

Why customer service sucks in India?

To put it bluntly, customer service in India is a joke. I started Akosha when I had a problem with Airtel in 2010 and could not find a solution. Over time we have come to think more deeply about how India's customer service levels can be improved. Customer service is an unsexy topic. It involves human intervention, is a thankless job and has little revenue generation potential. You get very little recognition even when the job is well done. There's little innovative thought going into it and any market practice that is adored (like Apple, AmEx, Zappos or Amazon) is quickly dismissed because of different unit economics and dynamics.

Most Indian CXOs know that customer service plays a large role in building brands but usually don't care because a) they can get away with it because the laws are so weak; or b) it does not affect their brand today (usually they have the next sucker they can sell stuff to).

A lot of people think that public naming and shaming on social media has changed this. But it is not true on the ground. A repeated brand behaviour is to ask you to "DM us your phone number" and then nothing really concrete happens. The brand's intention is not to resolve but make sure that you don't go berserk on social media.

Long-term solutions

I think there are three ways of attacking this problem, namely, through public policy, effective implementation of consumer rights, data and analytics (transparency). Let's take them one at a time.

Public policy: In India there aren't enough regulations to protect the customer in various situations. Customers in India don't have any lobbying power. (There are a few people who do take it up, but by and large there is no one with the intellectual and activist firepower who can make a difference on the ground.) This has clearly led to various practices that companies get away with in various sectors, as seen in the case of ULIPs in the insurance sector, and wrong practices by builders in real estate sector. For example, had the Competition Commission not intervened on the grounds of abuse of power in the DLF case, real estate consumers would have had to wait till such time as the Real Estate Bill came into force (hardly a consolation to someone with his/her life savings stuck). Also, we don't have anything similar to a mass-claims action which would make it

easier for consumers to come together and put enough pressure on the company (even if it takes a few years for the courts to decide). Maybe, over the next few years, a consumer-oriented lobby might emerge and might help us with stronger policies.

Effective implementation of consumer rights: Like a lot of things in India, if consumer justice was fair and swift, it would have solved half the problem. Today, it can take up to one year to get a District Consumer Forum to give a decision on a consumer case. One year is just not good enough for most consumers. On top of the delay, the law is interpreted in unfriendly ways for the customer.

For example, the law says that a customer can file a complaint either where the company's office is or where the cause of action arose (i.e. where the transaction happened). If you go to the consumer forum today, you'll find that the court refuses to accept the complaint unless you fulfil the first criterion. Consumer forums refuse to admit complaints against telecom companies due to a Supreme Court judgment (which is flawed even as per the Department of Telecom). Transparency through data and analytics: The third problem is that consumers and brands' senior management have no clue whether a particular brand's customer service is actually good or not. Anecdotal evidence of unhappy customers abounds for each and every company that it is difficult to really know if any of them are any better than the others. Go to Google.com and search for "complaints" and you will find that every brand has complaints.

Once in a while, there is some public consensus about a company's outstanding customer service, but this is rare. Usually, in a given room, you can find people complaining about Airtel, Vodafone, Idea and Reliance at the same time. I believe that if there was sufficient data about each company in the open domain about how good they are at customer service, it would lead to a) brands using benchmarking data to push their executives to deliver better service and drive their call-centre partners; b) customers voting with their feet and choosing brands which are statistically more likely to provide better service.

For example, if data like "complaints per 1,000 customers", "complaints regarding network data", "average time to resolution across brands", "complaints by product/service type" is made available, it would lead everyone to make better decisions. A simple and easy-to-understand industry benchmarking index.

To improve customer experience in India, we need to work on all the three things together — public policy, legal mechanisms and data and analytics. In the absence of these three, our country will continue to suffer with low levels of customer experience.