

## Understanding Customer Needs

*Every customer is a unique individual with specific needs and issues, so there are few hard and fast rules that can be applied with absolute precision to all of them. But here are five general guidelines to achieve and maintain consistent, high-quality service that increases customer loyalty and retention.*

Customer service has always been an important element of good business, but in the modern economy it's more vital than ever. Almost half of all businesses are now service related and employ about a third of the total work force. Increased competitive pressure also makes customer service a critical issue, with many businesses promoting their level of service as a key competitive advantage. And finally, the lifeblood of almost every company is repeat business. A solid commitment to quality customer service can keep the customer coming back AND generate substantial new business from customer referrals.

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### QUICK TIPS

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Customer service is all about establishing and maintaining positive customer relationships:

It's easier to build a good relationship than to struggle with a bad one.

If your customers don't like you, they won't like your service.

Problems are a lot easier to solve when you're on good terms with the customer.

If the relationship doesn't go well, it not only complicates the basic problem but also creates new headaches.

Take the initiative; Be proactive, not reactive.

Be positive, upbeat, interested, respectful and considerate.

### 1. The Honeymoon Never Ends.

Because so many organizations are focused on generating new business, they work hard to establish a positive, enthusiastic relationship with PROSPECTIVE customers, and they're just as responsive to their BRAND NEW customers, but once a customer has been with them for awhile there is often a subtle shift; Genuine enthusiasm turns to courtesy. Excitement is replaced with professional politeness. And while there's nothing inherently wrong with being polite and courteous, the customer DOES notice the shift in attitude, even if you don't

Establishing and maintaining an energetic, enthusiastic attitude toward ALL customers, old and new, requires consciousness awareness and commitment from both employees and managers, because it goes against our natural human nature (New is interesting and exciting, old is familiar and dull) and without a concerted effort among the entire staff, it's easy to make long-time customers feel like yesterday's news.

### 2. Don't Make Promises You Can't Keep.

One of the most common complaints made by consumers today is that they can't always depend on companies to ship the correct order, deliver on time, issue refunds promptly, return calls when promised, and a host of other issues that taken individually may seem like mostly minor items. But because these problems are so common – one company may deliver a shipment late, another might not



return a phone call on time, etc. – consumers tend to view ALL companies with a bit of critical suspicion.

So when you tell a customer that their order WILL be there in time for a Granddaughter's birthday, don't be surprised if your word doesn't seem good enough to assure them. And if you're not sure the order will make it in time, DON'T make that promise. It may not be easy to say, "I can't absolutely guarantee that it will be there..." but if that's the truth, then it's the best thing for you, your company and the customer.

Quite simply, be honest. And of course there will be times when you've made a promise and then unforeseen circumstances prevent you from keeping it – but in those cases, let the customer know right away. We're all human and mistakes are made. Customers will forgive a mistake or an unforeseen circumstance, but they want to be told the truth.

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QUICK  
TIPS

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Customer problems present a "Window of Opportunity" to enhance your relationship:

Listen and understand.

Don't jump to conclusions or prejudice.

Don't start placing blame.

Don't argue or become defensive.

Think like the customer and put yourself in their shoes for a moment.

Look for creative, innovative solutions.

When a customer orders a product or service from you and you can't deliver as promised, they're not interested in your reasons (problems with suppliers, workers, etc.), so don't offer excuses – the customer expects you to do whatever is necessary to provide the product or service within the time frame you agreed upon. That's all. Going on and on about WHY you can't keep your commitment only frustrates the customer and makes you look incompetent.

### **3. A Low Price Doesn't Buy Loyalty.**

With our increasingly complex and competitive economy, businesses are struggling to find ways to differentiate themselves, and many are trying to differentiate based on price – "Lowest prices guaranteed!" "Nobody beats our deals!" "We'll match anyone's best price, and beat it by \$5!" – but many companies are discovering that price alone isn't enough to gain and KEEP a customer's business. Your lower price may tempt them, or even motivate them to start using your product, but without quality and service, you'll quickly lose them to someone else.

No matter how fair and competitive your price may be, your business will suffer unless you are delivering an excellent product and providing first-rate, reliable service. And remember, there will always be someone out there who's willing to do it cheaper, accept a lower profit margin, drop the price a little further – so competing on price alone will NEVER be a permanent solution.

### **4. The Telephone is a Tool, Not a Shield.**

If a customer calls you, they rightfully expect a prompt return call. When you don't return a call promptly, you're telling them that you aren't interested any more in continuing the EARN their business, now you just expect it. Or you just aren't interested in it any more.

If you're busy and can't return a call right away, have someone else in your office call to assist the customer and let them know when they can expect a call from you. The customer will appreciate your diligent efforts, and understand you have

multiple tasks to accomplish, IF someone takes the time to explain this to them. What they can't (and won't) tolerate is being ignored.

Respect your customer's intelligence; don't avoid their phone calls. If you've got a difficult issue to resolve with a customer, when they call your office and someone tells them you're "away from your desk" or "in a meeting" or you "just stepped out" understand that the customer immediately assumes (rightly or wrongly) that you're avoiding them. This is at least defensible if you are in fact in a meeting, but if you're having someone screen your calls this way, You know it's wrong, the customer knows it's wrong, and the call-screener knows it's wrong. So since you can't really hide, just take the call and deal with the difficult issue. Everyone will feel better in the end, especially the hapless call-screener who probably whispered something to the customer, giving away your charade.

### **5. The Customer is STILL Always Right.**

A customer wants to return an item, but it's been opened and your policy doesn't allow that. The product isn't defective; he just doesn't want it anymore. So what do you do? Well, ask yourself a question. What do you have to gain by contending that your customer is wrong and insisting on following your "policy?" In this day of frenzied competition for every customer, it's amazing how many businesses (or their employees) will make a big "to-do" over minor items just to prove a point. Don't let your ego get in the way of a business relationship. If you do, you'll lose those customers and, worse yet, many of them will tell others how you "mistreated" them. It doesn't matter who was objectively right or wrong – only the customer's perception matters, because that perception is what will help or hinder your business.

Customers are the lifeblood of your business; without them, obviously you can't survive. Whether or not you personally believe that your customers' concerns are valid is irrelevant. What's important is that they are satisfied so that they will continue to do business with you in the future and perhaps recommend you to others. After all, it's much cheaper to please your existing customers than it is to find new ones.

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TIPS

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If you can't take care of the problem, try to take care of the EFFECTS of the problem.

If you do enough of the right things, the customer can be very forgiving of the things you do wrong.