



By G.A. "Andy" Marken

About the Author

G.A. "Andy" Marken is president of Marken Communications, Inc. in Santa Clara, Calif. He may be reached at andy@markencom.com.

Avoiding Consumer Complaints

None of us likes criticism. However, with widespread public and government attention being focused on consumer protection, it's imperative that businesses take every possible step to avoid conflicts with the consumer.

The possibility of warranted criticism can make it tempting to reduce expenses by

- buying slightly inferior products,
- making exaggerated claims in the selling efforts or
- reducing the service department to a skeleton force.

It's precisely at times like these that companies must be especially concerned about guarding and strengthening their customer relationships in the areas of product and service reliability to preserve the integrity of their operation.

Consider taking a day away from your purchasing and selling efforts to gather information on how your organization

actually is operating from the standpoint of consumer protection. Find out if there are problems, where they are and analyze what should be done to correct the situations.

Consumer Reaction

Take the time to examine your company correspondence files and service department records. This will reveal

the current consumer attitude toward your organization. Complaints probably will highlight principal problem areas and will point to those areas where corrective actions are indicated.

In fact, if you analyze those records over a year's time, you may find that some of the products you are selling actually are doing your firm harm or, worse yet, costing you in terms of warranty and out-of-warranty service work. Track your service costs and you may find that those low-cost, high-profit products you thought were such a great deal actually are providing less of a return than other higher cost, moderate profit items.

Determine whether there have been enough customer complaints to indicate that something is wrong. If so, what is being done about it?

If your products, services and operations aren't under attack, does it seem likely that they may soon come under fire? Finding this out also will involve discussion with your service people, since they are on the "front line" of problems that may now only be isolated incidents but which can become large problems very quickly.

Consumer Relations

The consumer (individual or business) is the life blood of your operation and, generally, the most difficult to communicate with. In many companies, there actually are no firm policies for handling complaints. Or, the policy may be deliberately buck-passing, which turns the complaint back to the customer by way of a form letter.

Establish a policy of checking back with the customer 30 or 60 days after the purchase of a total system or specific piece of hardware to see how the product is performing, how service was provided and if you can be of further assistance. This is extremely important if you want to remain in business in your community and prosper by having people tell others how well your company performs even after the sale. It's a simple effort that can mean a lot to a person, whether he purchased a \$1,000 system or a \$100,000 system.

Do you have a written policy for adjusting complaints?

You'd be surprised at how fast, courteous attention can defuse most of the complaints before they become major consumer problems. All that person wants to know is that someone cares. Many times problems have been turned into real benefits for the operation because you have

- Found a real problem with a customer, which is unique and deserves attention.
- Taken 15 minutes to solve a minor problem and brought the individual back in operation rather than forcing him to wait a week or more for service.
- Found a true manufacturer flaw and have impressed on the customer that because of his assistance in getting back to you he has helped both you and the manufacturer produce a better product for everyone.

Just a few minutes of time are taken in solving that customer's problems, but he will talk up your operation and your ability and desire to stand behind the products you sell.

What Should I Be Doing to Avoid Customer Problems?

Here's a checklist on some ways you can avoid serious issues with customers and keep your good name circulating throughout your community.

- ✓ Analyze your records every six months or at least annually.
- ✓ Review your service and complaint files.
- ✓ Track trends—good or bad—to see if there are any developing with an individual product or product lines that could affect your reputation.
- ✓ Review your warranty program annually to make sure that it is keeping pace with your reputation and company's direction.

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Warranties

Most consumer complaints center around warranties. Unless you are producing every piece of equipment yourself, there generally are other manufacturer's warranties involved. That doesn't absolve you of any responsibility. Read the warranties that you receive with the product or systems you repackage and sell and analyze them.

Most warranties are not written by the marketing, engineering or manufacturing departments but rather by the firm's legal staff. They are designed to protect the manufacturer ... not the customer.

Develop strong, clear and concise customer warranties and get your supplying manufacturers to agree to support them.

Experience has shown that big, serious problems such as a system blowing up on the customer are handled without question. Minor problems such as a blown fuse are not covered but generally are taken care of after considerable discussion and extensive paperwork. That paperwork and discussion costs everyone time and money.

Many companies have broadened their warranty coverage for that reason.

Don't get preoccupied with protecting yourself from every little complaint that comes in the door. Remember that people who have had their problems solved will give your company a strong recommendation when asked. Individuals who have received a "run-around" or have been kept waiting while trying to have their problems solved will be outspoken in their criticism.

This does not mean that you shouldn't have legal counsel go over your warranty. Don't get bound up in legalities that tie your hands when working with an individual. Don't let the warranty be a piece of paper to hide behind every time someone walks in with a complaint. Defuse the problem quickly and effectively by listening attentively and working with the customer on a strong,

positive solution. Don't expect the customer to have read all of the warranties for the equipment you sell and be fully familiar with all of the loopholes. You can point out several areas, but enforce your own organizations' warranty program. After all, while the supplier says he is concerned about your problems, he isn't as concerned as you are.

The community you sell in is your livelihood and your investment in the future. Individual firms cannot be replaced because people buy products from people, not companies. They buy because they respect you as a local business person who will stand behind the products you sell. If you switch product lines, they will switch with you because they know you are going to be there tomorrow.

Show your customers that your warranty is the first thing they are buying. Next they are buying solutions to their needs. Finally, they are buying specific products.

When your warranty becomes your first selling tool, it also becomes your most powerful selling tool. **WQP**

What Should Warranties Do?

- Explain what you and the manufacturer will do.
- Detail any costs.
- Specify the length of time covered.
- Explain what the user must do.
- Specify where the faulty product must be sent.
- Detail which parts are covered and which are not.
- Be clear on who pays for what.