

Unit 4: Principles of Customer Service

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

In a world of increasing competition, businesses across all sectors realise that their level of customer service can give them a competitive advantage. Keeping customers happy can be key to business success, especially as it costs a great deal more to attract new customers than to keep existing ones. Therefore, building relationships with customers and providing consistent and reliable customer service to meet their needs and expectations is vital. This involves good communication and interpersonal skills, as well as a good knowledge of the product or service provided.

This unit develops and broadens your understanding of customer service in different businesses. You will develop your knowledge and understanding of customer needs and expectations and be given the opportunity to examine a wide range of different types of internal and external customers. It is also important to understand how businesses set internal policies and procedures to ensure that staff maintain customer service standards.

All staff working in customer service situations are expected to present themselves in a professional way, have good interpersonal skills and be able to communicate effectively with their customers. You will look at ways in which this can be achieved, meeting the needs and expectations of customers.

You will have the opportunity to develop your understanding of the importance of delivering consistent and reliable customer service through the development of your own customer service skills. You will also have the opportunity to put these skills into practice.

Learning aims

In this unit you will:

- A understand how businesses provide customer service
- B demonstrate appropriate customer service skills in different situations.

Learning aims and unit content

What needs to be learnt
<p>Learning aim A: Understand how businesses provide customer service</p> <p>Topic A.1 The meaning of customer service</p> <ul style="list-style-type: none"> • Definition – the ways in which a business meets customer expectations to satisfy customers <p>Topic A.2 Different customer service roles in a business, including:</p> <ul style="list-style-type: none"> • roles dealing directly with customers, e.g. receptionist, contact centre worker, shop assistant, delivery driver • roles that do not involve direct customer service, e.g. cleaners, gardeners, engineers <p>Topic A.3 The different types of customer service businesses have:</p> <ul style="list-style-type: none"> • service deliverer (the person seen by the customer as providing customer service and representing the business) • face-to-face customer service (hotels, restaurants, leisure centres, hospitals, shops) • remote customer service (call centres, online) • customer service teamwork (cooperation between individuals, departments and businesses) <p>Topic A.4 Customer satisfaction</p> <ul style="list-style-type: none"> • What is meant by customer satisfaction, including confidence in service, value for money, repeat custom, word-of-mouth reputation, loyalty • Different ways businesses can satisfy customers, including providing reliable products/services; providing extra services (e.g. free delivery, follow-up services); providing accuracy, reliability and speed of service; providing value for money; providing information and advice; dealing with problems <p>Topic A.5 Different ways that businesses can provide consistent and reliable customer service:</p> <ul style="list-style-type: none"> • through staff knowledge of the scope of job role and products and/or services • through staff attitude and behaviour, e.g. timing, accessibility/availability • meeting specific customer needs • working under pressure • confirming service meets needs and expectations • dealing with problems <p>Topic A.6 The effect of good customer service on the reputation of a business, including:</p> <ul style="list-style-type: none"> • building a good reputation (quality products, value for money, consistency, reliable and trustworthy service) • increased sales, increased profit, retention of existing customers, new customers, word-of-mouth recommendation, competitive advantage, staff job satisfaction and motivation <p style="text-align: right;"><i>continued</i></p>

What needs to be learnt**Topic A.7 Different ways of exceeding customer expectations by:**

- providing value for money, information and advice quickly
- providing additional help and assistance, e.g. dealing promptly with problems, offering discounts, offering additional products or services, providing information on returns policy
- providing exceptional help and assistance for customers with special requirements

Topic A.8 Providing effective customer service through organisational procedures

- Ways that businesses can provide effective customer service, e.g. by monitoring customer service, following codes of practice (industry, organisational/business, professional), meeting legal and regulatory requirements and having ethical standards:
 - ensuring that correct procedures are followed, e.g. referring to someone in authority, dealing with refunds, dealing with questions you cannot answer, treating customers equally
 - minimising hazards and risks, including identifying where customers could be injured, informing people of dangers (e.g. signs on wet floors), complying with fire regulations (e.g. exits signed, location of fire extinguishers, fire practice, evacuation procedure, meeting points), knowing how to deal with security alerts (e.g. taking messages, evacuation procedure, meeting points)
- The purpose of organisational procedures that contribute to consistent and reliable customer service:
 - meeting or exceeding the customer service offered by rival businesses, thereby gaining a competitive edge
 - ensuring company mission/vision statements are followed
 - ensuring external quality benchmarks are met

Topic A.9 Complying with legislative and regulatory customer service requirements

- Meeting all legal and regulatory requirements, including sale of goods, health and safety, data protection and equal opportunities

Learning aim B: Demonstrate appropriate customer service skills in different situations**Topic B.1 Customers**

- Types of customer, including:
 - internal, e.g. managers, colleagues in own team or other departments, supervisors, staff
 - external, e.g. existing and new customers, individuals, groups, members of the public, business-to-business
 - customers with special requirements, e.g. non-English speaking, different ages, different cultures, gender, families, customers with special needs, e.g. visual, hearing, mobility
- Differences between internal customers and external customers
- Factors that impact on different customer service expectations, e.g. those relating to age, culture, image of the business, public image of the owner, disposable income

continued

What needs to be learnt**Topic B.2 Skills required to deliver consistent and reliable customer service, including:**

- being professional and creating a good impression, e.g. good manners, appropriate dress, using appropriate language, good posture/body language, tidy work area
- having a positive attitude, e.g. good timekeeping, being conscientious, being motivated
- effective communication with customers, including:
 - verbal – appropriate greeting, speaking clearly, tone of voice, volume, speaking to people who do not have English as a first language
 - non-verbal – smiling, making eye contact, looking at the customer, open body language, facial expression
- completing communication with the customer, e.g. thanking the customer, appropriate tone of voice, positive body language, appropriate form of address, use of the customer's name, offering further assistance, confirmation of service

Topic B.3 Developing customer service skills, including:

- different situations, e.g. face-to-face, telephone, writing, email
- ways of dealing with customer queries, including being polite, showing empathy with the customer, keeping customers informed, not disagreeing, using appropriate body language
- ways of dealing with customer problems and complaints, e.g. by offering alternatives or exchanging products, escalating issues to management
- customer types, e.g. difficult, abusive, people with disabilities, elderly, those needing technical information
- different situations, e.g. providing information about products and/or services, promoting additional products and/or services, giving advice, taking and relaying messages
- other customer service skills, e.g. keeping records, dealing with problems, handling complaints, remedial measures, emergency situations
- complying with organisational/business policy, e.g. complaints procedure, disclaimers, service specification statements

Topic B.4 Limits of authority

- Limits of own authority when dealing with customer queries and the role of supervisors and management, including:
 - service deliverer – limited authority on amounts to refund, limited authority to offer free products, need to check with line manager
 - line manager/supervisor – greater authority to authorise refunds, can authorise discounts or free goods, supervising staff at lower level, ensuring policies and procedures are carried out
 - management – control of branch, authorising exceptional changes to procedures and policies

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand how businesses provide customer service			
1A.1 Define customer service, giving an example of a customer service role in a selected business.	2A.P1 Describe the different types of customer service provided by two selected businesses.	2A.M1 Compare how two selected businesses satisfy customers.	2A.D1 Assess the effect of providing consistent and reliable customer service on the reputation of a selected business.
1A.2 Identify features of consistent and reliable customer service.	2A.P2 Describe the characteristics of consistent and reliable customer service.	2A.M2 Explain how a selected business attempts to exceed customer expectations.	
1A.3 Identify how organisational procedures contribute to consistent and reliable customer service.	2A.P3 Explain how organisational procedures and legislation contribute to consistent and reliable customer service.	2A.M3 Compare the impact of legislative and regulatory requirements affecting customer service on a selected business.	
1A.4 Outline how legislative and regulatory requirements affect customer service in a selected business.	2A.P4 Explain how legislative and regulatory requirements affect customer service in a selected business.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Demonstrate appropriate customer service skills in different situations			
1B.5 Identify different types of internal and external customer in a selected business, giving an example for each type.	2B.P5 Describe how a selected business meets the needs and expectations of three different types of customer.	2B.M4 Demonstrate effective communication skills when responding to customer problems and complaints in three customer service situations. #	2B.D2 Evaluate the effectiveness of own customer service skills, justifying areas for improvement. #
1B.6 Identify when it is necessary to refer a customer service problem to someone in authority.	2B.P6 Describe, using examples, the limits of authority that would apply when delivering customer service.		
1B.7 Demonstrate appropriate communication skills in three customer service situations. #	2B.P7 Demonstrate effective communication skills to meet customer needs when dealing with three different customer types in customer service situations. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Edexcel. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

In providing evidence for this unit, learners must show that they have an understanding of how good customer service impacts on a business and ways of exceeding customer expectations. They must also show how they have demonstrated customer service skills in different situations.

To achieve all the assessment criteria, learners should research two different businesses. Examples could be from retail, call centres, leisure centres, etc. A presentation summarising how customer service is provided to different types of customer could provide evidence for 2A.P1, 2A.P2, 2A.M1, 2A.M2 and 2B.P4 if centres wish to combine evidence across learning aims.

For 2A.P1, learners should describe the different types of customer service provided by two selected businesses. For 2A.P2, learners should describe the characteristics of consistent and reliable customer service. This description can be expanded on for 2A.M1 with a comparison of how two selected businesses satisfy customers and further expanded in 2A.M2, with an explanation of the different ways in which one of those businesses can attempt to exceed customer expectations. This explanation can then be further developed for 2A.D1 into an assessment of how good customer service can impact on the reputation of a business. Examples provided for this criterion could be from the businesses learners have researched or from their own experiences.

To meet the assessment requirements for 2A.P3 and 2A.P4, learners could prepare a guidance leaflet designed for new staff. Learners must not download and reiterate large chunks of legislation, but should summarise and briefly explain how the legislation protects the customer and impacts on the delivery of customer service. Learners also need to explain how organisational procedures contribute to consistent and reliable customer service. To support their explanation, learners should provide examples showing application of their understanding, such as responding to problems or complaints. The work for 2A.P3 and 2A.P4 could be expanded upon in 2A.M3, where learners need to compare the impact of legislative and regulatory requirements affecting customer service on a selected business, giving relevant examples.

Learning aim B requires demonstration of customer service skills in different situations and evidence will be through records showing how these skills have been applied. For 2B.P5, learners must describe at least three different types of customer, including examples of internal and external customers, and describe how the needs and expectations of each type of customer are met. Evidence can be drawn from learners' own experience, from research, or from information provided by visiting speakers.

For 2B.P6, learners need to show understanding of the limits of authority when dealing with customer queries, such as offering discounts or free delivery, ways to deal with unusual, extreme or complex requests and when to ask for help from supervisors.

To achieve 2B.P7, learners should demonstrate effective communication skills to meet customer needs when dealing with three different customer types in different situations. Evidence will be through records of how these skills have been applied (through role play, part-time work or a work placement). Centres must ensure that learners record a personal statement from evidence they have gathered to show how they demonstrated the skills (e.g. in a log or diary if they have demonstrated these skills during a work placement or part-time job). It is also essential to have a detailed written observation record of each learner's performance, signed and dated by either the teacher or a work supervisor.

This can be developed for 2B.M4 where learners need to think beyond the basic provision of customer service in order to respond to problems and handle complaints. Again, work should be supported with observation records and personal statements. When responding to customer service complaints, learners do not have to be limited to face-to-face situations. They can also demonstrate their skills through written communication (such as responding to letters or emails of complaint) or recorded telephone conversations. Evidence should include the learner's own plan for dealing with the problem or complaint. This could involve their written script for a telephone conversation or their draft notes for a role play. For 2B.D2, learners need to reflect on their performance and evaluate how well they handled the situations, identifying lessons learned and justifying areas for improvement.

Level 1

Evidence for this unit will require learners to show they have an understanding of what is meant by customer service, how it is provided in different contexts and how they have demonstrated customer service skills in different situations.

To achieve all the assessment criteria, learners must investigate two different businesses. Examples could be from retail, call centres, leisure centres, etc. A presentation or poster, summarising how customer service is provided to both internal and external customers, could address 1A.1, 1B.3 and 1B.4 if centres wish to combine evidence across learning aims.

For 1A.1, learners should provide a definition of customer service and draw on their research to identify a customer service role.

For 1A.2, learners need to show understanding of how consistent and reliable customer service contributes to customer satisfaction. This could be provided in the form of an induction booklet for new staff. Examples of consistent and reliable customer service for 1A.2 can be drawn from a learner's own experience as a customer or from research – two examples would suffice, and there must be reference to customer satisfaction. This could be combined with 1A.3 and 1A.4, where learners need to identify how organisational procedures contribute to consistent and reliable customer service and outline how legislative and regulatory requirements affect customer service.

For 1B.5, learners should identify different types of internal and external customers in a selected business, giving an example for each type. For 1B.6, learners should identify situations when they should refer to someone in authority when dealing with customers.

1B.P7 requires a demonstration of customer service skills in three customer service situations. Evidence will be through records of how these skills have been applied (through role play, part-time work or a work placement). Centres must ensure that learners record a personal statement from evidence they have gathered to show how they demonstrated the skills (e.g. in a log or diary if they have demonstrated these skills during a work placement or part-time job). It is also essential to have a detailed written observation record of each learner's performance, signed and dated by either the teacher or a work supervisor.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 1B.5, 1B.6, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2B.P5, 2B.P6, 2A.M1, 2A.M2, 2A.M3, 2A.D1	What is Customer Service?	You are working in a business as a customer services advisor. You have been given the task of assisting the customer service manager to prepare training materials for new staff. To do this, you will need to investigate how customer service is provided in other businesses. You will then use your research to create training materials that new staff can use to learn about providing good customer service.	Training handbook for new staff, to include guidance on customer service roles, customer service provision and legislation and regulations that affect customer service work
1B.7, 2B.P7, 2B.M4, 2B.M5, 2B.D2	Handling Customers	You are working in a business as a customer services advisor. You need to develop your skills in providing customer service to a range of different customer types in different customer service situations. You will be observed with three customer types in different customer service situations. You will need to demonstrate effective communication skills and your knowledge of how to meet the needs and expectations of these customers within the limits of your own authority. When demonstrating your customer service skills, your performance will be observed by either your teacher (who will take on the role of your supervisor/manager) or your supervisor/manager from either a part-time job or work placement.	Work experience or role play supported with personal statement and observation record