

## FACTSHEET: SERVING CUSTOMERS

*Business competes to deliver products and services, driving innovation and improving choice and quality. But many people are still feeling the pinch after the recession and questioning whether they get value for money. Industry scandals have led some people to ask whether firms put profits before customers and can be trusted to deliver what they promise.*

### KEY FACTS

**1081**

articles on ethical concerns recorded by the Institute for Business Ethics' in 2012/2013<sup>1</sup>

**68%**

agree that industry scandals have affected their confidence as a whole<sup>2</sup>



**53%**

favour greater regulation to make businesses behave better<sup>4</sup>

### Business competes to deliver products and services, driving innovation and improvement in choice and quality

- Every day, businesses of all sizes are delivering for their customers. They do this by improving the choice and quality of products and services. For example, compared to twenty years ago we have a far greater array of fresh food products on our doorsteps.
- Business is also driving the invention and spread of new technologies that help make our lives better. For instance, not so long ago you needed to be in a bank branch between 9 and 5 to manage your money. Today internet and mobile banking mean that you can do that at any time of the day. At the end of 2011, 45 million people were managing their bank accounts online.<sup>5</sup>

### Many people are still feeling the squeeze of the recession and profits are under the spotlight

- How business treats its customers is at the heart of the trust issue. CBI/YouGov survey data highlighted that people ranked providing value for money (41%) and putting customers before profits (39%) as among the most important influences affecting trust in business right now.<sup>6</sup>
- When business prospers we all benefit and 70% of people agree that profit is a good thing. But the UK is still emerging from the longest recorded squeeze on living standards and the profits that firms make are very much under the spotlight, with many questioning

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## SOME QUESTIONS TO CONSIDER

whether business is delivering value for money. This is particularly when it comes to the services we use and rely on every day from banking to energy, broadband to retail, as well as companies who deliver public services.

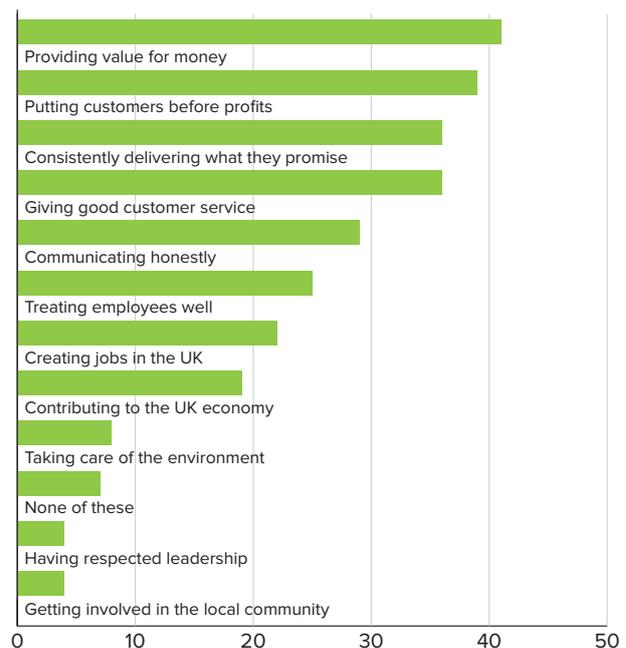
- Business is responding, taking steps in different sectors to be more transparent, but there is much more that firms can do to explain what they do, how much money they make and where it goes.

- Does business deliver for its customers?
- Would greater regulation make business behave better?
- Have expectations on business to 'do the right thing' increased?

### In light of industry scandals, some people are also asking whether firms can be trusted to deliver on their promises

- Business scandals and shortcomings are the exception to the rule, but they frequently hit the headlines. Over the last two years, experts have monitored more than 1000 articles on major ethical concerns and lapses.<sup>7</sup>
- Unless business can demonstrate that it takes these concerns seriously and is responding then it is no surprise that just over half (53%) of respondents favour greater regulation to make businesses behave better and hold firms to account. And people are rightly expecting more from business – over half (55%) agreed that expectations on business to 'do the right thing' have risen in the last 10 years.<sup>8</sup>
- Going further to put the customer at the heart of everything business does is the right place to start. Business leaders know that getting this stuff right is good for business too, helping to attract and retain customers.

### Key factors influencing trust<sup>9</sup>



#### SOURCES

<sup>1</sup>Institute for Business Ethics, Ethical Concerns and Lapses 2012 – 2013, Feb 2014 | <sup>2</sup>CBI/YouGov survey, June 2014 | <sup>3</sup>ibid | <sup>4</sup>ibid | <sup>5</sup>TheCityUK, key facts about UK financial and professional services, 2013 | <sup>6</sup>CBI/YouGov survey June 2014 | <sup>7</sup>Institute for Business Ethics, Ethical Concerns and Lapses, 2012-13, Feb 2014 | <sup>8</sup>CBI/YouGov, June 2014 | <sup>9</sup>CBI/YouGov, June 2014