

MERCHANDISING

by Keith Evans, Director of Communications and Public Relations

Don't Always Believe Your Customer

A couple of self-styled cattle marketing specialists recently told seedstock producers at a Colorado meeting that to succeed they must believe the customer is always right.

Don't you believe it— it's a prescription for trouble.

When it comes to customer service you should "act" as if the customer is always right. In fact, you should go to almost any ends to satisfy customer complaints, even if they are not legitimate. An unhappy customer will tell many people about "your" problem. So the wise thing is not to fight, but instead cut your losses and make the buyer as happy as possible.

This is not always easy. Many years ago an Angus breeder told me he refunded the purchase price of a bull he had sold more than two years earlier. The buyer telephoned to complain that the bull in question was sterile. Asked why he was reporting this years after the sale, the buyer replied, defensively, "I don't care what you think, that bull is sterile and so are all his sons." He got his refund anyway.

But don't build your business on the principle that the customer is always right about what he wants and needs. This can lead to trouble, even failure. For example, it would have been easy, a few years ago, to dismiss expected progeny differences (EPDs). Few if any commercial producers understood them, or how they worked. So they didn't use them to select bulls. Consequently some breeders assumed that EPDs were a passing fancy. The customer, in this case, was wrong and the breeders who believed them were the losers.

On the other hand, breeders who recognized the potential of EPDs and incorporated them into their breeding and marketing programs profited in the long run. They went out and sold EPDs and their value to customers. Eventually bull buyers discovered that EPDs worked. They responded by bidding up the price of bulls from good performance herds with the right combinations of EPDs, and they abandoned breeders who didn't have them.

We may be in the same situation today with regard to carcass information. The average commercial cattle producer today doesn't get paid a penny more for calves sired by bulls with positive marbling and carcass EPDs. As a result, most bull buyers don't demand or pay extra for a bull with carcass EPDs. The registered beef cattle producer who believes the customer is always right may see no need for improving herd carcass genetics.

Most breed organizations and even some breeders within the American Angus Association have adopted this position. Their motto is: "Don't ask me to spend money and effort on something that my customers won't pay me for." The time will likely come when they regret this decision.

"The idea that the (customer is always right) is so illogical that it's silly," wrote Lloyd Allard in a recent issue of *Personal Selling Power* magazine. "Customers are seldom right and usu-

ally don't expect to be right," Allard wrote. "If they knew all the answers, they probably wouldn't spend their time talking with a salesperson!

"When you speak with your customer, you share information about your area of expertise. You are a professional — someone who has something to share that will improve the customer's professional or personal life," Allard contends.

"You have an excellent chance of making any sale if you convince the customer that you know what is best and that you will do things the way they should be done," Allard concluded.

This is not to say you shouldn't listen to customers before developing your breeding, advertising and marketing programs. You must. To develop successful programs you need to know a great deal about their businesses, and what makes money for them and what doesn't. You need to know their likes and dislikes, their prejudices and the things they are misinformed about.

It is also your business to look to the future, to incorporate into your breeding program those things that will be important to customers five or 10 years from now. At the same time begin to sell these ideas early so your customers will be in a position to benefit from them as soon as possible. Making genetic progress is a slow business. It is difficult indeed to play catch-up or to drastically alter a breeding program that has headed off in the wrong direction. You can't afford it and neither can your customers.

So listen to your customers, by all means. But don't assume that they are always right. This can lead you down the primrose path.



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