

Customer Service Practices and Policies among Missoula Area Businesses

Report to Missoula chamber of Commerce & Its Members

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In late summer 2008, with the help and approval of the Missoula Chamber of Commerce, we conducted an electronic survey of its members with regard to their customer service policies and practices. We sent the survey in the Chamber's electronic newsletter three times in two week intervals. In all, a total of 182 usable responses were returned. The following reports on the results of this study. In the next several issues of this newsletter, we will share the results of our findings with you with an explanation of why we asked the question and its relevance to customer service policies.

We began our survey with three classification questions. Question one asked if the business was a single-store or a multiple-store operation. The majority of respondents (65%) were single-store operations with 35% being multiple-store businesses with an average of 7.6 stores per respondent.

We then asked about the respondents' total annual sales. The responses show that 46% of respondents had sales of one million dollars or less, with 54% reporting sales greater than \$1 million.

Half of the respondents stated that they had eighteen or fewer employees. The conclusion from the first three questions is that the typical Missoula business is relatively small as indicated by sales, employment and the number of stores owned by that business.

The first question on customer service policy asked how the business received feedback from customers, including customer complaints (See Figure 1). Businesses can use a variety of means to solicit and receive customer feedback. A significant number (75%) stated that customers provided feedback in person to the supervisor or the manager in charge. 46.5% reported having an informal process for receiving feedback and 41.6% received feedback via the Internet. About 25% stated that customers used their toll free number or feedback/complaint box for this purpose. Individual customers have different habits and preferences as to whether and how they share their views and provide feedback to businesses they deal with. To the extent possible, it is important for any business to provide multiple avenues for customers to provide feedback. The intent is to make it easier and to encourage customer feedback than to discourage it. Research shows that many customers are reluctant to provide feedback, especially if it is negative and in the form of complaints. A business may be losing the opportunity to improve its product or service offerings if such feedback is not provided.

Figure 1. Method of Receiving Customer Feedback

