

Use data to handle the disgruntled



Curtis N. Bingham, President, Predictive Consulting Group

Your first reaction to quickly address a disgruntled customer might be the wrong one. In fact, you might just be better off without some of your customers because they are price buyers and negotiate away all your profits, are massive credit risks, waste call center resources, and abuse your customer service reps. It might simply cost too much to satisfy them.

To protect your best customers and minimize wasted resources, you must prioritize customers according to their value and address disgruntled customers according to their priority and service tier.

Guided by your overall customer strategy, use your CRM system to prioritize your customers according to their value. Metrics might include profitability, share of wallet, lifetime value, cost to serve, strategic impact, or other metrics. Once you do so, it'll be clear at both extremes which customers you need to keep at all costs vs. those that you might be better off if they took their toys and went home.

If the disgruntled customer is a low priority and has paid for a lower-tier service plan (you do tier your service, don't you?), offer to upgrade their service plan and direct them to less expensive self-service or online channels.

The goal is to do just enough to prevent a tarnished reputation. If, however, the customer is high net worth (ie. high-priority and on a high-service plan), you then must do everything you can in a high-touch fashion to resolve the customer's complaint and ensure their perception of and loyalty to you is restored.

Customer feedback (even the negative kind) is a gift — if it comes from valuable customers — and it should be welcomed and addressed immediately to protect your reputation, customer trust, and your revenue. Feedback from the rest of your customers might be interesting, but it is quite possibly irrelevant.

THE TAKEAWAY

Use your CRM system to prioritize your customers according to their value.

ABOUT THE AUTHOR

Curtis N. Bingham, President of The Predictive Consulting Group, helps organizations dramatically increase customer acquisition, retention, & profitability. For more information about Customer Strategy, his new Customer Experience Audit, or Chief Customer Officers, visit his website at <http://www.predictiveconsulting.com> or his blog at <http://www.curtisbingham.com>.