

RECOVERY BEST PRACTICES

The following information is based on Buhi's experience and historical data along with the "Services & Experience Marketing" courseware by Maribeth Kuzmeski and Jerry Rackley.



Service failure occurs when a service performance doesn't meet customer expectations.



Service recovery is the action a company takes to resolve a service failure.

– "Services & Experience Marketing"

You are empowered to implement any recovery strategy that you feel best mends a service failure. However, you can use the following best practices as a guide. This list is not comprehensive, so you may have to brainstorm recovery strategies for unique situations. Also, consider any instruction you receive for individual service failures prior to implementing a recovery strategy.



Note: Recovery strategy costs typically increase as the severity of a situation increases. Carefully consider the severity of a situation and the potential cost of a recovery strategy before implementing it.

Overall Best Practices



Respond quickly



Apologize



Avoid placing blame on the customer



Provide guidance in solving the issue and/or reassurance of a solution



Be respectful



Follow-up to ensure resolution

Best Practices by Situation Severity



LOW – *The customer isn't very upset.*

Typical situations:

- Minor technical issues
- Proactive recovery (i.e., addressing and/or solving a problem before subscribers encounter it)
- Customer concerns about status (e.g., basic or VIP)

Best practice:

In low severity cases, it is best to follow the overall best practices.



MODERATE – *The customer is upset.*

Typical situations:

- Late deliveries
- Damaged packaging

Best practices:

- Offer a discount or free shipping
- Refund shipping costs
- Let the customer choose the solution (e.g., choose between a discount or free shipping)
- Hold additional charges until the issue is resolved
- Extend the subscription



EXTREME – *The customer is very upset, to the point or almost to the point of unsubscribing.*

Typical situations:

- Incorrect or damaged products
- Missing or lost orders
- Poor experiences with customer service
- Public relations (PR) issues or crises
- Competitor switchovers

Best practices:

- Provide a refund
- Empower customer service representatives to do what they must to resolve the issue
- Give free product(s) or replace damaged, incorrect, or missing product(s)
- Help the customer unsubscribe (**only** upon request), ensuring the process is simple and clear

While PR-related issues and switchovers tend to be extreme-severity situations, they require unique recovery strategies. Be careful to truly resolve the issue for the customer and verify that you have – recovery strategies like giveaways and discounts don't tend to resolve these issues and can even exacerbate them.



Keep in mind: Recovery strategy costs typically increase as the severity of a situation increases. Carefully consider the severity of a situation and the potential cost of a recovery strategy before implementing it.