

Dealing with Customer Conflict

Joe, owner and operator of Joe's Turbo shop, decides to take a Saturday off. He certainly deserves it, as it's the first time in 3 years that he has done so. He feels he is leaving the shop in good hands because he has hired a new Sales Manager with years of experience and a great track record. On Friday evening, Joe covers the necessary details with his Sales Manager, and goes home to prepare for his weekend trip.

Saturday morning, Joe's oldest customer, Mrs. Smith, comes in for an adjustment on her whoozie-wutzit. Usually Joe performs this service at no charge for Mrs. Smith because of her loyalty. Of course, Joe's Sales Manager does not know this, so at the end of the service he presents her with an invoice. Mrs. Smith explains that she has never paid for the adjustment before. Although the Sales Manager is sympathetic, he tells her, "I'm sorry ma'am, but policy is policy."

Needless to say, Mrs. Smith loses it and goes into a tirade in front of the entire shop. She rips up the invoice, begins crying, grabs the keys from the Sales Manager, and gets into her car. As she squeals her tires pulling out of the parking lot, everyone in the neighborhood can hear clearly, "Tell Joe to shove this place and this invoice where the sun doesn't shine! I'm NEVER coming back here again."

Most everyone in a service business has come across this type of situation before. Customers can be rude, they can swear, yell, be condescending, and impatient. The fact is that in a service business, you must be able to successfully deal with customer conflict.

What is Conflict?

Conflict has been called many things, however it's hardly ever called productive. It has been described as a state of opposition, a fight or struggle, a clashing of differing opinions, and something to avoid at all costs.

Conflict should not be avoided, with employees or customers, as by doing so, important issues and concerns can be swept under the table. Within a company, avoiding conflict can cripple operations and lead to lost productivity. With your customers, avoiding conflict can lead to damaged loyalty and lost customers.

Myths about Conflict

Following are some myths that have surrounded conflict:

- **Things always work themselves out.** For those of us who have been involved in a situation surrounded by conflict, we know that this is not true. More than likely what

- actually occurs is the parties involved start talking about the issue to others, and will start to harbor resentment towards each other.
- **Conflict must be ended quickly and quietly.** Wouldn't that be great! For those of us who are not adept at handling conflict, this would be the preferred way. However, when conflict occurs with an upset customer, you can bet it will not be ended quietly or quickly.
- **Conflict is a result of bad management.** In the case of Joe, the Sales Manager believed he was doing the right thing and was not aware of the special circumstances surrounding Mrs. Smith. Was it bad management for Joe to neglect to tell the Sales Manager? No. He prepared his employee to the best of his ability before leaving and could not have foreseen her arrival on the following day.

When Conflict Occurs

Conflict can occur at any time – at work, at home, at the park, or at the video store. Take a moment to remember the last few times you were involved in conflict – most likely they occurred with different people and under different circumstances. Conflict can occur anytime that people are brought together, when there are personality clashes, when words are misinterpreted, and when emotions are high.

When ignored or mis-managed, conflict can:

- Stifle creativity
- Poison relationships
- Undermine team spirit
- Increase customer defections

When managed appropriately, conflict can:

- Find new solutions to difficult problems
- Induce innovation
- Improve relationships
- Make a customer's day
- Create positive change

Steps to Diffusing a Customer Conflict

- **Show through empathy that you understand the customer's situation.** Do this by first apologizing for the situation and being true to trying to resolve the issue. At a minimum, validate the customer's feelings by listening without interruption.
- **Encourage venting.** Let the customer vent and get out his/her feelings without interruption, defending yourself, getting angry, telling them to calm down, or not acknowledging their anger. Instead:
 - Listen actively for what he/she wants to make them feel better
 - Allow his/her rage to burn itself out
 - Don't get sucked into his/her anger. Staying calm is key.
- **Stay objective and don't take it personally.** The customer's anger may or may not be directed at you; however you must always remember the key is to diffuse the

- situation. If you start to take the customer's comments personally, the situation will spin out of control with no resolution in sight.
- **Remain calm.** When you feel your anger rising, try taking deep breaths. As the customer's anger begins to burn itself out, he/she will respond to your calm demeanor.
- **Listen attentively and verbalize/show that you are listening.** On the phone, use verbal clues such as "I see", "Aha", and "I understand". In person, look the customer in the eye and use physical clues, such as nodding your head, to let the customer know you are with them.
- **Take responsibility and show urgency.** Make the customer feel confident that you care about getting their problem resolved.
- **Involve the customer in the solution.** Remember, when a customer is part of the solution, they are much more likely to want the solution to work, thus they may be more flexible. Encourage customers to get involved by saying "How would you like to see this handled?"

Choosing your Words

Sometimes, it's not just what you say; it's how you say it. Here are some tips for choosing your words:

And vs. But

Using "and" statements instead of "but" statements is a trick to ensuring your statement sounds positive. Take a look at the following statements –

Mrs. Smith, you are a valuable customer, but unfortunately I cannot waive the service fee.

Mrs. Smith, you are a valuable customer and even so, I cannot waive the service fee.

When using "but" in a sentence, the statement before the word "but" is negated. However when using "and" in the same circumstance, both statements remain positive, even if the information is not.

Good news/bad news

When you must deliver bad news to a customer, use this approach to help soften the blow. It's especially great to use in the event the company or person has made a mistake with the customer. Take a look at the following statements –

Mrs. Smith, I will be happy to take care of the invoice, however you will need to sign off on it in person. Can you come down to the shop?

Mrs. Smith, you will need to sign off on the invoice, so come down to the shop. Once there, I will take care of the invoice for you.

In the first statement, we are letting Mrs. Smith know that the invoice will be taken care of first (the good news), which is what she is concerned about, then we tell her she needs to come in

(the bad news) to get it resolved. In the second statement, we are making our demand first, which may turn her off before we can let her know we will be waiving the invoice.

Phrases you should not use

- “Hang on, I’ll be with you in a minute...”
- “It’s our company policy...”
- “I’ve had it on my desk and have been too busy to get to it”
- “How strange – this never happens!”
- “That’s not my fault/responsibility”

Phrases you should always use

- “I’ll take care of this right away”
- “How can I help resolve this situation?”
- “Together, we will find a solution”
- “Tell me more”
- “I can see your point and why you are so upset”

If you make a mistake

- Accept responsibility
- Be direct
- Acknowledge the mistake

Joe called Mrs. Smith and was able to resolve the problem to her satisfaction. Joe even had her speak to the Sales Manager, who apologized and ensured her he would remember her the next time she came in. Turns out, they were from the same home town and were able to find common ground to move forward. She then called all of the people she had told the situation to, and let them know the positive outcome.