

## FACTSHEET: SERVING CUSTOMERS

*Every day, business competes to deliver products and services, driving innovation and improving choice and quality for their customers. It's no surprise that after a long squeeze on household budgets, profits and value for money continue to make headlines. Going further to put customers at the heart of everything business does is the right place to start.*

### KEY FACTS

**478**

articles on ethical concerns recorded by the Institute for Business Ethics<sup>1</sup> in 2014<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>

**50%**

avoided a product based on a company's responsible reputation<sup>5</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. By March 2015 there were 9.6 million logins to internet banking a day.<sup>6</sup>

### After a long squeeze on household budgets, profits continue to make headlines

- 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>7</sup>
- Despite recognition that profit is a 'good thing' there continues to be cynicism about the motivations behind it. Although 70% agree profit is a good thing, just as many believe consumers lose when profits are made, with 71% agreeing that companies put profits before the needs of consumers. It is particularly questioned when

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## SOME QUESTIONS TO CONSIDER

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

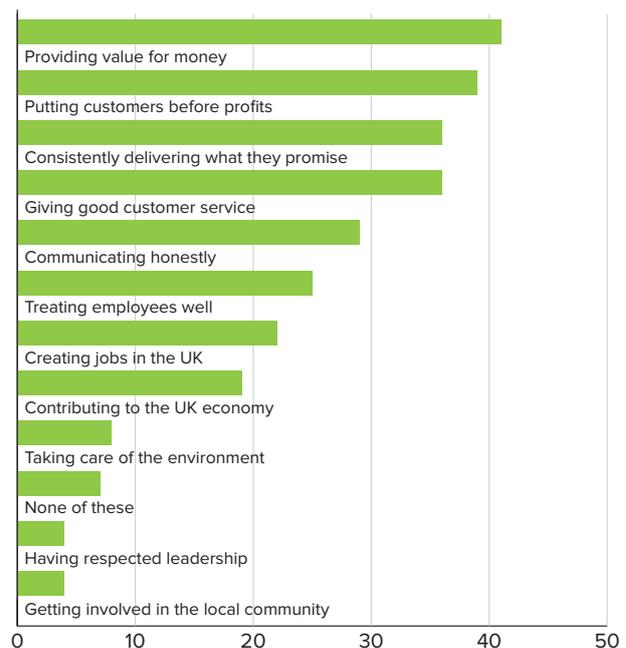
it comes to the services we use and rely on every day from banking to energy, broadband to retail, as well as companies who deliver public services.

- Business is responding, taking steps in different sectors to be more transparent. Through the Great Business Debate we want to start a conversation about profit being the result of, and motivation for, getting it right for customers.

### Going further to put customers at the heart of everything business does is the right place to start

- Business scandals and shortcomings are the exception to the rule, but they frequently make the news. In 2014 experts have monitored more than 450 articles on major ethical concerns and lapses.<sup>8</sup>
- The result is that just over half (53%) of respondents favour greater regulation to make businesses behave better and hold firms to account.
- Increasingly people aren't just buying a product, but the values it and the company represents. Over half (55%) agreed that expectations on business to 'do the right thing' have risen in the last 10 years.<sup>9</sup> Business leaders know that getting this stuff right is good for business too, helping to attract and retain customers.

Key factors influencing trust<sup>10</sup>



**SOURCES**

<sup>1</sup>Institute for Business Ethics, Ethical Concerns and Lapses 2014, Feb 2015 | <sup>2</sup>CBI/YouGov survey, June 2014 | <sup>3</sup>ibid | <sup>4</sup>ibid | <sup>5</sup>The Co operative: Ethical consumer markets 2012 | <sup>6</sup>BBA/EY, The way we bank now: World of change, Summer 2015 | <sup>7</sup>CBI/YouGov survey June 2014 | <sup>8</sup>Institute for Business Ethics, Ethical Concerns and Lapses, 2014, Feb 2015 | <sup>9</sup>CBI/YouGov, June 2014 | <sup>10</sup>CBI/YouGov, June 2014