

Examining A Customer Service Failure

Student's Name

Institutional Affiliation

### 3-2 Exercise: Examining A Customer Service Failure

#### **Part One: Reflection On a Personal Experience with Service Failure**

During a recent online shopping experience, the primary service failure was a significant delay in the delivery of my order, which was supposed to arrive within three business days but took over two weeks. The lack of timely updates from the company compounded the issue, leaving me uncertain about the status of my order and diminishing my trust in their reliability.

Initially, my attitude toward the service provider was one of significant frustration and disappointment. The delay disrupted my plans, as the items ordered were intended for a specific event. The absence of communication from the service provider left me feeling neglected as a customer, leading to a negative perception of their customer service practices.

After contacting customer service, the company apologized and offered a partial refund as compensation for the inconvenience caused. Additionally, they provided a discount code for future purchases. This response was somewhat delayed, as multiple inquiries from my side were needed to receive this resolution, which affected my satisfaction with their handling of the situation.

The company's resolution did mitigate some of my initial dissatisfaction, as the financial compensation recognized the inconvenience caused. However, while the discount for future purchases was an encouraging gesture, it did not fully restore my faith in the company. I remained cautious about future interactions, feeling that the resolution could have been timelier and more proactive to regain my full trust.

#### **Part Two: Designing A CRM System**

To effectively design and develop a CRM system, the essential inputs include advanced CRM software, customer databases, and communication tools (Stefanov et al., 2023). Support

staff critical to this system's success will encompass IT specialists to handle the technical setup and maintenance, data analysts to interpret customer data, and customer service representatives to manage direct interactions. Additionally, project managers will oversee the CRM system's integration with existing company processes, ensuring smooth operation and alignment with business objectives.

The CRM system will require a variety of customer data to function optimally. Essential data includes demographic information, purchase history, service interaction records, and customer feedback. To obtain these, we will employ diverse techniques such as online surveys, in-app behavior tracking, and direct customer interviews. Both qualitative insights, like customer satisfaction levels, and quantitative data, such as purchase frequencies, will be crucial for a holistic understanding of customer behaviors and needs.

Effective management of collected information involves deploying robust data collection methods such as real-time tracking systems, customer service logs, and integrated feedback tools across digital platforms. The data management plan will include secure cloud storage for scalability and accessibility alongside advanced data analytics platforms to analyze and interpret data systematically. Regular data audits and updates will ensure accuracy and relevance, providing a reliable base for decision-making and strategy development. (Rangineni et al., 2023).

The CRM system will enhance customer retention by leveraging detailed analytics to tailor communications and offers to individual customer preferences and needs. Personalized marketing strategies, based on predictive analytics, will anticipate customer desires and deliver targeted solutions, increasing customer engagement and loyalty. Additionally, implementing loyalty programs that reward frequent purchases and consistent engagement will solidify customer relationships. By proactively addressing potential dissatisfaction through service

adjustments informed by customer feedback, the CRM system will significantly improve the overall customer experience, driving retention and value (Lamrhari et al., 2022).

## References

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