When Persistence Backfires

By Amitava Chattopadhyay , INSEAD Professor of Marketing and The GlaxoSmithKline Chaired Professor of Corporate Innovation

Pushy customer service representatives trying to drastically alter the decisions of consumers can end up being a costly headache.

When Ryan Block, a product manager at AOL, tried to cancel his personal Comcast internet service, he hadn't banked on a 20-minute verbal wrestling match with a customer service rep hell-bent on retaining him.

Refusing to accept his request to disconnect, the rep repeatedly asked, "Help me understand why you don't want faster internet," insisting that "I'm trying to help you. You're not letting me help you." Getting tired of the uphill struggle, Block recorded the final eight minutes of the call and shared the audio file with his 83,000 Twitter followers. The audio file went viral, being played 4 million times in the next two days.

What this signals, aside from the fact that in today's environment, making a consumer angry can have serious consequences for a brand, is that consumers are widely dissatisfied with major telecommunications providers.

This is not just in the U.S.; it's a global phenomenon. For example, in India, my father had been trying for months to cancel his internet subscription with a company that shall remain nameless (only because a friend who is a senior executive, at my request, stepped in and stopped the incessant harassing phone calls to him to ask why he wasn't paying his mounting subscription bills, although he had gone in person to hand over a letter requesting the termination of the service).

Interestingly, when my father had tried to terminate the service over the phone, the service representative simply refused to accept that the service was very slow! An experience very similar to that of Mr Block.

From bad to worse

But what Comcast decided to do next, stirred up another internet hornet's nest by offering to take "quick action", when apologising to Mr. Block. Why did the apology backfire? Well, the "quick action" and apology were the good news. The bad news was that Comcast informed Mr. Block that they were going to take action against the customer service representative concerned.

Making a scapegoat out of a hapless service representative rather than look to see why this happened and find a solution to prevent this from happening again, doesn't play well with consumers. They see it for what it is, finding a convenient scapegoat, a person likely to be just like them. The company has since admitted that "the agent on this call did a lot of what we trained him and paid him – and thousands of other retention agents – to do", said Dave Watson, Comcast Cable's chief operating officer.

The fact of the matter is that companies train service representatives on how to respond to customers. Second, they incentivise employees to perform in line with the training. As much as 75 percent of a representative's salary can depend on the success of the so called "retention representative's" ability to reverse a cancellation request! According to **a post on Reddit** by a person claiming to be a former Comcast employee, if a retention representative fails to reverse at least 75 percent, they get nothing! This puts the representative in a hapless situation, leading to behaviours such as the one experienced by Mr. Block and my father.

Clearly, all the bad press has taken its toll on the Comcast brand! As one measure, its stock price dropped by approximately US$1 in the week after the story broke. That's about 2 percent of its value, which comes in around

US$2.8 billion! So, quick action is good, but the quick action should be to find the real cause of the problem and fix it! Not a knee jerk reaction to find and chastise a hapless scapegoat who is equally a victim of the company's "system".

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