

The YEBDC Small Business Information Column

by Sue Gingerich, Business Advisor

"Follow Up With Customers To Create Win-Win Situations"

Recently, a customer bought a computer program from a very reputable business. The customer, experiencing some difficulty with the program, called the salesman back. It was decided that the problem was definitely a manufacturing problem. The salesman commented, "I've had several other customers call me about the exact same manufacturing problem; I sure wish they would have called me back to tell me if they solved the problem." The customer he was talking to eventually solved the problem. Who should have made the follow up phone call? The salesman or the customer? Follow up phone calls are just one of the ways salesmen can work at keeping existing customers happy. This little scenario could have cost the salesman his customer.

Many marketing experts have said that it costs far more money to find new customers than it does to keep an existing one. Why is it then, that most businesses choose finding new customers, rather than keep existing ones happy?

One of the simplest means of keeping existing customers happy is the follow up phone call. After a sale or after a situation like the one above, follow up. The follow up call may seem moot in the situation where the customer was completely satisfied, but even he will appreciate the fact that you thought about him, AFTER -- you took his money.

If you follow up and you do get negative feed back, what should you do? Say 'oh, that's too bad', and hang up? Certainly not! If a follow up phone call results in negative feed back, deal with it. Try the following when dealing with negative follow up calls:

1. Ask the customer to be specific and detailed about the problem. Don't interrupt, unless it is to clarify the information he is giving you.
2. Ask the customer what he feels an appropriate solution would be. (Again don't interrupt.)
3. Once you have weighed all the information, make a decision right there and then about how you are going to help this customer. If this is not possible, ask the customer to be patient with you for twenty-four hours. Then, work on a solution that is win-win, for both you and your customer. THEN, make sure you call him back when you said you would.

Whenever faced with compensating a customer, as a result of a complaint on a follow up phone call, consider: the costs of losing the customer for life, or having him bad mouthing your company versus the costs of fixing the problem he has. In most cases, customers who complain do so because of legitimate reasons. The important issue is how does this customer feel about his experience of dealing with your business? If it is negative, then chances are he will not be coming back anytime soon.

So, do not ignore the opportunity to keep existing customers happy and keep your costs down. Keep in touch with them, listen to them, and respond to their needs. Both you and your customer will benefit from a follow up call.

If you have a small business and have a question or problem that you think The YEBDC could help you with please call or write to: The Yellowhead East Business Development Corporation, Box 249, Sangudo, Alberta, T0E 2A0
1-800-556-0328 or 1-780-785-2900, e mail: yebdc@yebdc.ab.ca, or access our Website at: www.yebdc.ab.ca

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