

Flinn Associates Monthly Newsletter

Losing Customers

- October 2003 Newsletter -

Upon review of third quarter sales reports you begin to notice a trend; sales are declining slightly with certain accounts. Further analysis brings you to the conclusion that overall the declining accounts are being replaced by other purchases from other customers. This sales territory seems relatively stable in an economy that is anything but. Should you worry? You review the numbers with your sales rep. Their perspective appears solid, but something inside you is telling you otherwise.

It goes without saying; it is always easier to maintain a customer than it is to find a replacement. Sales managers and business owners must view declining sales as a barometer that something is wrong. Even the slightest decline in sales may mean that your competition is gaining an inside edge with your customer. Reacting quickly to a decline in sales may reveal a pattern of performance which has provided an opportunity for your competition. The obvious danger is your competition may already have the inside track which you must react to counter. This puts your firm in a defensive and a disadvantageous position. Most likely there were signs of customer dissatisfaction which went unnoticed; unmet needs provided your customer with the incentive to look elsewhere.

Never take for granted the relationship which took time to create will outweigh your customer's perceived unmet needs or declining satisfaction with your performance. Chances are your long term customer association was built on a relationship of trust; earned daily through persistence and consistency of performance. Your customer will continue to purchase from you, assuming all things are equal, based upon the relationship they have with your sales staff. If the relationship wavers, sales may flatten or even begin to decline. As a sales manager or business owner, attention and focus may be sidetracked by what appear to be more urgent issues. A persistent awareness of customer relations will enhance your firm's ability to react to customer needs. Open, trusting relationships with your customers will permit a consistent flow of communication. When the communication becomes less frequent it is time to react.

Do you deliver as promised? Do your products fulfill or exceed all of your customer's expectations? Does your firm know what those expectations are? If you can answer yes to these questions, then you have gained an intimate understanding of your customer and ultimately have earned the trust of your customer.

For further insight into enhancing your customer focused organization, [contact Flinn Associates](#) today.