

Customer Service? An Unforeseen Risk!

Okay, this is a rant, but there are at least two takeaways from this nightmare

All of us have been subjected to outsourced customer service. Obtaining a satisfactory resolution is a real challenge, particularly if you need a repair quickly.

My most recent experience has been with a printer that I purchased in March this year at a major office products retailer. Perhaps you've had a similar experience (hopefully not!). Having to prove that the one-year manufacturer's warranty was still in effect has caused me to reflect on the experience.

Here's the short story: The printer fails. I call the service number and navigate through the labyrinth of options pertaining to the equipment, the current problem, and my family history. After many minutes on hold, listening to music that reminds me of fingernails on a chalkboard, a voice comes on the line. I think, "Wow, we're getting somewhere."

Now comes the barrage of questions starting with the printer name, model number, and serial number. Big red light; the serial number conveys to the service rep on the line that my printer is not in warranty. Hey, I bought it in March and it is only August. The printer came with a 12-month limited warranty. Do you know that there are 12 months in a year?

"Sorry, you are out of warranty. Fax or scan your store receipt and we will start a case for you. It will take approximately two days to resolve."

I would be happy to fax to you my receipt, but my ALL-IN-ONE printer is broken.

"Ok sir, go to another fax."

An idea came to mind. How about a copy of my card transaction? I can get this online and email to you.

"Sure, that will work. Here's the email address."

Great!

Two days later with no word, I call. After waiting on hold again, a voice reaches out. It's someone new so I have to explain everything again, even though I have provided the case number. After a frustrating and heated conversation, I was informed my claim was denied because the charge card record was not provided from the vendor. What!? Do I need an "Official Transaction Transcript" notarized and verified by the vendor sent to you in an encrypted and password protected email? (Yes, I'm dramatizing but this was getting a little ridiculous.)

Later that evening, my wife and I were talking about this frustrating event. I was considering just throwing away the printer and buying another one just to put an end to the madness. She convinced me to give it one more shot. So we created a cover sheet and faxed the store receipt from home that night to the manufacturer.

The next morning I received an email notifying me that they have received the information and will update my warranty. Ah, a sign of hope. But wait, the manufacturer has not sent me an email of where to go or who to call. It has now been a week and I wonder, "Will they extend my warranty by a week?" I'm not holding my breath.

This is not how you operate a customer service department. It's more like customer torture! Let's face it, the cost of the printer is quickly becoming not worth the aggravation. It would be more efficient and cost effective for me not to endure the hours required to achieve the printer repair. That's right, I would save money if I just throw away the printer rather than trying to have it repaired under warranty! Go figure.

Okay, here's the perspective: Financial institutions can ill afford to just give up when technology fails them. Financial institutions rely heavily on technology and technical support is critical. More importantly, community bankers depend on vendor technical support because they cannot afford full-time, dedicated technical staff. These institutions are in jeopardy if they run into a mission-critical problem and are forced to endure the situation I just described.

This type of technical support combined with a limited warranty could be a disaster waiting to happen to the unsuspecting community bank. Just when you need it, the service is not there! Quickly, a bad situation becomes much worse. Your customers are adversely impacted and your hands are tied. Very frustrating.

How can an institution protect itself from these types of situations? The list is not long, and simple. When purchasing equipment be sure to understand the limited warranty and local support. Do not purchase and install mission-critical equipment within your enterprise and not have local support available. Verify and document that your warranty and service support is active. Finally, always have a Plan B ready to go if Plan A fails, and be aware that inexpensive equipment may cost you more than you think.

The other side of the coin, of course, is your own customer service. Have you taken a look at how you deliver service to your customer on complex problems? Do you unknowingly run your customer through the same gauntlet of misery that I just described for the sake of efficiency and cost savings? I know times are tough, but now may be the time to take a hard look at your customer service delivery approach. I hope you are not surprised!

— Dan Fisher, The Wombat!

About the Author

Dan Fisher is president and CEO of The Copper River Group, a consulting firm headquartered in Fargo, N. D., that focuses on technology and payment systems research and consulting for community financial institutions. For nearly 30 years, Fisher has worked in the financial industry using technology to improve the bottom line. He was CIO of Community First Bankshares (now part of BancWest), has served as a director of the Federal Reserve Board of Minneapolis, the chairman of the American Bankers Association Payment Systems Committee, and was a member of the Independent Community Bankers of America Payments Committee. Fisher has written numerous articles on banking technology and

the payments system. He has authored or co-authored six books and recently published a book titled, "Capturing Your Customer! The New Technology of Remote Deposit." You can contact Fisher at dan@copperwombat.com.

P.S. To understand Dan's nickname, check out "About the Wombat" on his website, www.copperwombat.com