Customer Satisfaction, Complaints And Loyalty: The Evidence

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Wednesday, 25 February 2009
Last Updated Wednesday, 25 February 2009

The annual Service in Britain survey, now in its 4th year, tracks service and value satisfaction, complaint incidence and loyalty for most UK sectors. The survey polls 1,000 UK adults online; the report is purchased by a range of organisations, with the National Consumer Council providing annual input and support. It is conducted by Andrew Smith Research (Andrew also Chairs the Independent Consultants Group), with fieldwork from online panel company Research Now.

The 2008 report shows a fall in the number of consumers complaining at all for the third successive year, down to 70% from 86% in 2005. The only industries to see the incidence of complaints rise slightly this year were airlines and holiday companies - perhaps indicative of the pressures being felt in these sectors.

The total volume of complaints has fallen even more dramatically â€“ but this tells only part of the story. Further evidence suggests we donâ€™t think formal complaints are worth it and have found more effective ways of registering disquiet. Half agree that customer service standards in general in Britain are declining, whilst only 1 in 6 think they are improving. As a result, half also think they need to complain more today about service than they did in the past! So the drop in actual complaints is accompanied by a consistently high level of frustration with service standards and the ability to get address.

Half the population say they would rather take their business elsewhere than complain, and a similar proportion say they wanted to complain but didnâ€™t, because it involved too much effort.Â This suggests that increasingly the first sound of discontent a company hears is their customersâ€™ footsteps as they walk away. Social networking sites, TV watchdog programmes and other online feedback growth all reflect the way that complaining has moved from lonely frustration to a sharing phenomenon in recent years. This healthy democratisation of feedback is bound to worry failing organisations.

The survey also tracks the biggest frustrations with customer service. Poor treatment whilst on the telephone consistently accounts for the three highest ranked issues. Being left endlessly on hold remains the top gripe, followed by being passed around and around voice-activated systems and coping with incompetent telephone staff. Hence Service in Britain also tells us that whilst many companies successfully migrate customer servicing online, they continue to under-invest in telephone resourcing.

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26th August 2008
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