

Key Words and Phrases

Define or describe the key words and phrases listed below.

Quality Revolution

Continuous improvement

Intangibility

Moments of truth

Questions and Exercises

1. What obstacles to customer satisfaction are posed by
 - a. The intangibility of the insurance product?
 - b. The complexity of the insurance product?
 - c. The legal status of the insurance product?
 - d. The events associated with the insurance product?
2. Why do Albrecht and Zemke state that, for services, “quality assurance is required before production”?
3. Why should customer satisfaction with a service decrease when the number of employees a customer encounters during delivery of that service increases?

4. List each of the benefits of insurance and identify the recipient or recipients of each benefit.
5. Robert Mehr described the “reduction of uncertainty” by insurance as “a quiet night’s sleep.” Can you see any advantages or disadvantages in using this description when explaining the benefit to consumers? Refer to one or more of the characteristics of services described by Albrecht and Zemke in your answer.
6. Does the discussion of the benefits of insurance in this assignment lead you to conclude that consumers should or should not be informed of these benefits?
7. Which of the following benefits of insurance mean the most to consumers?
 - a. Efficient use of resources
 - b. Support for credit
 - c. Payment of losses
 - d. Reduction of uncertainty
8. Insurance is intangible because it is:
 - a. Purchased from an agent.
 - b. A legal contract.
 - c. Complex.
 - d. A promise.
9. Angela Carter’s phone call to Insure-All is:
 - a. A mistake.
 - b. A moment of truth.
 - c. A distraction for Carl Atkins.
 - d. A sign of the times.
10. Insurance is a service because:
 - a. It is intangible.
 - b. It can be sampled in advance.
 - c. It can be recalled.
 - d. It has a poor reputation with consumers.

No matter what your job title is or how your job description reads, you are at times called upon to provide service to “customers”—internal or external. Each phone call you receive is a chance to solve a problem or answer a question that “routine processing” has been unable to handle adequately. Viewed in this way, phone calls are neither irritants nor interruptions, but an important and integral part of your job that you need to be prepared to perform well.

First, you need to have the information to solve the problem you are presented with or to answer the question you are asked. Second, you should make the most of the way you use the phone. To do that, you need a clear understanding of how you use it now. Photocopy the log below and use it to analyze the calls you receive in a typical day. This analysis should help you determine what, if anything, you need to do to be prepared to handle future requests. In the column headed "Result," place an "ok" if you could handle the request. Place a "T" in the "Result" column if you had to transfer the caller. Place a minus sign in the "Result" column if you were unable to help the caller at all.

Caller	Request	Result

1. The following printed or computerized sources of information would allow me to convert minus signs to either "ok" or "T."

2. The following training sessions or educational courses would allow me to convert minus signs to "ok."

3. Some of the minus signs and "Ts" should never have been directed to me. I can eliminate those by alerting _____ (a person or department).

Before You Go On

- ___ I have achieved the educational objectives for this assignment.
- ___ The one idea from this assignment I want to try immediately is