

All the Rage

Angry consumers are using the internet to get revenge. How can you keep them happy?

[Entrepreneur magazine](#) - [April 2005](#)

By Chris Penttila

URL: <http://www.Entrepreneur.com/article/0,4621,320407,00.html>

As the old saying goes: Don't get mad, get even.

And when today's consumers get mad, they get even--online. The internet has given consumers a quick, easy way to vent about companies. Just ask Target, which saw sites such as [BanTarget.org](#) pop up when it banned the Salvation Army from collecting donations outside its stores. Or Microsoft, which has blogs, message boards and websites that follow its every move.

The American consumer seems to be getting angrier every year. The Better Business Bureau processed 773,042 complaints in 2003, a 23.5 percent increase from 2002. A random telephone survey of 1,000 households conducted last August, meanwhile, revealed that 73 percent had experienced "customer rage" within the last year related to their most serious problem with a product or service--a 5 percent increase over 2003.

"I continue to be surprised at the level of rage," says Scott M. Broetzmann, co-founder of Alexandria, Virginia-based Customer Care Alliance (CCA), which conducts the annual customer rage survey in the United States and Great Britain. The 2004 U.S. study was conducted in conjunction with the Center for Services Leadership at the W.P. Carey School of Business at Arizona State University.

Maybe people are hair-trigger angry over the big picture--the election, the war and the economy. They're also much more cynical as consumers. A November 2004 Harris Interactive poll of 1,014 Americans found that while fewer Americans reported feeling alienated in 2004 than in 2003, 53 percent still feel that people with power will try to take advantage of them. Combine this tension with internet access, and companies that do dumb things will be called out a lot quicker, says Pete Snyder, founder and CEO of New Media Strategies, an Arlington, Virginia, firm that visits blogs, chat rooms, fan sites and message boards on behalf of corporate clients to see what people are saying.

Casey Neistat, 24, is one consumer who took his case to cyberspace when his iPod died in September 2003 and he discovered Apple didn't offer a replacement battery. "They suggested I buy a new iPod," Neistat says. Instead, he and brother Van Neistat, 29--both professional filmmakers--made a short video including Casey's phone conversation with an Apple customer service representative. They posted it at [iPoddirtysecret.com](#) and e-mailed 40 friends about the site, which has now received more than 1.5 million hits. "We had no idea [the site] would get the attention it did," Casey says. (Apple, by the way, now has a battery replacement program for the iPod.)

Of course, consumers need a story to tell when their fingers hit the keyboard, and companies keep giving them fresh material. Companies' obsession with managing cost per customer contact--in the form of time limits on phone calls, "voice jail" systems and so on--has decreased the quality of customer service, says Broetzmann. In fact, CCA's research found that consumers with a problem were more likely to cite "lost time" (57 percent) than "lost

money" (36 percent) in association with their most serious problem.

The increase in online complaining presents a threat to companies, but it's also an opportunity to get unfiltered consumer feedback they couldn't get a decade ago. "Smart companies are looking at the internet to see what their potential customers and their current customers are saying," Snyder says.

Many companies, however, are still struggling to master the basics. A full 56 percent of respondents in the CCA study said they received nothing in response to their complaints about their most serious problem. But when asked what they wanted, nonmonetary actions such as an explanation, an apology and getting a chance to vent ranked ahead of a refund. "The things they wanted most after getting the product or service fixed don't cost a dime," Broetzmann says. With a little thought, settling scores with customers--and staying out of angry consumers' blogs--might not be so hard for companies after all.

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