



# JAY ABRAHAM'S Business Breakthroughs

GROWING YOUR BUSINESS TO NEW HEIGHTS

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The "strategy of preeminence" is, hands-down, a preemptive business strategy to forge your activities around. But it's also a perfect selling template to teach all your sales people to use. Plus — it's a tremendously effective management tool — and a fail-proof formula for masterfully dealing with vendors and suppliers. .... 1

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## Note from the Editor (me):

You've probably noticed in the last two issues that the newsletter is thicker, denser, more intensive and actionable. That's because I'm committed to making this the most usable, profitable, predictable and powerful money maker, wealth creator, business builder and profit improver you have available to you.

Enjoy this issue. Enjoy the future ones. Please relish and enjoy the *Coach's Corner*. It's my gift to you. I'm moving the publication to higher and "meatier" ground, and I'm taking you and your business along with me.

## The Strategy of Preeminence An Eight Part, Guided Tour Through My Most Powerful Philosophy

By now, you should know my 12 pillars of enduring business success — in case you're unaware of them, I'll be publishing a major article on them in upcoming months. Once you are grounded in a conviction-based willingness to let these 12 critical, strategic factors guide your business growth, you're ready to be introduced to the basic fundamentals of my strategy of preeminence.

TSOP, as I call it, is a disarmingly powerful business strategy that — when harnessed and executed properly — is virtually guaranteed to catapult any business — and most definitely "your specific business," to lofty levels of multiplied results that will leave your competitors choking on your dust.

The company I learned these principles from went from a mere \$1,000 start-up investment to over \$300 million in sales — leadership in their field, and a preeminent position that endures today in the minds and hearts of their customers — because of the certainty and authoritative posture they have been able to adopt in all their business endeavors.

The "strategy of preeminence" is, hands-down, a preemptive business strategy to forge your activities around. But it's also a perfect selling template to teach all your sales people by. Plus — it's a tremendously effective management tool — and a fail-proof formula for masterfully dealing with vendors and suppliers. As if that weren't enough — TSOP is probably the first rule book I've discovered for building lasting, loving family relationships between husbands and wives, parents and children, individuals and friends.

The full blown explanation takes two intensive hours of my eX! Factor seminar. Here's the short-course "primer" introductory version to get you started. Enjoy!



## **I. What Exactly is the Strategy of Preeminence?**

- A. Preeminence extols, advocates, champions the role of the team member, supplier, prospect or customer.
- B. *Its focus is on the receiver and their best interest. It boils down to, "I'm not trying to sell you — I want to serve you."*

## **II. How Do You Get Preeminence in a Market?**

- A. *Preeminence is a multi-faceted approach like an integrated fabric. It's a strategic mindset.*
- B. *You get preeminence by subordinating your needs and totally focusing on the "other side" — the side of the client or the customer.*
  - 1. There are three groups of people you have to "sell:"
    - a.. Your fellow team member.
    - b. Your suppliers.
    - c. Your customers.

## **III. The Primary Basis for the Entire Preeminence Strategy Is Based On a Keen Commitment to Empathy**

- A. Empathy is understanding in a very compassionate and respectful way how the "other side" in the transaction is feeling; how they see the situation (what their hopes, dreams and needs are).
- B. *Truly preeminent companies and individuals, in every communication, always sell **leadership**; a definitive belief system, authoritative positioning and a conviction of their point of view. They communicate in everything they do and say, that they want to lead you to a greater yield, a greater result, a greater happiness or greater profit.*
- C. *Preeminent companies make sure when they communicate with a customer or prospect that the customer senses that their feelings are understood.*
- D. *It's as if the company is saying, "I want to give you what you need, want and deserve."*

## **IV. There is a World of Difference Between Giving Information and Giving Helpful Advice**

- A. *Information is inconclusive. Giving helpful*

*advice is definitive; good advice is converted into action.*

- B. *That's why those who practice the strategy of preeminence tell people, "Here's what you should do, here's how you should do it and here's why you should do it." **Being specific is incredibly powerful.***
- C. *We have become people who are afraid to take a stand. But the people you trust are the people that help you come to a conclusion. People want you to be the expert!*
- D. *When you truly care about your customers' and clients' well-being, you cannot allow that person to make a mistake, because your success depends on their success.*

## **V. It's Your Job to Help Provide Focus!**

- A. Focus is clarity.
  - 1. Focus: Most people don't know what is out of focus until someone shows them. When they discover they're "out of focus," then they'll want to make a decision to change. They don't know they're out of focus until they get into focus after you focus it for them.
  - 2. Connect the dots for them. If you connect the dots, it helps them take a step. Once the dots are connected, people will go to the next step. That's what "leading" is all about.
- B. Clarity gives power.
  - 1. Clarity: It's important for your customers to define for themselves their biggest frustrations, challenges and opportunities. In most cases, they are paralyzed because they cannot put their dreams into words, and they just have a vague idea of what they really want so they can't take action.
  - 2. You want to give them clarity by asking them, "What would the picture look like if your business were operating the way you really want it to?" (Just asking this makes a change, in and of itself.)
  - 3. You know, I often think that people in business are strikingly like people on a **cross-country trip**. They are in one of two places. They either know where they are but they have no idea of where they're going.

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Or they know where they're going but they have no idea where they are!

4. ***The end is when you achieve your goal.***

But you have to know what your goal is and where you are now, in relation to your goal.

C. **Power gives understanding.**

1. Understanding: The strategy of preeminence also depends on your ability and willingness to educate your customers and clients (and prospects) as to what their real options are.
2. Just telling people what to do and not telling them why they should do it doesn't give them the confidence that going through the process will produce.
3. Cultivate your ability to put into words what people want — and build on that.
4. The first thing is to articulate the biggest, clearest desired result people abstractly felt but never had clarified for them. They build a strategy of action they can take — new concepts they had never recognized they wanted before.

D. **Understanding gives certainty.**

1. Certainty: Companies that practice the strategy of preeminence always come from a position of "hopefulness." They genuinely have a better and higher wish or hopes for the client or prospect than they even had for themselves. They have the best wishes for every single prospect they come in contact with, even if that person never does business with them in their life.
2. It is this hopefulness that gives their customers the courage, the belief, the strength and the desire to establish a long-term, loyal, lifelong relationship with that company.

E. **Certainty gives trust.**

1. Trust: Always provide customers and prospects with views and viewpoints those customers can absolutely trust. Never put your interest ahead of your customer's. Refuse to sell more or less of what they need. Always provide what is in your customer's best interest.

F. **Without trust, people won't take action.**

1. Leadership: Most buyers base everything they do on absolute, authoritative leadership. Not condescension, but leadership. They want someone who they believe can lead them to great results, outcomes, joy, less pain, more profitability, more productivity. In fact, a true leader knows what's possible and often times the customer doesn't.

2. People silently think: "I don't know what to do." And they are searching for someone they trust, someone who understands their point of view, to point them in the right direction.
3. The fact is that people don't trust "the system." So leaders provide their customers with a viable alternative and perspective that gives the customer control and power.
4. People really are mad — they don't feel anyone is listening to what they really want, and they don't know how to make anyone listen. This comes through in shoddy service, shoddy workmanship, shoddy products, and shoddy business practice.
5. You should go to someone like that and say, "I understand your frustration, and I think I can help. Here's what I perceive you really want, and I'd like you to tell me first if that's right or wrong. Once you and I agree that we both clearly and fully agree on your ultimate goals and dreams and wishes, then we can move forward with a plan to make them come true. And I think I can do that for you." (But, you see, it all starts with taking the customer's point of view.)
6. Put yourself in their role. Understand where they're at, what they'd probably do left to their own devices, and that they'd do it because they'd be emotionally frustrated and impetuous.

**VI The Strategy of Preeminence Relies on Authentic Communications**

- A. *Always ask: Who are we communicating with? What problems are we going to help them deal with? How would we have the most positive impact on this person we are communicating with?*
- B. *Remember: Your message doesn't have any value unless it makes an impact. Information alone is not motivating. Unless it makes a positive and profound impact it doesn't have any value.*

**VII. People Buy for Emotional Benefits**

- A. *Most people focus on tangible results, but most of the great rewards are tangible — like the birth of your first child, your college degree, winning the championship, or getting married. Typically, great rewards are emotional, not tangible. But most people sell on a tangible basis and ignore or forget about the emotions.*
- B. *People have to recognize your advice as a*



solution to a problem they feel emotionally as well as rationally. Logic doesn't make a sale. You have to compel people on the emotional level.

- C. People will avoid making decisions because they don't want to feel foolish. That's another very powerful emotion. You don't want them to feel foolish for what they are currently doing. But you want them to know there is a "better" way. Or maybe you can provide a better result or better feeling about what they are already doing.
- D. You want to show how your product, your service, your friendship, your partnership, doing business with you will make people feel good about themselves.

## VII. Six Questions to Ask

- A. If I were on the receiving end, why would I want this?
- B. Why would I want to take advantage of this offer at this particular time?
- C. What's in it for me?
- D. How will this product make me feel better about myself, my family, my business, my future, my life?
- E. Why is this better than doing what I'm doing — or doing nothing at all?
- F. So what?
  - 1. Your promotion, your selling posture, your proposition has to answer a question that's already on a customer's mind. It has to provide a solution or a result that is big enough, tangible enough and desirable enough that it will compel them to want to take action.

## VIII. 12 Words That Will Change Your Life Forever: "Most people fall in love with their product instead of their prospect."

- A. Of course, this is the exact reverse of what needs to happen to achieve the strategy of preeminence.
- B. Most people think, "What do I have to say to get people to buy?"
- C. Instead they should say, "What do I have to give? What benefit do I have to render?"
- D. The message you want to give is: You matter. Your well-being is important to me.
- E. To accomplish this, you have to believe your purpose is to contribute great value, not to take their money, but to give them a great outcome or result for what they are doing. You have to

subordinate yourself and your interests and focus on **them**.

## IX. Sell the End Result, Not Steps to Get There

- A. Typically, people say, "We've been very successful and we'd like to work with or for you."
- B. Instead say, "Let me show you what we do and how our system works so you can sign on."
- C. People are searching for ways to make decisions better — they want ways to solve their problems today.
- D. Most people don't want to see things as a process. They'd rather see things as a project with a beginning and an end.
- E. People don't want to be average or have an average result or yield. People will relate to you when you respect them, empathize with them and genuinely tell them they don't have to be average.
- F. People need **solutions** not strategy. They need someone to advocate and address their well being.
- G. Never be afraid to ask your current customers: "Is there a better way?"
- H. The feeling in most ad agencies and consulting firms is that in order to sell people you have to "bedazzle" them with rhetoric when actually the opposite is true. A master of preeminence always wants to have ideas to leave their customers better off than when they started.

## XI. "Show Me" is More Powerful than "Tell Me"

- A. Instead of making a conclusive statement, give ammunition that allows a person to come to their own conclusion. You never want to draw the conclusion for them — you want them to draw the conclusion and then take action that makes a commitment.
- B. By allowing people to come to their own conclusions, not only do you get them to "buy into" your product and your service, but they will also "buy into" the end result they believe they will achieve. When they draw the conclusion that, "Yes, this really will make my life easier, or make me richer, or I'll be more respected in my community, or more powerful in my business —" then they have begun to embrace the end result, and they'll have a much higher likelihood of actually reaching it.

## XII. Ways to Make It Easier for Them

- A. Reduce the height of the hurdles. Lower the



*hurdles they have to jump over.*

- B. *Talk about frustrations or desire they really feel.*
- C. *People worry about whether they stand out, whether they're unique, whether people will care — let them know you think they're special, let them know you care.*
- D. *Genuinely help them out — give your customers a chance to buy more often (don't make them buy less than they want).*
- E. *Most concepts are too difficult for most people to buy into the whole cloth on first blush — instead, give them an example of how things work.*

### **XIII. Make the Customer the Center of Attention**

- A. *If in the past your business has been "subject" focused, how can make it "individual" focused?*
- B. *Here are some tips to help you to communicate, write, think and talk with a "them" focus rather than a "me" focus:*
  - 1. Start each sentence with the word "you" rather than the word "I" or "me."
  - 2. Talk about the end result in feelings, in emotional terms; what your product will bring, not how it will work.
  - 3. Ask your customers what they want.
  - 4. Listen to them!

## **Marketing — or What I Learned from GM**

This was a red-letter month for me. I was invited to a top-secret meeting between a client of mine and some high-ranking brass from GM. I can't breach the sanctity of what was covered behind closed doors — but I can discuss one insight I made long before I stepped into that meeting. It's a critical awareness I realized long ago. GM, and just about every other automobile manufacturer, realizes it today at a level of intensity (and commitment) I call just short of fanatical!

It's called "relationship marketing." And — simply stated — it's a key awareness by the car companies of the incalculable value and importance in building a strong, bonded, enduring... permanent... "ongoing" relationship with each and every customer *for life!*

Why life? Because, car manufacturers are realizing something I realized long ago. It costs you a fortune to bring a customer in the front door the first time. But it costs you almost nothing to re-sell them over and over again. Yet — in order to harvest the repeat or recurring income stream that lies hidden in these customers — you must first turn them into valued friends and admirers — and build a tightly-bonded, multi-tiered relationship between them and your enterprise.

A relationship! One that comes from developing constant communication, recognizing and addressing the customer's felt needs or desires in a more meaningful, dimensional and impressively satisfying way than anyone else they deal with does or can.

And, an article in the *Los Angeles Times* Business Section recently reported that one car dealership in southern California just invested \$15 million in a new facility designed expressly for their customers. It has (among other things) *four* separate waiting rooms — one for parents with children, fully decked out with toys and video games. It has a waiting room for TV enthusiasts with three giant screen TVs — no fighting over channel selection here! It has a waiting room for

people wanting to work on a computer (or on their computer) with terminals (both IBM and Mac), extra disks, link-ups, internet access, etc.

*And* — it has a separate "quiet room" for readers, with great lighting, comfortable armchairs, soft music, and all kinds of books, magazines to choose from, etc.

In addition, this dealership built a coffee and soda bar that's free for all their customers. And a shoe shine center. And a personal massage area where anyone can get their backs and necks massaged while they wait.

The moral? Your customers are invaluable to you over forever! Treat them like they are invaluable. Make them feel and know they are special — see them as being special and valuable and important and critical in all of your actions and communications.

Do more and different and better and more distinctive and memorable things for them — than the competition or their alternative choices possibly would think of doing.

Value their capacity to repurchase — and revere their ability to refer.

Put formalized systems into place to curry and savor the power and profitability of the continuum of business that will be a predictable result of a well structured, formally followed, relationship-oriented selling system.

Car dealers know that one out of five customers buys two cars a year. Two out of five buy one every two years. One out of five can refer one or more customers a year.

The numbers are dauntingly important — if you set up a relationship marketing system to let the power in the residual value of the customer relationship continuously work geometrically for you and your business.

Give it some thought.



# Read & Grow Rich – How to Tap into Great Business Minds

My favorite books — summarized!

I never said I did it alone. My success has been helped massively by a number of great seminal thinkers on business, management, marketing, selling, strategy, etc. I've really used their ideas to formalize and fortify my strategic outlook.

Here, for your enjoyment, are my ever-so-condensed introductions to the mindset and the mastery of a few of my favorite people and their books:

## **Napoleon Hill – Think and Grow Rich:**

The famous, mysterious secret of Andrew Carnegie, mentioned one hundred times in *Think and Grow Rich* [but never pointed out as such]: *Thoughts held in mind tend to translate themselves into their physical equivalent.*

Hill's *The Science of Personal Achievement* consists of 17 principles:

1. **Definiteness of purpose:** The starting point of all personal achievement.
2. *The MasterMind Principle.*
3. *Going the Extra Mile.*
4. *Applied Faith.*
5. *A Pleasing Personality.*
6. *Self-Discipline.*
7. *A Positive Mental Attitude.*
8. *Enthusiasm.*
9. *Personal Initiative.*
10. *Learning from Adversity and Defeat.*
11. *Imagination.*
12. *Accurate Thinking.*
13. *Cosmic Habitforce.*
14. *Controlled Attention.*
15. *Teamwork.*
16. *Maintenance of Sound Health.*
17. *Budgeting Time and Money.*

## **Mark McCormick – What They Don't Teach You in Harvard Business School:**

**Essential Idea:** "What they don't teach you... is how to read people, how to influence their reading of you, and how to apply or customize both to any likely business situation. Business situations always come down to people situations."

### **Application:**

- a. Listen to *how* people say what they say — it will tell you a lot more than they mean to.
- b. Observe aggressively people's dress, mannerism, etc.
- c. Talk less.
- d. Take a second look at first impressions.
- e. Take time to use what you've learned. Before you make a phone call, think about what you know and what reaction you want from the other person. What can you say or do that will be most likely to get it?
- f. Be discreet. Don't let people know what you know about them.
- g. Be detached. Acting rather than reacting in challenging situations allows you to use what you've learned — to convert perceptions into controls.
- h. Consider doing the opposite of what people expect.
- i. Dress like you mean business.
- j. Mean what you say — follow through on what you promise.
- k. Maintain a good sense of humor.
- l. To take the edge in business situations:
  1. Know the facts.
  2. Know the players.
  3. Size up the situation.

## **Encourage every employee to think BIG**

To keep employees constantly thinking about growth, ask everyone to respond honestly to the following...

- Describe your job a year from now
- Describe your job five years from now
- What risks are you ready to take this year in your work?
- How will you be entrepreneurial this year?
- Write something you know about the company that you think nobody else knows.

John W. Holt, Jr., *Director of Strategic Planning*, Holt, Hughes & Stamell, advertising and public relations firm, Portland, Maine and co-author of *Celebrate Your Mistakes* (Irwin Professional Publishing/\$24.95).



4. Think on your feet.
5. Look for and act on the smallest opportunities.
6. Discipline yourself — don't be tempted to "tell it like it is" when it's not in your best interest.

### **Dr. Stephen Covey — The Seven Habits of Highly Effective People:**

**Essential idea:** "Private victories precede public victories." That is, we should "engage in a continuing process of self-renewal based on the natural laws that govern human growth and progress. The principles embodied in the seven habits are already deep within us, in our conscience and our common sense."

#### **Application [The 7 Habits]:**

Private Victory:

1. **Be proactive:** Computer metaphor: You're the programmer. Subordinate impulses to values — the key to not being reactive to external stimuli.
2. **Begin with the end in mind:** Write the program.
3. **Put first things first:** Run the program. Be governed each day by self-discipline, integrity, commitment.

Public Victory:

4. **Think win/win:** It's not your way, or my way; it's a better way, a higher way.
5. **Seek first to understand, then to be understood.**
6. Synergize: **Build teamwork, unity and creativity with others.**
7. **Sharpen the saw:** Take time daily for these four dimensions of self-renewal: physical (exercise, etc.), spiritual, mental and social/emotional.

## **A Bottom Line Business First**

*Martin Eddleston is a wonderful man. He's also the Publisher and Editor-in-Chief of Boardroom, Inc., the publishers of Bottom Line/Personal and Bottom Line/Business. They publish some of the most usable, fascinating, readable and interesting personal and business improvement information in the industry. He's also a valued and admired friend of mine.*

*He has graciously allowed me to be the first person to reproduce, with permission, one of his articles and share it with my entrepreneurial readers.*

*Recently he published a fascinating article by Paul R. Timm, PhD. The subject: Getting Customers to Come Back Again... and Again... and Again... It's Not Difficult.*

*Here's Dr. Timm's article, with permission from Bottom Line/Business:*

The average American business will lose 10% to 30% of its customers this year — **mainly because of poor service.**

The good news is that customer service, when managed properly, also has a dramatic upside. Effective customer service/retention programs can help companies grow profits significantly... and very quickly, too.

### **Secret of Happy Customers**

The formula for keeping customers happy is simple: **Give them more than they expect from your company.**

**How it works:** People who feel like they're getting more than they expect — or deserve — generally feel a need to restore the balance.

**Example:** Consider how you feel after someone has had you over to their house for dinner. Most people feel an obligation to reciprocate by inviting the host to dine

at their house. In fact, they feel that the relationship will remain "unbalanced" until it is rebalanced with a similar kindness.

The same happens in business. In their attempts to rebalance their relationship with a business that has exceeded their service expectations, customers will...

- Give your company repeat business.
- Tell others of the positive experience they've had with you.
- Pay a premium for the goods or services they receive from your company.

### **E-Plus**

In business, we call this type of service **E-Plus** — for *Expectations and a whole lot more*. Take the following steps to implement E-Plus service and keep customers coming back again and again...

- **Solicit negative feedback.** Studies have found that an estimated 63% of unhappy customers who don't complain won't buy from your company again. However, if unhappy customers are given the chance to complain — **and have their concerns addressed** — only 5% won't buy from your company again. When you probe for feedback, customers get the message that their feedback is important to your company — whether their comments are good or bad. Feedback can be sought during every transaction with a customer.

Ask open-ended questions, such as, **What did you think of the product you bought last week? How did it work for you?**

- **Be nimble.** Nothing is more impressive to



## Tying Up the "Not"

I'm soooooo embarrassed!

In last month's issue of *Business Breakthroughs* I published Jim Cook's 25 "musts" for the successful entrepreneur. Well, one of the musts should have been a "must *not*."

Rule Number 13 should have stated, "You must *not* accept freebies, particularly government grants or subsidized loans."

By inadvertently leaving out the word "not," the entire intent of the rule was misconveyed.

Please accept my apologies — and *do* try to get your hands on a copy of Jim's fine book, *The Start-Up Entrepreneur*. It's very solid business advice you should revisit often!

customers than prompt action from a company. That means acting on customer concerns immediately — and letting them know you're doing so. It also means following up on customer purchases to see if any questions about the product or service have arisen, or if the customer has any constructive feedback to share.

- **Explain how things work.** Take the time to explain how a product or service works — even if the customer is going to receive a manual that will do the same thing. Having a chance to hear about the features and functions of a product or service from a "live" person — who can field direct questions and, hopefully, get immediate answers — is easier and more pleasant than thumbing through a complicated manual.
- **Under-promise... over-deliver.** *Example:* Promise the customer his/her purchase will be ready in five days. Then call in *three* days to let the customer know it's in. Other ways to exceed customers' expectations include offering to deliver a product... offering to complete the paperwork necessary on the customer's behalf... taking a trade-in or offering to dispose of an old product.

## Customers as Family

Beyond following these guidelines, a great way to keep customers happy is by making them feel like part of the family.

### *Examples:*

- **Involve customers in company-sponsored user groups.**
- **Conduct customer focus groups** to identify customer needs and help the company find more comprehensive ways of meeting those needs.
- **Correspond regularly with customers.** Some businesses send handwritten notes to customers

after they've purchased a product or service. The note thanks them for their business, assures them of future service and asks them to visit again.

- **Make customers feel special.** Call customers by name and learn and respond to their preferences.

*Example:* A pharmacy assistant came to know the mother of an asthmatic child from her frequent visits to pick up prescriptions. When she would approach the counter, he would greet her by name and let her know her prescriptions were bagged and ready. Understanding her concern for her child, he took the relationship one step further — when an interesting study on asthma in children came across his desk, he saved it for his customer and gave it to her the next time she came in.

## Saving Dissatisfied Customers

Just as it pays to keep satisfied customers coming back, it is also worth making the effort to retain customers who have been *dissatisfied* with your company's products or services.

When unhappy customers take their business elsewhere, it hurts your company much more than you think.

These customers share their bad experiences with others — a fact that can end up costing hundreds of thousands of dollars.

To turn unhappy customers into happy ones, simply master these "recovery" skills...

- **Listen to an upset customer's concerns or complaints** — and take them seriously.
- **Work to understand the customer's problem** — and the reason he/she is upset.
- **Compensate the customer** — or provide some sort of restitution.

*Example:* Offer to pick up or deliver goods to be replaced or repaired, give a gift of merchandise to make up for any inconvenience, reimburse for the cost of returning the merchandise (parking, postage costs, etc.), acknowledge the customer's inconvenience and thank him for coming back.

- **Solve the problem quickly.**
- **Reassure the customer** that the problem won't happen again.
- **Stay composed.** Stick to the facts — what the problem is, how it might be resolved, what specific concerns the customer has — and avoid getting into a discussion of blame.

Bottom Line/Business interviewed Paul R. Timm, PhD, chairman, Department of Organizational Leadership and Strategy, Marriott School of Management, Brigham Young University, Provo, Utah.

He is also the author of the book and training video *50 Powerful Ideas You Can Use to Keep Your Customers* (Business Advantage, Inc., 800-305-9004/\$99.95).