

# How Often Is The Customer Right?

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What would you do if an angry customer calls and asks, unreasonably, that your company redo his costly order? If you are an entrepreneur launching your first venture, you might be tempted to fall back on the common misconception that "the customer is always right," and make a decision that will pull funds from your hard-earned war chest.

In my experience, going along with the crowd is rarely a good choice. The expression about customers' infallibility was coined in the early 1900s by Henry Gordon Selfridge, the founder of the eponymous London department store. It has endured because it sounds wonderful to marketers, but most established companies have learned from experience that it is too all-encompassing to apply in everyday business. In truth, the customer is only right most of the time—after all, they're only human.

However, you also need to remember that your employees are your brand ambassadors, and that their needs should come before your customers'. That does not mean that your customers' opinions aren't important. But you should not build your customer service system on the premise that your organization will never question the whims of your clients.

No matter how well you run your company, there are always going to be a few chronically unhappy customers who cost more to maintain than to lose. One of my heroes in the aviation business is Herb Kelleher, the legendary founder of Southwest Airlines. There are many wonderful stories about him; I have always loved the one about the woman who was one of the low-cost carrier's most frequent fliers, though she constantly complained about the service. The more she flew, the more she complained, until finally, Southwest's head of customer relations sent one of the woman's outpourings to Herb, with a despairing note that read, "This one's for you."

Herb's response to the customer was brief: "Dear Mrs. X, We will miss you. Love, Herb."

No one is sure whether she ever flew with Southwest again, but she never sent them another nasty letter. What's more, the demoralized customer service staff probably heard this story within hours.

The irony is that many entrepreneurs think that they are upping their company's level of customer service by pursuing a "customer is always right" approach, but they end up doing the opposite, damaging relationships between customers and staff. If you take away your employees' ability to negotiate on your company's behalf, some will end up at your customers' beck and call—even when they know of a better way to resolve a dispute.

This is an especially important issue for entrepreneurs introducing an innovative product or service to a market. Since creativity and game-changing innovation are two of Virgin's most important brand values, we are aware of the risks involved. One is that no matter how dissatisfied some people may be with the product or service they are using, change is anathema to them. If you are introducing something that's radically different, it's important not to confuse these reflexively negative reactions to change with real rejection.

Try to prepare your customer service staff for what's coming by looking at your offering from the customer's perspective. Keep in mind that consumer expectations are severely limited by the scope of their past experiences—most customers cannot tell you what they want. When we started Virgin Atlantic Airways, no potential customers ever said that they'd like to see a new airline offering video screens at every seat or on-board massages. Why? Simply because no other airline had ever done so. Will your customers recognize the product or service you are offering? What problems can you anticipate?

When customers start contacting your customer service team, use their feedback and your team's insights to understand why some customers are having trouble adapting to the change. Look for creative responses and solutions, which may involve anything from an informative marketing campaign to additional technical assistance.

The key to providing great customer service is for your management team to recognize the true worth of your frontline staff, the most talented of whom are expert negotiators with deep understanding of interpersonal relationships. Make sure that they have the tools they need to exercise those skills—that they all have the information that they need and the authority to call anyone in the company, and they can work with real autonomy to find fair resolutions to the issues that come up. (No scripts!)

There is no maxim that sums up our attitude to customer service as neatly as Selfridges'. Over 40 years of launching new products and services, we have striven to listen very carefully to what our

customers think they want and then set about giving them something that is often very different, but always a little better. If your business proposition is innovative, your ultimate goal has to be, "The customer always thinks that we are right."

Courtesy of [OPEN Forum](#)

### **About Richard Branson**

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