

Learning & Development - Difficult Situations

WHY	<p>This course is aiming at making you/your team more comfortable when dealing with difficult situations. Additionally to this course, we recommend you/your team to take on the 'Complaints' course (Service section) that aims at preventing them from happening in the first place.</p>
WHO	<p>Audience:</p> <ul style="list-style-type: none"> - Hospitality professionals of all levels - Anyone curious about people management <p>Facilitator:</p> <ul style="list-style-type: none"> - Self-learning - Managers of all levels
WHAT	<p>Content includes:</p> <ul style="list-style-type: none"> - A bit of math: the real cost of customers complaints - Technique to deal with a difficult situation <p>Content length:</p> <ul style="list-style-type: none"> - Approximately 30 minutes in this section
HOW	<p>1st Read content and select what you believe to be useful for you/your team</p> <p>2nd Decide what element you/your team will apply and make a plan</p> <p>3rd Set a deadline for application to be reviewed</p> <p>4th Review results, amend methods according to specific needs and apply again until satisfied</p>
PLUS	<p>Internal resources:</p> <ul style="list-style-type: none"> - The course on 'Complaints', in the service section, will offer further support

A bit of math: the real cost of customers complaints

According to research*, it is estimated that approximately 4% of unhappy customers, having a bad experience in a restaurant or shop, actually complaint formally about it, while the remaining 96% simply say nothing and just stop doing business with them. Furthermore, 13% of unhappy customers will share their complaint with up to 15 people, whereas 72% will tell up to 6 people when getting great service.

Let's do the math:

Take the number of (written) complaints you received over the last 12 months (including Social Media platform, calls and face to face feedback). Let's say that was **25** complaints. And let's say that on average you compensated these customers with **£20**.

25 complaints = 4% of the total of unhappy customers you served during that period
100% is therefore **625**. This is the estimated total amount of unhappy customers you served over the last 12 months (**25** of which you know of, and **600** you do not)

The **25** customers you dealt with are now happy and could tell up to 6 people each how great you were dealing with them. 150 people would then be hearing something positive about your business.

The **600** customers you did not deal with could tell up to 15 people each about their poor experience, influencing negatively a whopping **9000** potential customers.

Dealing with **25** complaints would have cost **£500** (average compensation **£20**)

The potential loss in revenue of **9000** customers is your ASPH** x **9000**

If your ASPH is currently **£15**, the potential loss of revenue is at least **£135k**, not counting returning customers...

Replace the numbers in **red** above to find out the situation for your business.

The point we're trying to make here is that we often look at the cost that compensating customers represents, overlooking how much the business is truly losing not dealing with all unhappy customers. Identifying unhappy customers and having a strategy to successfully deal with their complaint is paramount should you want your business to flourish.

Interestingly, customers who have complained to you are more likely to become loyal to your business (since they now know they can trust you when things aren't as they should) and end up spending more too. Although team members (especially new and inexperienced ones) are sometimes reluctant to immediately confess that one of their guest is not having a great experience and fail to report it timely, it is crucial they do. The opportunity for a manager to deal with a complaint on the spot is considerably increasing their chances to turn the situation around.

*Research by Esteban Kolsky

**Average Spend Per Head.

Technique to deal with difficult situations

What are difficult situations? Here are some examples, so that we are on the same page:

- One of your team member has bumped into a customer while carrying a tray and split the drinks on her brand new designer coat
- One of your customers who booked a table has been waiting 20 minutes to get it because their table was mistakenly given to a regular. The unhappy guests claims this is because they are foreigners and accuse the host to be racist
- One of your customer asked to speak with a manager once the bill was given to them, now complaining their whole experience was horrendous, food uneatable and service catastrophic. They now refuse to pay the bill.

Counter-intuitively, apologizing is not the first thing one should do when dealing with a difficult situation. It is nevertheless an important part of what needs to be done. But more importantly, customers who had a bad experience want to tell you about it. So just listen!

Recipe of successfully deal with a difficult situation:

Step 1 – Listen = this is 90% of the success. Active listening required

Step 2 – Empathise = if you're not truly sorry, they'll be able to tell

Step 3 – Apologise = the more of the above you've done, the easier this is

Step 4 – React = solve the issue right there and then

Step 5 – Notify = keep record of incidents, for training purposes/follow ups

Your body language is everything in these situations:

BODY POSITION

- When speaking to customers get down to their level (crouch down or sit on a stool beside them)
- If standing up, avoid standing right in front of them. Standing on their side is much better as it sends the messages 'I am on your side' to the customer

ARMS

- Do not stand with your arms folded or your hands in a fist, this can be seen as aggressive, open palms are best if using your hands to emphasise a point

PERSONAL SPACE

- Do not crowd the customer but be close enough to listen

SMILE AND NOD

- Give a genuine smile – The customer can tell if you are being false
- Nod your head to show you are listening

EYE CONTACT

- Always make eye contact but never stare the customer down. If you do not make eye contact the customer will think you are not listening

TONE OF VOICE

- Remember, it is not what you say, but how you say it that counts. If your tone of voice does not match your words the customer will know you are not being sincere