



ICM

SEPTEMBER 2016

CUSTOMER SERVICE

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
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- 1. Explain the signs that you would look for to suggest that an organisation needed to develop a customer retention strategy. [20]
 - 2. Companies are increasingly adopting the principle of co-production in the delivery of effective customer service. Explain:
 - a) the concept of co-production [8]
 - b) techniques that can be implemented to aid the adoption of co-production [12]
 - 3.
 - a) Analyse the importance of negotiating skills in the context of customer service. [10]
 - b) Explain how customer service staff can improve their negotiating skills. [10]
 - 4. Review how a company can reward staff for the delivery of excellent customer services. [20]
 - 5. Explain the costs that a company is likely to incur as a result of losing customers. [20]
 - 6. Customer service staff are able to take a number of actions, and adopt a variety of techniques, to motivate themselves. Explain what these actions and techniques are. [20]
 - 7. Explain the main categories of challenging customers that a company is likely to encounter and set out the approach that should be taken in dealing with EACH. [20]
 - 8.
 - a) Explain the **measures of churn, defection rate** and **customer lifetime value**, showing how EACH is calculated. [10]
 - b) Comment on the significance of EACH of these in the context of customer service. [10]