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THE MOTOR DEALER REPORT FROM AUSWILD & CO  
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## **HANDLING UNHAPPY CUSTOMERS**

It doesn't matter what sort of business you are in – if you have customers, you will at some stage or other encounter unhappy customers. Car dealerships are no exception – they get their fair share of customer complaints.....and some!

However, customer complaints — if handled correctly — can be a valuable resource that you can turn to your advantage. They can give you insight into problems with your selling process. Dealers and their managers should accept each complaint for what it is — a chance to learn.

First of all, deal with every complaint promptly and politely. Before answering with a solution to a customer's complaint, be sure that you understand the problem, and be as specific as possible in your replies. If the customer is frustrated and complaining, expect the tone of his or her message to be angry and confrontational. That doesn't mean you should be as well. You should at all times be non-confrontational. Respect your frustrated (and sometimes unreasonable) customers and reply to them in an empathetic tone.

But don't stop there. If you haven't received a response, follow up with the customer to make sure that you have addressed his or her concerns. This additional contact will show the complaining customer that you are willing to come to a mutually agreeable solution to his or her problem. If a customer sees that you are willing to work with him or her, this will go a long way in resolving the issue.

Taking it a step further, you can also buy a little "customer insurance". By doing so, you ensure that your customer will not become an "ex-customer" and go to another dealership the next time they need service.

So, what is "customer insurance" and how and where can you buy some?

The answer is easy – you already have it! The problem is that most dealerships don't use it because insurance costs a little extra. It's called "Plus-One Insurance" and here is how it works:

When the customer is unhappy and angry, or you can't deliver the way they expect, the formula that will make them forgive you, continue to do business with you, and tell others about you is –

React, Respond, Recover, + 1.

### **Here's how to add the "+ 1" and create a WOW!**

For example, you go into a departmental store for a sale item and they are sold out of that item. The sales person gives you a "rain-check" to ensure you get the item when it is in stock and at the sale price. AND (the plus 1) the sales person calls the other department stores, locates the item and has it delivered to your home at no extra charge. AND the sales person "goes the extra mile" and gives you a "private sale" card that lets you purchase anything else in the store – today only – at a 15% discount.

Example 2: You check into a hotel and your room isn't ready. How often has that happened to you? The reception clerk says "Mr. Jones, you're in luck! – your room isn't ready. However, please have a drink at our bar with our compliments AND (the plus 1) here is a voucher for a full breakfast at the restaurant tomorrow morning, with our compliments AND (the extra mile) you can use our business centre for free – Wow!"

Now let's bring it back to your dealership:

You order a special part for the customer and the wrong part comes in. The correct response when confronted is NOT an excuse. The correct response to the customer is: "OH, THAT'S HORRIBLE," followed by a statement of what will be done and when. This is then followed by some bonus that has verbiage that goes something like this: "Mr. Jones, you are in luck. You have qualified for our 'Wrong part customer bonus' program which entitles you to.....AND....."

### **Here's how it works –**

The "PLUS 1" is the difference between satisfaction and loyalty – the "extra mile" is the difference between whether a positive or negative story is re-told by the customer.

And the story will be retold – the only question is, which way?

Just remember that every complaint, no matter how illogical, should receive a response. By investing in a little "customer insurance" you could turn a complaining customer into one of your best. Also remember that good service is essential and is a promise you make to your customer. So don't make any promises you can't keep.

For additional information, please contact your  
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