

How to Deal with Difficult Clients

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For any company, clients/customers can either be the cornerstone of success, or the reason for the downfall. When treated well clients bring a massive boost to a company's operations.

There is an opportunity to stand out among competitors. The Harvard Business Review article "Stop trying to delight your customers", revealed that while 89% of companies set out to "exceed expectations", a whopping 84% of customers stated that their expectations had not even been met. This on its own shows that there is a huge chasm between what companies pledge to do and whether or not customers feel the company has delivered on their promises. By ensuring fulfilment of the promises, whether, in product quality, service delivery or just customer service, companies have an opportunity to retain the majority of its customers as they will have no reason look elsewhere. In addition to this, a Forrester survey showed that eight in ten (81%) clients are likely to bring their business back to companies that have exceeded their expectation. This is particularly important as return business has many positive effects on a company's bottom line. According to a CapGemini report titled "Reinventing Loyalty Programs", customers who are fully engaged and are attached to the company brand contribute 23% more to the company's income and profitability. In conjunction with the findings of a Harvard Business Review article, "E-Loyalty: Your Secret Weapon on the Web" increasing customer retention by 5% is likely to result in a profit increase of at least 25%. This may be because satisfied customers may be more willing to try out other products and services from a company.

In addition to retaining existing customers, happy clients can assist in bringing new business to a company. When a customer is happy with a product or service, they are more likely to spread the word to their relatives and friends, and sometimes to other customers who are unsure and are on the fence if the purchase is worth it. In the digital age that we are currently living in it is important to ensure a media presence that makes it easy for potential customers to find the company and the products or services it offers. The BrightLocal "Local Consumer Review Survey" Report released 11 December 2019 found that eight in ten (82%) of clients read online reviews for business when looking for companies to frequent. It also revealed that an average customer reads approximately 10 reviews to determine whether or not they can trust that company. It then follows that to ensure these potential customers who are looking for businesses online find positive reviews from current and past customers. Negative reviews may reduce a company's ability to attract new customers. The Local Consumer Review Survey also revealed that only half (53%) of people reading through reviews would be willing to consider a business with a rating of less than four out of five stars.

However, the truth is that at some point in a company's business life, it will likely disappoint customers. According to a U.S. Small Business Administration and the U.S. Chamber of Commerce, almost seven in ten (68%) customers stated that they left a business as a result of the treatment they had received. The abovementioned benefits can easily be turned into negatives that count against a company.

No matter how good a product or service is, if a client's reasonable expectations are not met, they'll not be happy with the product or service. Ignoring a customer's needs and not responding to their queries can lead to frustrated customers leaving the company. When a company's customer service is not good enough that the company will struggle to get returning clients.

Also, as mentioned earlier negative reviews whether on the internet or through word of mouth will do a lot of harm to a company's brand. Most companies rely on repeat customers and revenue, as well as positive customer feedback. Companies providing bad experience to its customers eventually lose customer satisfaction, return business, income, credibility and employees.

Statistics from NewVoiceMedia revealed that after receiving a bad customer experience more than half (56%) of customers state that they "will never use a company again", whilst a quarter (25%) declared that they will recommend friends not to use the business. 20% then stated that they go further and "take revenge by posting a bad review online", while 14% will even "share a poor experience on social media". Overall, their results estimated that businesses lose approximately 83 million dollars as a result of bad customer service.

When faced with unhappy clients or customers there are some things a company can do to effectively deal with the situation at hand.

To begin with, it may be worth noting that to prevent upsetting clients, a company needs to manage expectations by setting realistic and obtainable targets. Whether it is the key outcome areas or the agreed deadlines, all targets must be achievable. In addition to this, these goals and targets must be communicated and also documented to promote accountability on the part of the company, whilst ensuring all parties especially the client always know what to expect and are on the same page. This goes a long way in ensuring that clients do not become unhappy.

In cases where the client is already unhappy, it may be better to ask for a face-to-face meeting instead of giving a written response. At the very least companies need to reach out via phone call. This goes a long way in expressing compassion, understanding and concern, which is rather difficult to do via email. Also, meeting a client in person can help diffuse the client's anger, as it is relatively more difficult to react angrily and inconsiderately in person. This approach also affords the client time to cool down.

When communicating with the client, companies need to ensure they concentrate on the issues which are causing the client to be unhappy. Try to find out as much about the grievance as possible before responding. As every problem emanates from somewhere, attempting to view the issue from the point of view of the client can offer a clearer perspective. Ensure that as you speak with the client you remain calm and do not raise your voice, even if the client is being unreasonable.

The next step is to echo the client's concern using your own words. To ensure you have fully understood the situation at hand, make sure to rephrase and clarify the client's grievance. The client will help by correcting and re-emphasizing any areas that may not have been fully understood. This step helps prevent incorrectly jumping to conclusions, whilst potentially uncovering any misunderstandings that may exist.

Once you have fully understood the situation at hand, you can then respond appropriately. Where necessary, communicate the corrective steps that you will take to rectify the problem. Be sure not to make unrealistic promises that are not achievable, as this may have/could easily have been the reason for the client's dissatisfaction. If the grievance has proved to indeed be a misunderstanding, be sure to communicate this in a clear and nonhostile manner.

The final step is to make the necessary corrective steps and meet all targets agreed upon. Follow-ups will then need to be made to ensure the client is happy with the solution. Sometimes, it may become necessary to offer the client a concession to salvage the relationship, perhaps in the form of a discount on the current invoice or the next invoice. This, however, needs to be done with care and with an observant eye as some clients may aim to persistently benefit from your acts of compassion and goodwill.

Going forward use each complaint as an opportunity to grow. Find out what caused the complaint and work to rectify it so that it does not cause further issues in the future.

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