hidden charges, and unreasonable penalties will not survive long term. **Bad profits** include those which may generate short-term income at the cost of long-term customer relationships. Examples include:

- Inflated shipping charges such as for goods bought on the internet
- Excessive penalties for changing services
- > High premium prices for certain seasonal goods or popular options
- Complex pricing schemes that dupe customers into spending more than necessary
- Inappropriate products sold to customers
- > Lack of pricing transparency creating the impression that others are getting a better deal
- Special offer pricing to new customers that is not available to existing, loyal customers

Bad profits are corrosive to relationships, good profits create and sustain them.

Although presentation and closing are still important to the sales process, an even more vital element supersedes both of these – the ability to satisfy individual customer needs and wants since today's consumers face an unprecedented number of choices.

#### CREATE PROMOTERS

Perhaps the best way to measure the strength of relationships is with the Net Promoter Score (NPS), which gathers data from one simple agree-disagree statement: "I would recommend this business to my friends or colleagues." It scores it 1 to 10. The NPS will become a widely accepted measure of customer loyalty.

#### RELATIONSHIP MARKETING

Customers in a free-market economy expect good products at reasonable cost. This is a given. What they don't always expect is great service. They continue to expect marginal service, because that is what they have experienced in the past. Hence, this is a great opportunity for businesses, to provide great service.



## Customer Service Representative 1

If the company can win over the top customers, its chance of survival is much better than just having a percentage of the market. This is called **customer share**. Thanks to computer databases, even small businesses are able to collect information and use it for retention. Key information such as customer birthdays, last purchase, their preferences, etc. is stored.

For some business contexts, low-tech may be fine. But for most organizations, embracing technological capabilities is a logical choice.



## Section 5, Check-Off

Go through this list of objectives and check off each one that you have achieved. If you see an objective that you do not feel confident that you have mastered, go back into the textbook and review the material until you have attained your goal.

 I understand what mass customization means.
 I understand the difference between trying to gain a larger market share versus establishing and building ongoing relationships with existing customers.
 I understand opportunities with employees or internal customers and their changing demands and outlooks.
 I know the shifting demographic, social and political conditions affecting companies in the 21 <sup>st</sup> century.
 I comprehend the different ways companies must now interact with customers, as distinguished from traditional ways.
 I comprehend the difference between bad and good profits.
 I understand what NPS means and its significance.
 I understand relationship marketing and opportunities and gaps for providing great service.



## Self-Test

After you have reviewed Chapter 14 thoroughly and checked off all of the objectives on the Check-Off list, you are ready for this Self-Test. Use the textbook and this Study guide to find the answers to this Self-Test. For any missed items, go back into the textbook and this Study guide for Section 5 and review to determine why you missed the question before you go on to the next section.

- 1. The future of customer service is likely to focus on all of the below, except which one?
  - a. Increased focus on one size fits all products
  - b. Increased personalization
  - c. Further applications technology
  - d. Increased awareness of changing demographics
- 2. "goodness-of-fit" means businesses
  - a. provide one fits all solutions
  - b. will master the art of communicating with each customer as an individual with special needs and wants
  - c. provide on the spot feedback
  - d. will focus on one specific demographic more than others
- 3. Today's computer technology and point of sale electronic data gathering devices allow us to do all <u>but</u> which one below:
  - a. We can now track individual preferences
  - b. Poll customers about their needs
  - c. Customize services and products to meet customer needs
  - d. Give us the opportunity to ask about their religious and political beliefs
- 4. Even with high advertising costs, focusing on increasing market share is always profitable.
  - a. True
  - b. False
- 5. The best companies offer "cafeteria" style benefits programs-approaches that give their employees choices among benefits. Which is an example of the type of benefits offered?
  - a. Day care
  - b. Health membership
  - c. Gym membership
  - d. All of the Above



- 6. The following is an example how politically, organizations and companies face increasing government regulations
  - a. Concern for the environment
  - b. Being a part of a church group
  - c. Mandatory civic service activities for all employees
  - d. None of the Above
- 7. Females are estimated to account for some 85 percent of all buying decisions.
  - a. 50
  - b. 39
  - c. 85
  - d. 98
- 8. As the huge \_\_\_\_\_\_ generation grows older, and will live longer, many new services are being offered to this demographic Explorer group
  - a. Baby boomer
  - b. X
  - c. Y
  - d. Z

9. \_\_\_\_\_ gathers data from one simple agree-disagree statement: "I would recommend this business to my friends or colleagues." It scores it 1 to 10.

- a. Half-time score
- b. Competition score
- c. Net Promoter Score
- d. IQ score

10. Which one below is <u>not</u> an example of **bad profits**?

- a. Excessive penalties for changing services
- b. Complex pricing schemes that dupe customers into spending more
- c. High premium prices for certain seasonal goods or popular options
- d. A product or service charged at normal market price even when demand is high

