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**$313 billion in company revenue at risk due to poor products and services**

**Consumer problems are up, but corporate complaint-handling improves in 2017**

**TEMPE, Ariz., (October 30, 2017)** – A new survey shows just how unsatisfied Americans are with the products and services we buy. The 2017 Customer Rage study shows more than 62 million families experienced at least one problem during the past 12 months, making people frustrated and angry.

Despite big money spent on customer-service programs, 79 percent of consumers who complained are still not happy with the way their complaints are handled, jeopardizing repeat business. In 2017 customers reported slight improvements in complaint-handling satisfaction, but it’s still a failing grade — putting more than $300 billion dollars of future sales at risk.

**Top 10 highlights of the 2017 study include**:

* Fifty-six percent of people reported customer problems in 2017, a steady increase over past years. In comparison, that number was just 32 percent forty years ago.
* The number of households experiencing “customer rage” dropped slightly in 2017, from 66 percent in 2015 to 56 percent this year.
* The bad news? Negative emotions are still unacceptably high in 2017, with 91 percent of people experiencing frustration, 84 percent reported feeling disappointment, and 62 percent reporting anger.
* Which products enrage customers the most? Cable/satellite TV, followed by computer (e.g., internet) services, and telephone.
* Among the 76 percent who complained about their most serious problem, corporate complaint-handing improved by a small margin in the eyes of consumers. Twenty-five percent say their issue was resolved upon initial contact, compared to 14 percent in 2015. Satisfaction by customers who reported they “got something” as a result of complaining also improved.
* When companies offered a free remedy, such as an apology, only 23 percent of people were happy. Satisfaction jumped to 73 percent when they received monetary relief **and** free remedies such as an apology.
* Forty percent of people reported feeling dissatisfied with the way their complaint was handled, as a result only three percent said they intend to buy again. On the flip side, if complainants were satisfied, 68 percent of them would re-purchase.
* In 2017, the telephone is still the primary way to complain, by a nearly six to one margin over the internet (70 to 12 percent).
* However, social networking websites can spread a massive amount of negative word-of-mouth (WOM), reaching 825 people on average, compared to 12 people under traditional WOM.
* Which corporate telephone customer-service practices do consumers hate most? Automated phone technology without the option to talk with a live person, followed by “try to sell you something,” customer service agents with accents, and outsourcing.

This is the eighth Customer Rage Survey since the original was conducted by the White House in 1976. The independent study is conducted by Customer Care Measurement & Consulting (CCMC) in collaboration with the Center for Services Leadership, a research center within the W. P. Carey School of Business at Arizona State University, Confirmit, and Bernett, which interviewed 1,000 respondents by phone.

The bottom line: Bad customer service is worse than no customer service.

“Nearly 80 percent of complaining customers were not satisfied with how business responded to their problems. These dissatisfied complainants were more than 60 percent **less** brand loyal than satisfied complainants. Most businesses, therefore, earn a negative return on investment,” said Scott Broetzmann, president and CEO of Customer Care Measurement & Consulting. “The lesson to be learned, then, is do it right, or don’t do it.”

What can businesses do?

“Resolution is the key word – customers want their problems resolved,” said Mary Jo Bitner, co-executive director of the Center for Services Leadership at ASU’s W. P. Carey School of Business. “Typically it takes multiple contacts before a problem is resolved, and too frequently there is not a satisfactory resolution. This is extremely frustrating and dissatisfying for customers.”

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