

Forum told: Know your clients' expectations

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EXPLAINING away dissatisfied customers as ones with "rising expectations" can be dangerous, says David Chan, an industrial organisation psychologist.

Speaking at a recent forum on productivity and service excellence, Prof Chan, a professor of psychology and director of the Behavioural Sciences Institute at the Singapore Management University, pointed out that implicit in such comments is the thinking that the customer is being unreasonable.

Such thinking percolates down from boardrooms to the employee who has to respond to a complaint, he says. The employee assumes unreasonableness – even when the customer's feedback is legitimate – depriving the company of the opportunity to respond constructively.

Rather than peg customer expectations at an unknown, unattainable level, Prof Chan suggests that companies try to identify the different levels of expectations a customer has.

First, there are the routine expectations, shaped by immediate and recent experiences. If a customer always boards a crowded bus at a certain time, or typically waits half an hour at the polyclinic, that shapes his expectation of the experience he will receive when he next boards a bus or visits a polyclinic.

Then, there are the aspirational expectations – an ideal that the customer holds in his mind, that could be shaped by his experience with competitors, or advertising. This is likely to be set at a level higher than the routine.

But there is also a level of tolerance – the customer will expect a basic level of quality and service. Deliver anything under this tolerance level and a company can expect complaints from the customer, or even lose him altogether to a competitor.

What this means, Prof Chan says, is that companies need to identify where they stand in the eyes of different segments of consumers. Are they hovering just above the level of tolerance? Are they meeting routine expectations, and if so, are these experiences positive?

"It is no longer just a single level, so company's interventions to react to customers need to take these into consideration," he says.

Companies also need to realise that as customers, people are adaptive. Their expectations will not keep rising if these are constantly unmet. Instead, they will recalibrate their expectations.

Because customer expectations are so easily shaped by environmental changes, which may be out of any individual company's control, trust is important to tide a company through fluctuations in customers' expectations.

Prof Chan suggests that while most companies are adept at inspiring and keeping "trust in competence" – how well they perform operationally to deliver the promised goods or services – and also at "trust in integrity" – governed by the rule of law – there is a third dimension of trust that is often neglected.



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"Trust in benevolence," he says, is being able to gain the customer's trust that the company's decisions and actions are made with the customer's good in mind. "There isn't a structure or process that checks on benevolence. If I tell you something now, would you believe what I say in terms of my intention?" he said.

This becomes particularly important in a crisis situation, in which communication and the company's future could rely heavily on customers' gut feel of the company's trustworthiness.

"There is a need to focus on all three dimensions of trust, failing which your customer satisfaction becomes more episodic, rather than strategic," says Prof Chan.



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