

MERCHANDISING



The best friend of your registered Angus business is a satisfied customer. Its worst enemy is a dissatisfied one.

The person who tells you your number one merchandising job is to get more new customers just doesn't know the facts. It costs a business five times as much to attract a new customer as it does to keep an old one, the Technical Assistance Project of Washington says.

What's more, 90 percent of unhappy customers never buy from the offending seller again, the White House Office of Consumer Affairs claims. Even worse, dissatisfied customers, on the average, tell nine other people about the bad experience.

Your best friend is a satisfied customer

I can testify to that. A few years ago my family went to a pretty good local steak house for dinner. We weren't too hungry so we ordered a small club steak, which turned out to be terrible. Naturally the waitress asked how everything was, and I told her. "You know, a lot of people have said that," she admitted. "I think they are going to take it off the menu." But that was the end of her concern.

When I paid the bill the cashier asked how our meal was. Having received no satisfaction from the waitress, I said, "It was the worst steak I have ever eaten," which was almost the truth. She said, "Well, the manager is over there. You should tell him," and she called him over. It must have been a bad day for him, because he took exception to our opinion of the steak. Moreover, he said I should have known better because I ordered the cheapest steak on the menu, and that evidently I didn't know much about beef.

Needless to say, I didn't darken the doors of that joint for several years. All the while I delighted in relating our experience to anyone who would listen; for sure more than nine people.

My refusal to eat in the restaurant

however, put a crimp in our social life. There aren't many restaurants in St. Joseph where we can meet friends for dinner. So my wife finally convinced me to give them another chance. Much to my satisfaction, the offending steak was gone from the menu and they haven't accused me since of being either cheap or ignorant.

The other day I asked my son, who incidentally was in

stands to reason that a merchandiser should spend as much time, effort and money following up on sales and making



the restaurant with us on' that fateful day, and who now manages restaurants for Marriott Corp., what he does when someone complains about the food. "I don't charge them for the meal," he said, "I apologize for everything not being up to their satisfaction and ask them to please come back and give us another chance." Now that is the way to look after customers.

Refunding the price of a dinner in a white tablecloth restaurant isn't quite as expensive yet as refunding the price of a registered bull or heifer, but the principle remains the same. Besides, when an Angus breeder makes a refund, there is at least the animal's salvage value to ease the pain.

I have no figures about the registered beef cattle business, but the American Marketing Association says that longtime customers account for 65 percent of an average company's business. It therefore

customers happy as is spent getting new business, especially since that new business will account for only 35 percent or so of sales.

The customer may not, in fact, always be right. But the good merchandiser never says so, at least not to the customer.

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