CONSUMERS ALL HAVE stories about trudging through a company’s door as a disgruntled customer in need of help, muttering under their breath that this is the last time they’ll do business with these people; but to their surprise, they found themselves skipping out the door singing the company’s praises. They tell everyone they know how capably the XYZ team resolved their issue. And, in this day and age, satisfied consumers log onto their computers and spread the good word about the XYZ brand. That’s powerful stuff. It’s also powerful—and harmful—to your brand—if a disgruntled customer’s issue isn’t resolved in a fair and timely manner, and that customer walks away feeling more disgruntled than before. Even the most basic customer service slip-up or rude interaction can result in the kind of word of mouth every marketer fears: viral brand trashing.

“When you think of an influencer, an influencer is both an advocate and a detractor,” says Rishad Tobaccowala, CEO of Denuo in Chicago, a Publicis Groupe brand strategy and innovation company with clients such as Allstate, Hewlett-Packard and Procter & Gamble. “A detractor is far more likely to speak than an [advocate], so you have to defang the detractors. The only way you defang a detractor is [through] customer service.” According to Bruce Temkin, a principal analyst at Cambridge, Mass.-based Forrester Research and a customer experience expert, “A person is more likely to talk to someone about a good [customer] experience, but they talk to more people about a bad experience.” For example, a 2008 Forrester survey of more than 4,500 consumers found that consumers talk about good airline experiences with an average of 4.4 people, while they tell 5.6 people about bad airline experiences. “That’s a problem, and it’s also an opportunity. It just raises awareness that [companies] need to do things right to begin with,” Temkin says. “The answer is generating positive word of mouth through social media is providing better [customer] experiences in the first place.”

You’ve most likely heard about the United Airlines incident that resulted in a popular online video featuring the song, United Breaks Guitars. It’s been viewed 5,554,474 times and has received a five-star rating from a total of 35,739 reviewers on YouTube as of this article’s publication. In that song, musician Dave Carroll sings the catchy refrain, “United, you broke my Taylor guitar. United, some big help you are. You broke it, you should fix it. You’re liable, just admit it. I should have flown with someone else or gone by car ‘cuz United breaks guitars.” Carroll laments the customer service gone awry, singing, “So began a year-long saga of pass-the-buck ‘Don’t ask me’ and ‘I’m sorry, sir, your claim can go nowhere.’” After the video bowed on YouTube, United did offer Carroll compensation for his broken guitar, but he requested that United donate the money to a charity of its choice, according to a video response Carroll posted on YouTube. United did not return Marketing News’ request for comment.

This incident—and the resulting online backlash against the Elk Grove Village, Ill.-based carrier—could have been prevented very easily with a simple and equitable customer service response, Tobaccowala says. “Why couldn’t somebody basically say, ‘Hey, let’s take care of this person?”

More and more companies are beginning to realize how significant a role customer service plays in defanging detractors, and in boosting customer satisfaction and loyalty. “We looked across 12 industries [and] we found that more consumers look for good customer service more often than low prices,” Temkin says. For example, a 2008 Forrester survey found that while 78% of retail consumers think low prices are important, 85% choose retailers based on the customer service they offer. And those service-oriented customers tend to be “much, much, much, much, much more loyal than price seekers,” he says. They’re willing to try the company’s other products, they’re reluctant to switch to another provider and they’re likely to recommend the company to their peers.

Nora Ganim Barnes, director of the Center for Marketing Research at the University of Massachusetts, together with the Society for New Communications Research, published a study earlier this year called “Exploring the Link Between Customer Care and Brand Reputation in the Age of Social Media.” (The executive summary is available on the American Marketing Association’s MarketingPower.com.) Barnes found that 95% of respondents said they’ve chosen companies or brands “based on others’ customer care experiences shared online.”

Companies across the board are finding ways to ramp up customer service and ensure that dissatisfied customers get timely responses to their issues, Barnes says. For example, Dell Inc. has become adept at handling customer service issues by opening the door for employees to use Web 2.0 tools like Twitter. And Sprint Nextel Corp. has hired a chief service officer to ensure that customer satisfaction is a C-level concern. During the first quarter of 2009, Sprint’s American Customer Satisfaction Index score increased 12.5% to 63 out of 100, the biggest gain of any company that quarter. (However, Sprint’s ASCI score still trails those of Verizon, T-Mobile and AT&T.)

With empowered customers looking for companies that treat them well—all the while keeping their fingers poised above their keyboards, ready to write a positive or negative review online—investing in customer service training and online “response teams” to handle dissatisfied customers is a wise move, experts say. After all, one of the most powerful things in marketing is “taking someone who is a detractor and turning him into an advocate,” Denuo’s Tobaccowala says.