Unsatisfied Customers: Problem or Opportunity?

By Kevin Needham

Let's face it, no matter how hard we try, there will always be the occasional unsatisfied customer. However... did you know that an unsatisfied customer can be an opportunity to increase profits? Here is a little story.

Weeks ago, we had an unsatisfied customer. We received an email that demanded a refund for a service we had provided. At first, I reacted the same way as I had with the last one 8 months ago: I quickly offered a refund. After all, perhaps it was just a strange set of circumstances that led to the customer's dissatisfaction, and I wanted to show that I was going to stand behind all my services 100%.

I thought about this all night and the next day I had another idea. I fired off another email to the customer explaining that I really appreciated their business and asking, if they would consider letting me provide the service once again, free of charge. I agreed to providing the full refund if, after the second time, they were still unsatisfied.

It worked. The customer agreed that this was a good alternative to a refund.

After all, what was it that the customer wanted? Did he really want his money back? No, he bought our service in the first place because he really wanted the benefits associated with that service. He didn't want his money back; he wanted the benefits that we had promised him. I gave him the opportunity to GET those benefits he felt he missed the first time around. In the process, when this customer sees success with this service, the second time around, I'm hoping he will become a customer for life.

So here then, are a few suggestions for handling customer complaints:

- 1.) Always offer a refund.
- 2.) If appropriate, offer to provide the same service again for free.
- **3.) Design a questionnaire** to be sent to any unsatisfied customer, asking exactly why they were not satisfied. Was it the actual product or was it the delivery method? Was it problems in shipping, payment transaction problems or customer follow up not up to snuff? You will gain valuable information that you can use to improve all aspects of your business.
- **4.)** Handle customer concerns with utmost urgency. There is nothing worse than expressing a concern to a company and never hearing back from them.

A couple of ways to avoid customer complaints in the first place:

a.) Keep good customer communications. Notify all customers regularly when your business practices change. Don't only tell customers when your product or service gets better, but also let them know when your CUSTOMER SERVICE improves. If you have designed a new payment method, or are now using a faster courier to deliver your products, announce this to your customers. They will appreciate knowing that these aspects of business are important to you.

b.) Provide a guarantee. Most importantly, let your customers know that your product or service is fully guaranteed "BEFORE" they make their purchase. Sometimes just knowing this will put customers at ease.

As we all pursue our Internet business, we must strive to break down one of the biggest obstacles in our way: The fact that we are not seeing our customers face to face. Conduct yourself in such a way that you relate to your customer the same as if he were standing in your store and you will be one BIG step ahead of your competition.

The first thing I do every morning is check my email box for customer questions and concerns.

When I open these emails and the first line is: "Wow, thank you for the quick response....."

I can smile to myself, knowing that this is a happy customer.