

Dealing with customers

Customer service is the overall activity of identifying and satisfying customer needs.

The term is used in three different ways:

- 1.As a contrast to 'products'. Products are tangible things. Services are intangible things like a taxi journey, a hair-cut, or advice on insurance.
- 2.As an extra you get when you buy a product. You buy a plasma screen TV and the shop will 'service' it for you - that is, it will make sure the TV will continue to work well.
- 3.As an overall description of the desired relationship between a supplier and a customer. 'Service' in this sense is based on the premise that every commercial transaction is a service.

When a customer visits a local retailer to buy furniture. They are able to benefit in some cases from the additional service of having the furniture installed for them. At the same time hopefully they will get a good 'service' from the retailer, who will be happy to help them with advice about the properties of different types of furniture, repayment terms, delivery etc.

Customer service

If an oil company assumed that the function of its retail network was simply to sell petrol and lubricants it would quickly lose business to competitors. Its real function is to supply a 'customer service' in its case the service of enjoyable, trouble-free motoring.

Customer service is one of the most important ingredients of the marketing mix for products and services. High quality customer service helps to create customer loyalty. Customers today are not only interested in the product they are being offered but all the additional elements of service that they receive from the greeting they receive when they enter a retail outlet, to the refund and help that they receive when they have a complaint about a faulty product that they have paid for.