

## CUSTOMER RELATIONS

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Many business firms and other organizations are emphasizing with renewed vigor the importance of customer relations. In general, the maintenance of good customer relations has suffered greatly during the past two or three decades. The rise and success of so many consumer protection movements attest to this.

Customer relations is that function of business management concerned with how customers feel about a place of business — its personnel, products and services. Any firm or organization that truly views the customer as “king” or “queen” is on the right path toward good customer relations. Too often business activities are aimed at making things easy and convenient for the employees of the firm rather than focusing on the convenience and satisfaction of the customer.

### Who is responsible?

- Top management must establish policies that foster good customer relations. Written policies are needed concerning the following: (1) desired image of the company; (2) returned merchandise; (3) refunds; (4) “sales” items; (5) guarantees/warranties; (6) services to be provided; and (7) pricing.
- Intermediate managers and supervisors must assure that policies are observed by: (1) personal observation of employees in action; (2) reviewing customer complaint files and records; and (3) spot-checking customer attitudes.
- All workers who meet and deal with customers are the “make or break” ones in the area of customer relations. Only through proper training can they be expected to perform effectively. Studies

show that employee training too often is very deficient in this vital area. Technical skills are usually given much higher emphasis in recruiting and training than are customer relations skills. This is most unfortunate, because technical skills are not needed if there are no customers.

### What do customers want?

- *Product or service is available when it is needed.* To satisfy this want, managers must plan properly. They must order far enough ahead to assure product availability. Seasonal requirements can be anticipated and met when proper planning is done. Careful advertising is needed to assure that customers are not misled.

All sales persons should keep a list each day on items customers are requesting which the firm does not handle. These daily “want lists” should be given to the manager each day. He should study these carefully and act when deemed appropriate. An organized way of handling “want lists” is much needed by many business firms.

- *Product or service is of the right quality.* When a business advertises a certain quality product or service, customers’ expectations must be met or relations will suffer greatly. If a medium or low quality is advertised, customers are not disgruntled when they receive the same because they got what they expected.

- *Product or service is priced correctly.* Customers normally expect to pay for the quality of goods and for the level of services rendered in our economic system. Pricing decisions are some of the hardest decisions managers have to make and can impact heavily on customer relations. One of the major complaints of customers today is that they too often feel they are paying for a service that is not being provided.

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● *Promises are kept.* Studies show that laxity in keeping promises is very prevalent, and that this seems to affect customer satisfaction as much or even more than the quality of product or service. Unkept promises range from such things as failure to return a telephone call as promised, to having an automobile repair job finished as promised by a garageman when he received the vehicle.

Unkept promises usually result because they were not realistically made. A realistic promise can be made only when the one making it has at hand data which shows how his resources are already committed, i.e., work schedules, delivery commitments, worker absences, etc. The simple practice of communicating anticipated delays to the customer as far ahead of promised delivery times as is possible is carefully done by alert and successful managers.

● *Complaints are handled properly.* Emphasis should be placed on ways of preventing complaints. There are two very effective techniques for preventing complaints: (1) Train sales personnel to anticipate possible problems the customer

may have with product, and advise the customer accordingly at the time of sale. Examples might be emphasis on the care of a live plant, or special oiling and greasing needs of equipment. (2) Make follow-ups on large sales of either product or service. The idea is to check with the customer before he has to come to the seller with a problem.

Business firms that do not have a special "Customer Services Department," which includes most small to medium-size firms, should have a systematic method of handling complaints. One of the best methods for these firms is to require each employee who meets the public to write on a 3" × 5" card each complaint handled each day. These cards should be given to the manager daily. Complaints should be studied, followed-up and tabulated periodically. Trends which are revealed from the cards should serve as the basis for corrective management action. No business manager can possibly know realistically what customer complaints are without an orderly approach to complaint handling.

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