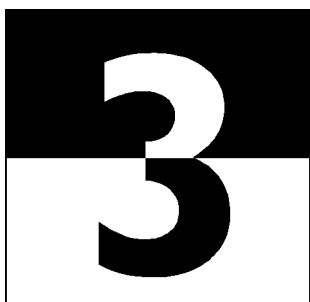


Certificate in

Customer Service



Level 3

Series 4 2003

(Code 3013)

Model Answers

(UK Accreditation No: 100/1809/8)

Certificate in Customer Service Level 3

Series 4 2003

How to use this booklet

Model Answers have been developed by LCCIEB to offer additional information and guidance to Centres, teachers and candidates as they prepare for LCCIEB examinations. The contents of this booklet are divided into 3 elements:

- (1) Questions – reproduced from the printed examination paper
- (2) Model Answers – summary of the main points that the Chief Examiner expected to see in the answers to each question in the examination paper, plus a fully worked example or sample answer (where applicable)
- (3) Helpful Hints – where appropriate, additional guidance relating to individual questions or to examination technique

Teachers and candidates should find this booklet an invaluable teaching tool and an aid to success.

The London Chamber of Commerce and Industry Examinations Board provides Model Answers to help candidates gain a general understanding of the standard required. The Board accepts that candidates may offer other answers that could be equally valid.

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Certificate in Customer Service Level 3

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QUESTION 1 (Compulsory)

A customer buys a tin of paint and uses it to decorate walls in the family home. The paint dries to a colour much darker than that shown on the tin, so the customer returns the empty can to the shop to complain.

The company's procedure for dealing with complaints about products states that the assistant should examine the goods, which must be returned to the shop.

- (a) (i) How adequate is the complaints procedure in this case? (2 marks)
- (ii) How might the procedure be improved to include complaints about a variety of products? (3 marks)
- (b) List **5** steps that a shop assistant could take to initiate changes to the shop's complaints procedure. (5 marks)
- (c) Give **3** possible consequences for the customer's home of the paint drying to a darker colour. (3 marks)
- (d) List **3** rules for keeping customers happy and explain how **each** rule could be applied in this scenario. (6 marks)
- (e) Explain **3** possible barriers to communication in this case that originate from the customer. (6 marks)

(Total 25 marks)

Model Answer to Question 1

- (a) (i) The adequacy of the complaints procedure in this case:
- The procedure is not suitable for all situations.
 - The customer was unable to complain about the colour before putting the paint on the wall, as he did not know it would dry darker, and he cannot remove it from the wall to take it back to the shop.
- (ii) How the complaints procedure could be improved to include complaints about a variety of products:
- The procedure might include the words 'where practicable'.
 - Where it is impossible to bring a product back to the shop, the customer would be required to offer reasonable proof; where this is not possible, the customer's honesty and degree of distress would have to be assessed.
- (b) 5 steps that the shop assistant could take to initiate changes to the shop's complaints procedure:
- make a note of all cases that do not fit the procedure
 - study the cases and think about how they could be dealt with fairly
 - discuss the possible procedural changes with colleagues
 - record the cases and possible changes in a report
 - pass the report to the line manager
- (c) 3 consequences for the customer's home of the paint drying to a darker colour:
- the room may appear gloomy
 - the colour may not match furnishings
 - the walls may not complement other decorated surfaces
- (d) 3 rules for keeping customers happy, with an explanation of how each rule could be applied in this scenario:
- Customers demand that a product meets their requirements**
the customer should be given a paint that dries to the required colour
- Customers expect reliability in the product or service**
the colour shown on the tin should be an accurate indicator of the paint when dry
- Customers expect to be treated with courtesy and respect**
the customer expects to be believed and to be recompensed
- (e) 3 possible barriers to communication that emanate from the customer:
- the customer cannot show the dry paint colour, can only express it in words
 - the customer could become distressed and consequently tongue-tied
 - the customer's upset may come across as aggression and tend the assistant to be unsympathetic

QUESTION 2

- (a) State how **4** common warehousing practices contribute to effective customer service. (8 marks)
- (b) Give **5** ways in which computerised stock control is superior to manual systems. (5 marks)
- (c) Give **3** conflicting needs of customers and suppliers and state how **each** can be balanced by modern distribution practices. (12 marks)

Model Answer to Question 2

- (a) How **4** common warehousing practices contribute to effective customer service:
- stacking height is limited to avoid damage to goods at the bottom
 - large items are stacked on pallets to make them easy to retrieve
 - stock rotation ensures that customers do not get out-of-date stock
 - computerised record systems give an instant and accurate report of stock status
- (b) **5** ways in which computerised stock control is superior to manual systems:
- records can be updated automatically
 - systems are virtually error-free
 - it does not rely on handwriting, which may be misinterpreted
 - records are easy to retrieve
 - need for manpower is reduced

An additional acceptable answer could be:

- real time computing means that transactions made by several people are co-ordinated

- (c) **3** conflicting needs of customers and suppliers, and how they can be balanced by modern distribution practices:

Needs of customers	Needs of suppliers	How each can be balanced by modern distribution practices
<ul style="list-style-type: none">• Want goods immediately	<ul style="list-style-type: none">• Delivery from a distance	<ul style="list-style-type: none">• Fast and reliable delivery services(eg overnight)
<ul style="list-style-type: none">• Buy in small quantities	<ul style="list-style-type: none">• Minimise packing and distribution costs	<ul style="list-style-type: none">• Making up loads with other goods to be delivered locally
<ul style="list-style-type: none">• To have orders dealt with promptly	<ul style="list-style-type: none">• Accurate processing of a large number of orders (which takes time)	<ul style="list-style-type: none">• Computerised ordering and order processing

QUESTION 3

- (a) Briefly describe 4 informal routes inside organisations that may be used to initiate changes in customer service practice. (8 marks)
- (b) State how the following may be used to collect customers' views:
- (i) written questionnaires (3 marks)
 - (ii) telephone surveys (3 marks)
 - (iii) face-to-face surveys. (3 marks)
- (c) What sorts of data do the following show? Give a written example for each.
- (i) graphs (4 marks)
 - (ii) pie charts. (4 marks)

(Total 25 marks)

Model Answer to Question 3

(a) 4 informal routes inside organisations that may be used to initiate changes in customer service practice:

- informal interest groups could meet to discuss how proposed changes may affect them and how they can make the changeover painless and effective
- the 'grapevine', by which early ideas, decisions and suggestions will have been discussed informally before any official directive has reached staff
- informal or fact-finding visits by management teams or individuals could take place, to ascertain 'grass roots' opinion; this will speed up the more formal processes later on
- telephone contact, newsletters, e-mail and notice-board information (official or unofficial) may also be used

(b) How the following may be used to collect customers' views:

(i) **Written questionnaires**

- Can be used for both customer and staff polls (staff in contact with customers may be able to report their views). Could involve yes/no answers, scale answers (1=poor, 5=excellent) or agree/disagree answers (strongly agree, agree, don't know, disagree, strongly disagree). Must be easy to understand and fill in.

(ii) **Telephone surveys**

- Could have a set number and type of questions that require a yes/no answer (on a scale of 1–5, for example). Makes use of an interviewer, who can use personal skills and communication, which are particularly important as there is nothing for the respondent to read.

(iii) **Face-to-face surveys**

- Provide a means for a more in-depth response, as an interviewer is present. The interviewer can make use of personal skills but can also make use of written and visual stimuli, such as lists of brand names and photographs of products.

(c) Sorts of data shown by the following (with a written example of each):

(i) **Graphs**

- show patterns or trends (particularly growth and decline) over a particular period of time

Example

- sales figures for a company may be plotted over a period of 10 years
- peaks and troughs can be easily seen

(ii) **Pie charts**

- show proportions (usually percentages) taken by various members of a whole population at one specific point in time, as a cake (or pie) cut up

Example

- sales figures for a particular year may be broken down into the various brands offered by a company, so that it can easily be seen which have had the strongest sales

QUESTION 4

- (a) Explain **3** ways in which an organisation could give a **reactive** response to complaints. (12 marks)
- (b) Describe a system that a customer service team could use to process and evaluate feedback from customer complaints. (9 marks)
- (c) State **2** reasons why a public street survey could give information additional to that collected from complaints. (4 marks)

(Total 25 marks)

Model Answer to Question 4

(a) **3** ways in which an organisation could give a **reactive** response to complaints:

'Knee jerk' response

- no structured method is in place; if a customer complains, the item is exchanged or occasionally a refund is given; such a response has no real customer service value: it serves only to remove the nuisance factor (the customer)

Company policy response

- an apology is given, verbally or in writing (depending on the situation), and an offer is made to replace the incorrect/ faulty item, or an alternative date is offered to the customer; a specific policy exists not to offer refunds (though this may be waived if the complaint is pursued)

Goodwill gesture

- the failure of the organisation to meet the customer's need is acknowledged not just by replacement or correcting the error, but by offering a token or gesture of goodwill (eg a restaurant provides a complimentary drink for customers who have been waiting a long time); this satisfies the customer the first time, but if the lack of good service persists, the customer is likely to find another restaurant with a better standard of service

(b) A system that a customer service team could use to process and evaluate feedback from customer complaints:

- a form would be designed to record complaints in a simple fashion, for example, with cells that can be easily filled in with ticks, crosses or simple language; whenever a member of the team receives a complaint, he/she would record it on the form; the forms would be filed in date order and kept for the next stage
- once a week, a member of the team would look at the week's complaints and do a simple analysis of them, comparing them to previous complaints; the team members should meet to discuss the complaints and to consider the causes and decide on potential solutions; minutes of the meetings would be sent to the line manager
- on a quarterly basis, a member of the team would carry out a fuller analysis of the nature of the quarter's complaints, involving computing how many had been resolved, how they had been resolved, and analysing trends in numbers of complaints received and resolved; this would be written in a report, which would be circulated amongst team members and passed to the line manager

(c) **2** reasons why a public street survey could give information additional to that collected from complaints:

- not everyone who is dissatisfied goes to the trouble of complaining; in this way, it would be possible to learn about the experiences and opinions of a broader spectrum of dissatisfied customers
- a street survey could include people who buy competitive brands, and the company could gain an insight into their dissatisfaction – the company could learn to avoid such situations itself

QUESTION 5

- (a) Describe how a customer service department could be organised on the basis of achievement. (12 marks)
- (b) Give **2** ways in which **each** of the following sections of a business plays a customer service role:
- (i) purchasing (4 marks)
 - (ii) accounts. (4 marks)
- (c) Give an example from your knowledge or experience that illustrates how the efforts of a non-customer service specialist have contributed to effective customer service. (5 marks)

(Total 25 marks)

Model Answer to Question 5

(a) How a customer service department could be organised on the basis of achievement:

- power and authority would be allocated to the customer service department and to the departmental head to whom the company policy has been delegated (usually by the managing director/chief executive office and board of directors)
- the customer service department would be responsible for implementing the policy and it would need to establish control mechanisms and monitoring procedures to assess the effectiveness of the systems put in place and to correct or adjust these systems where response indicates such as need
- checks would need to be made on a range of operational features within the system, including effectiveness of complaints handling, front-line service, face-to-face customer relations, response to telephone calls, product instructions, returns and replacements or refunds procedures, market research and customer surveys.
- all this information would need to be collated, analysed and interpreted via reporting mechanisms, activity monitoring, meetings of departmental representatives, statistics, audits and data presentation
- in the final analysis, the company's achievement of its provision of customer service would be judged on the outcomes and targets attained, balanced against those set – on a continuous basis
- for this state to be reached, there would need to be effective working relationships between the customer service department and the other parts of the organisation; there would be a supplier/customer relationship with other departments, which should be as professional as that with external customers

(b) 2 ways in which each of the following sections of a business plays a customer service role:

(i) **Purchasing**

- buys in materials/products of a quality to satisfy customers
- makes sure materials/products are purchased in time to meet customer delivery dates

An additional acceptable answer could be:

- purchases at a reasonable price to give internal and external customers value for money

(ii) **Accounts**

- provides invoices, statements of accounts and other records to customers
- deals with customer account queries

An additional acceptable answer could be:

- provides a financial analysis service to other departments

(c) An example from my own knowledge or experience that illustrates how the efforts of a non-customer service specialist have contributed to effective customer service:

I bought a second-hand video tape recorder in a private sale. As I had not bought it from a shop, there was no retailer backup to assist me with problems. I took the appliance home and set it up according to the instructions, and it worked well to start with. After a while, however, I noticed interference on the screen. I found the telephone number of the manufacturer and telephoned the company. I was put through to the production department, where a very helpful man asked me questions about the problem I was experiencing. He gave me a diagnosis straight away, and suggested what I might be able to do about it myself (without costing me any money). I thought that this was very kind of him, since the company had a repairs department and he could have suggested that I took it in for a service – or could even have tried to sell me a more modern version. There had been absolutely nothing in it for this man – and it probably took him away from what he would normally be doing. However, the result was that I held the company in high regard afterwards.

QUESTION 6

(a) List the **advantages** and **disadvantages** of each of the following communication channels when responding to customer problems:

(i) post (4 marks)

(ii) telephone (4 marks)

(iii) email. (4 marks)

(b) Give **5** ways in which organisations benefit from using quality circles to discuss customer problems. (5 marks)

(c) Give **4** reasons why managers may resist changes to customer service practice that are suggested by other staff members. (8 marks)

(Total 25 marks)

Model Answer to Question 6

(a) **Advantages** and **disadvantages** of each of the following communication channels when dealing with customer problems:

(i) Post:

Advantages

- as a postal response is not expected immediately, it allows time to investigate problems
- a reply can be made on headed notepaper, which gives an aspect of quality

Disadvantages

- can be unreliable – the letter may not be received
- communication is very much one-way, not allowing a dialogue with the customer

(ii) Telephone:

Advantages

- there is an opportunity to gauge the customer's reaction
- the customer service assistant can use personal communication skills to satisfy the customer

Disadvantages

- the customer may keep the customer service assistant on the telephone for a long time
- the customer will have the opportunity to express emotion vocally, which may be stressful for the customer service assistant

(iii) Email:

Advantages

- a virtual dialogue is possible, allowing near two-way communication
- communication is extremely fast

Disadvantages

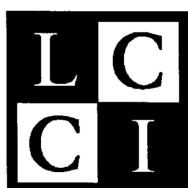
- many private customers still do not have personal e-mail
- some people do not look at their e-mail messages very often

(b) How organisations benefit from using quality circles to discuss customer problems:

- the viewpoints of staff from various specialisms are gained
- customer-facing staff can contribute the opinions of customers
- staff are motivated by being involved
- the use of a wide spectrum of staff is likely to give rise to more objective decision making
- the employer will be respected for allowing employee participation

(c) 4 reasons why managers may resist changes to customer service practice suggested by other staff members:

- they may feel too embarrassed, even threatened, to accept ideas from people lower in the hierarchy
- they may think they know best in their specialism, so are unwilling to take ideas from people working in other functions
- they are not sufficiently close to the customer, so cannot see what will work practically
- they fear that changes will upset systems and procedures and cause trouble for them later



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