Actually, It Is You
Why Customers Dump You &
How to Avoid Risk-Taking Mistakes

by Kate Zabriskie

The lawn service had to go. I used them for over 15 years, and by the last season, my lawn looked terrible. The spring seeding didn't take, nutsedge and wiregrass consumed half the yard, and they just kept spraying chemicals. I wish somebody had just told me the yard needed grub killer, more topsoil, and organic material. I would have done it. In fact, I did – with somebody else.

We lost him after 20 years. At the time, I could only describe myself as stunned. I didn't see it coming. In hindsight, I guess I should have, but I didn't. He's now with a new financial advisor who is no better than we are at advising. She lured him away by making him feel important. We blew it. Simple as that.

We offer great deals to new customers. I've got introductory prices, pilot prices, and other discounts I can use. Where things get sticky is retention. Unless a customer leaves, I don't have a lot of flexibility. This place chases them and then begs them to stay when they threaten to leave. No wonder customers aren't happy when I take their calls.

People responsible for providing customer service know great customers are not a dime a dozen. Yet, every single day, businesses lose people they'd like to keep. What's going on? While the root cause could be anything, usually, these defections stem from a few key mistakes.

Mistake One: A business assumes longevity equals happy in the relationship. The truth is more complicated, however. There are a lot of "blah" service marriages out there. Just because someone has stuck around a long time, that does not mean he or she is committed to the service or the service provider. If another business says it can do better, a breakup may be imminent.

Mitigation Move: Ther's a reason people celebrate anniversaries. Do you have an annual check-in meeting with your customers? If not, consider piloting this process with a select group. The purpose of the meeting isn't to sell. Rather, it's to say thank you, ask questions, and, more importantly, to listen. Smart businesses find creative ways to make check-in meetings work: an energy company offers an annual energy audit to homeowners at no cost, a bank branch schedules time to go over a customer's accounts, listen to his financial goals, and review new products, or a power-washing company proactively performs an annual spring cleaning assessment and estimate for cleaning. No matter what business you're in, you can probably find a meaningful way to connect. For example, are you in the pizza-selling business? Great. How about a thank-you card at the end of the year. John, 32 pies in 52 weeks! We thank you and look forward to serving you in the coming year. Enclosed, please find a dough-for-dough gift card. It's our way of saying thanks for choosing us as your pizza partner.

Mistake Two: A business doesn't think like its customers or have their best interest at heart. Anyone who has ever left a business and then received email invitations to come back at a better rate understands this error. If you could have given me phone service fat $14.99 a month, why didn't you say so when I was $34.99? Get away and goodbye.

Mitigation Move: Give your existing customers your best service, best advice, and best deals. Doing so may hurt your wallet in the short term, but in the long run, it's the right thing to do and a strategy that will build trust and loyalty.

Mistake Three: A business hires people who focus on themselves. For example, your regular food server tells you too much about her life and her problems. At first, you were glad she made conversation. Now you dread hearing about the train wreck that is her situation – especially when you don't ask. Lately, you'd like to talk about you or just eat in peace.

Mitigation Move: Live by a customer-first philosophy. The customer is the most important person in the room, not you. No matter how friendly customers are, avoid mistaking conviviality for someone's desire to focus on you. To put it in math terms, try to do no more than 30% of the talking. Instead, spend your time asking good questions and listening to the answers.

Mistake Four: A business follows a feast-or-famine contact model. For instance, a real estate agent who sold a customer a house five years ago gets in touch for the first time in a long time now that he's learned the customer might be moving. He calls, he texts, he emails, and it's too late. The customer has signed on with an agent she met at her book club.

Mitigation Move: Create a contact schedule that makes sense for the kind of business you're in. Also, look at many industries as you create your plan. For example, your hairdresser may have a technique or two you borrow to use in your sales role in a completely different industry. You don't want to be a pest, and, at the same time, you don't want to be passed over the next time someone needs the types of products and services you provide.

With a little effort, you can avoid new mistakes. And over time, you can mitigate any bad choices you've made previously. Great customers are great customers, and they're going to be somebody's customer. Why not make decisions that will make you the provider of choice?

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