

## **Actually, We Should *Want* to Hear Customer Complaints**

By Janelle Barlow, PhD

If businesses are genuinely interested in developing a customer-centric culture, heightening customer care, and providing outstanding customer service, then how they treat customers when they complain is core.

Yet in a [2020 National Customer Rage Study](#), researchers reported that, when complaining, 58 percent of customers got no or limited satisfaction due to their efforts, while 65 percent left filled with rage and frustration.

To stay in business, all organizations need to treat complaint handling as an important strategic tool that can generate information about their products or services as well as build customer trust and loyalty. After all, how many customers pick up the phone to chat with you if they have no problems? Companies should consider any complaint a gift, since so few customers actually do complain to a company. Unhappy customers are more likely to complain to anyone who will listen rather than make the effort to complain to the people who can actually remedy the problem.

Consider this: Of all positive memories customers have of good service, 25 percent started as a service-delivery failure. Customers will accept many mistakes — as long as service representatives handle their complaints positively. Complaints that are handled well transform into experiences more positively remembered than if no complaint had been made.

Here are five reasons why businesses should treat complaints as a gift:

**1. Complaints offer a chance to keep and improve customer relationships.** Savvy businesses know that, on average, existing customers spend 67 percent more than new customers. This means that effective complaint management can actually lower total marketing expenditures by substantially reducing the need for

advertising to attract new customers. These savings in advertising can offset at least some of the cost of compensating customers for their complaints. Well-handled complaints can create strong bonds between customers and organizations.

**2. Complaints define what customers want.** Complaints brought directly to businesses are the most efficient and least costly way of getting information about what doesn't work and what can be improved. Businesses may never understand customer needs until a product or service failure occurs. Complaining customers tell the company what's not working once the product is manufactured and used. But organizations must be willing to listen and have internal systems capable of integrating this type of feedback.

**3. Complaints are one of the least expensive marketing tools.** When marketing experts measure what customers prefer, they may gather feedback from a focus group, a review of customer expectations in parallel industries, using mystery shoppers, and so on. None of these methods will bring customers closer to a company in the same way that a complaint-handling exchange can accomplish. Further, while large companies can afford to conduct or commission market research of this type, medium-sized and small companies must rely on their customers to tell them what they think about their products and services.

**4. Complaints spark a surge of loyalty.** Loyal customers are not easily produced, though disloyal ones are. All staff inside the company need to adopt the mindset that when handling a complaining customer, they're looking at a customer with a potential for increased loyalty to the organization. Companies that exceed expectations when handling complaints dramatically increase customers' trust in them. Customers then feel they owe the company something for how well they helped them and how they were treated.

**5. Complaints mean customers are still talking with you.** It's important to remember that if customers call or write about a complaint, they're still communicating with them — and not with the

rest of the world. This means companies still have a chance to fix and continue the relationship.

A customer complaint that allows a company to take responsibility for fixing the customer's issue so that they leave satisfied and feeling they can trust the organization is a gift to companies that will keep on giving.

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Janelle Barlow, PhD, is an award-winning speaker, trainer, consultant and author who translates research into practical tools to improve customer service and complaint handling. She works with Customer Service Representatives, managers, and entire companies, both nationally and internationally, to help them recover and retain customer loyalty. She has recently released the third edition of her bestseller (more than 275,000 copies sold to date), **[A Complaint Is a Gift: How to Learn from Critical Feedback and Recover Customer Loyalty](#)** (BK Publishing, Nov.8, 2022). Learn more at **[AComplaintIsAGift.com](#)**.