

## **Learning when you lose a customer**

Losing a customer is never an easy thing to accept, especially if the customer has been profitable or has been a long-time loyal customer. But, it happens to all businesses.

### **Learn why the customer left**

Generally people choose to buy from a specific supplier because of product, price or service. They also usually leave for one of these reasons. Understanding why a customer left can help you identify problems or opportunities for improvement. The easiest way to learn is simply by asking the customer why they made their decision. While it can be somewhat uncomfortable asking, here are some ideas to help:

- Be respectful. There is nothing to be gained by being adversarial. You never know if the customer may come back, and the customer will probably tell others of any distaste they develop.
- Ask quickly. There still may be an opportunity to save the customer. If not, quickly learning why the customer left may help you identify a problem that should be remedied immediately.
- Consider using an impersonal method of asking. If a meeting or telephone call would be uncomfortable or time consuming, try email. It is quick and easy. The nature of email also encourages quick and honest responses.
- Ask from the "home office." If a sales person was involved, an inquiry from the sales manager or other executive will eliminate any "mis-translation" through the sales person. It also shows a level of respect for the customer that may be valuable later.
- Fix the problem. Established customer relationships are seldom changed unless there is a problem. If it is a price, product or service issue, you can determine the extent of the problem and take actions as needed.

### **Learn from the process**

There was a TV commercial a few years ago in which an executive called his management team together and handed out airline tickets so people could visit customers to maintain relationships. That executive converted losing a customer into a motivational and positive event. He used it as a teaching and management tool.

As a business owner and manager, you set the tone for how customers are treated. Setting an example that shows that customers are important will be immediately reflected in how the rest of your organization views and treats the lifeblood of your business - the customer.

### **Never close the door completely**

Customers have a habit of coming back. Even though they made the decision to leave, they may learn that the new vendor doesn't measure up to what they thought they would get.