



Handling Complaints and Difficult Customers

Do it with a LAUGH

1 Listen and empathise

You know from your own experience that when you have been wronged you have a story to tell. Customers want to tell their story. They need to get it off their chest and unload the burden. It is very important that the person hearing the complaint listens and shows empathy for the customer's situation.

Listening means stand there quietly and letting the other person talk without interruption. Nod to show you are hearing what they have to say. Ask Questions to learn more but not to challenge. Summarise what they have said at the end.

2 Acknowledge the wrong and apologise

This is the most critical step and the place where most people get it wrong. Customers complain because they feel they have been wronged, even victimized.

The first thing people seek in that situation is acknowledgment by the guilty party that they have been wronged. Then they want to hear an apology. Finally, they want to hear that the company is prepared to put things right.

Remember we often feel threatened when faced with an unhappy customer.

When you are in the fight or flight mode, it is very natural to either

(a) challenge the customer. Example: *"No one has ever complained about that before."*

(b) make excuses. Example: *"The reason for the screw up is that we had a couple of people call in sick."* Rather than challenge or make excuses, try this instead -acknowledge what you hear them telling you. Example: *"Thank you for letting me know."*

You *can* honestly say this because you *are* grateful. You know that only a small number of customers will actually tell you they are dissatisfied. Instead, the majority of customers will complain to others and a big chunk of them will take their business elsewhere. So as you understand, a complaint is a gift.

It's a chance to hang on to the customer and fix the problem that caused the complaint.

The apology has minimal impact if it comes before the customer has had a chance to explain the problem so it's critical to first listen, and acknowledged the wrong.

You may be thinking, "Why should I apologise, it wasn't my fault?"

If someone tells you that they had a death in the family, "I'm sorry to hear it," would be a natural and caring response.

By saying that you are sorry you are certainly not implying you killed anyone . . . rather you are sorry they are grieving.

3 Understand the problems and take ownership

One of the most powerful ways to calm an irate customer is to show you really do understand their problem. To make sure you are getting all the information you need to solve the problem ask questions. Questions can include:

Who ?

What ?

Where ?

When ?

How ?

Ask only relevant questions and explain why you are asking. For example, *"In order to look this up on the computer . . ."*

A wonderful way to let a customer know that you understand what they are saying is to repeat back the key points.

"Just to make sure I understand, you were promised . . ."

Once the customer knows you understand their problem, they need to see you are prepared to fix it.

It takes a lot of effort for customers to complain and by the time they do complain they are usually quite stressed and are feeling powerless. Therefore, the last thing they need is to be told the person they are complaining to cannot fix the problem and that they will be passed on to someone else.

What they do need is someone to take responsibility for fixing their problems AND they need to hear that the person will stay on the job until the matter is resolved to the customer's satisfaction.

Example: *"I can understand why you are upset and I will personally make sure we make things right."*

Sometimes, you may not be able to fix the customer's problem yourself. You may need the help of someone with more authority. Or occasionally, you will encounter a customer you cannot connect with.

In these cases the best thing to do is turn the matter over to your associate.

When doing this the best thing to say is:

"Now that I understand the problem better, I can see that the very best person to help you is _____."

Then give a reason: *"He has more experience."* or *"She has more authority."*

Continue with: *"Are you happy with that?"*

4 Give - Solutions and do something Extra

This will come as a great surprise to many business people but when a customer complains the last thing they want to hear is excuses or explanations. They are so involved with their own problems that they have absolutely no interest in hearing about the company's problems. They simply want their problem fixed. The task of the person receiving the complaint is to identify the problems the customer has and look for ways to fix them. It is that simple.

It could be as easy as:

"I will personally find the answer to your question and call you back in the next 15 minutes."

It is very important that the customer has a clear idea about who is going to do.

Just as important as fixing the customer's problem is that you involve them in the process of working out the best solution. Psychologists tell us one of the most important drives in humans is to be in control.

We want to be in control of our lives. The quickest and strongest way to give control back to the customer is to get them involved in the solution by simply saying:

"How can we make this right for you?" or *"What would you like us to do to resolve this?"*

Another approach for getting the customer involved in the solution is to give them a choice.

Example: *"We can do _____ or _____. Which would you prefer?"*

If the customer is unsure of the what can be done to fix the problem or if you want to put parameters around what you are prepared to deliver on it is a good way to go.

No matter what approach your phrasing is key in the Fix the problem step.

Negative phrasing like, *"The best I can do is . . ."* is not productive as it doesn't seem like you are trying very hard or care very much. It is just like you are giving a present to someone.

If it's your birthday and someone handed you a present saying, *"This is the best I could do."*

How would you feel? Your response might be *"Don't bother."*

Phrases to avoid:

The best I can do is . . .

It is not our policy to . . .

You will have to talk to . . .

I can't.

No.

Phrases customers would like to hear:

"How can we make this right for you?"

"I can mail that right away or would you prefer it by special courier?"

"We would be happy to exchange this or would you prefer a refund?"

"The very best person to talk to is Mr. Smith who will be back in the office at 3:00pm. May I ask him to give you a call or would you prefer to call him direct?"

"What would you like us to do to resolve this?"

"Yes we can send our repairman. Would today after 5 be good or would first thing in the morning be better for you?"

The second biggest mistake that people make when handling a complaint is to think that once they have solved the customer's problem, the matter is resolved. It is not because customers are not interested in products and services, they want value.

People will believe they have received value when they conclude that the benefits they have received from the products and services outweigh the costs they have paid to get them.

When things go wrong, customers end up spending more time, effort and emotion than they had originally planned and these are all costs in the customer's eyes.

Consequently, if they perceive they have paid more costs but that the benefits are the same, then they will conclude they have received less value.

That is why it is necessary to offer the customer an extra benefit.

Research shows us that it is 5 times more expensive to find a new customer than to keep the one we already have.

5 Hit home with a follow-up and learn from the mistake

One of the many weaknesses humans have is the tendency to make assumptions.

When handling dissatisfied customers people often believe that because they have asked someone to do something, it has been done. Thus, they think the problem has been solved when it really has not. As a result, the customer has been let down for a second or even third time but what is worse, no one finds out until the customer complains yet again.

At this point the situation is irretrievable since most customers are by now totally convinced about the company's incompetence. Make sure the problem is fixed.

Even if things have been done as promised, it is dangerous to assume the customer is now happy. If they are not, they will not usually make another complaint. They will tell the rest of the world. It is essential that a follow up call be made to ensure the problems have been fixed and the customer is now satisfied. In fact outstanding companies make a point of going above and beyond expectations in following-up.

This simply means checking back with the customer after the problem has been fixed.

Example: *"This is Jack Steward at XYZ Corporation. I just wanted to give you a quick call to check that the delivery has arrived and that you are happy."*

Now you may be thinking, "I already know the delivery has arrived." True, but do you know the customer is truly satisfied?

If the customer is still upset who do we want them to talk to? That is right . . . us.

If you give the customer something extra and follow up the customer will be unexpectedly delighted and will be transformed from being an unhappy complainant into a raving fan.

One of the great lessons from quality management is that 90% of all problems in business are due to weaknesses in systems and processes. That means that if things went wrong once, they will go wrong again unless something is done to improve the way the business operates.

Effective complaint management therefore involves establishing a process to record the complaint so that the experience can be captured.

These records should be reviewed by management regularly and frequently so they can take the necessary action to fix problems once and for all.

If you fix the system you will find you are facing fewer and fewer unhappy customers.