

10 Ways To Break It To Them Gently

DIPLOMACY TIPS THAT KEEP CUSTOMERS • BY JEFF MOWATT

When corporations ask me to train their employees on enhancing customer retention, I find one skill-set that is frequently weak - how to diplomatically give customers bad news. Unfortunately, the task of giving bad news goes with almost every job. You may have to inform your customers of a price increase, of a product being out-of stock, or that their children aren't allowed to use your coat rack for rappelling practice.

Employees facing these scenarios worry that the customer might become defensive, offended, or worst of all, simply take their business elsewhere. Employees get stressed, absenteeism and turnover increases, and customer retention plummets. In other words, everyone loses. So, in our training programs we equip potential "bearers of bad news" with valuable tools to help make the process less painful for everyone. Here's a sampling:

1. Warn in Advance

When you realise that you may not be able to give the customer what they're expecting, give them some advance notice. Example: An insurance underwriter or broker calls his customer. "George, I've been looking at your application and it's not looking very promising in terms of coverage. I'm wondering if I might have missed something..." You can actually turn giving advance-warning into a selling opportunity.

"Martin, you're an important customer so I thought I'd better inform you about this right away. Our energy costs have almost doubled over the past year so we're forced to put through a 10% price increase effective July 1st. As you order items regularly, I thought I'd better check with you to see if it would make sense to reorder now to save you money and prevent any unpleasant last-minute surprises."

2. Accept Responsibility

While serving as President of our professional speaking association, I received a 'bad news' call from one of our event organisers: "Jeff, I wanted to talk to you about a situation that has just come to my attention. I want you to know that I accept full responsibility for the foul-up. It was a stupid mistake that I shouldn't have made and I will do everything that needs to be done to fix the error. What happened was..."

Since he was already berating himself, my response could only be magnanimous. Accepting full responsibility, while recognizing the consequences of the error, shows that you're prepared to "take your lumps" like a grown-up. People respect that.

3. Tone it Down

Literally. Lower the tone of your voice and your rate of speaking. Generally when people get excited or emotional about ideas they tend

to raise their voice pitch and pace. When you're giving bad news you want to give the impression that you are thinking clearly, logically and reasonably - not emotionally - and certainly not irrationally. You can do this easily by slowing down the rate you're speaking and lowering the pitch slightly. That way, you come across as the calm, quiet voice of reason.

4. Begin with the Good News

When you have both good news and bad, start with the good. When people hear bad news they have an internal stress reaction that causes them to tune-out other information. So, to ensure that the customer fully comprehends and appreciates the entire message, make sure you give the good news first.

5. Express Empathy

Empathy helps soften the blow. A claims adjuster attending my seminar explained that she used to have difficulty telling clients, whose vehicles had been stolen and damaged, that they still had to pay the deductible - even though they weren't to blame. Ironically, she's had much better impact dealing with these customers since her aunt had a similar experience with her vehicle. Now she shares this personal experience and her clients now feel less like they've been singled-out and victimised. Sometimes misery does love company.

6. Avoid "Trigger" Words

Two words that act as hot buttons - "It's policy." A better approach is to explain why a policy exists. Compare the word choices of two driving examiners who are dealing with a customer who rolls through a stop sign.

First examiner: "You rolled through a stop sign and our "policy" is to fail anyone who doesn't come to a complete stop." Second examiner: "The fact that you rolled through a stop sign is a safety concern that we just can't overlook. So you didn't qualify this time."

Same information, but the second examiner's word choices made her sound more reasonable.

7. Express Negatives as Positives

Rather than saying, "Your order won't be here until Tuesday." Instead try, "Your order will be here as soon as Tuesday." Same information, but wording it positively enhances customer perception.

8. Help them Find an Alternative

If you're out-of-stock when the customer's rushed, recommend your competitor. They'll go there anyway. When you help them find another supplier, the customer associates your service with solving their problem. So, there's a chance that they may return.

In other words, you have nothing to lose and something to gain when you recommend a competitor. Besides, it's the decent thing to do.

9. Remind them of the Bigger Picture

Sometimes customers don't realize that the 'bad news' is in their own best interest. In the example of children swinging on the coat rack, you might say to their parent, "You seem like a nice person and I'm sure you wouldn't want your children to get injured. Perhaps we can give them some paper and felt pens so they can draw while they wait."

10. Follow-up

With some incidents, a well-timed phone call after the bad news goes a long way in proving to the customer that you've gone the extra mile. "I just wanted to check with you to see how things are going with that replacement tem we provided..." That raises the perceived value of your service without spending more money. | e

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His focus is, "The Art of Client Service... Influence with Ease."® For tips, self-study kits, and information about booking Jeff, visit www.jeffmowatt.com or call 1-800-jmowatt (566-9288).