

The Multimillion Dollar Question: "Is the Customer Always Right?"

By William Ho, Executive Coach & Trainer @ Progress-U Limited



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We have probably all seen this at one time or another: the golden rules in sales. Rule number one: The customer is always right. Rule number two: When the customer is wrong, refer to rule number one.

Do you agree or disagree?

Incidentally, this is the 100th anniversary when the phrase "The customer is always right" was originally coined by Harry Gordon Selfridge, the founder of Selfridge's department store in London in 1909. Since then, this so-called sales golden rule(s) has been affecting our world of business. It means that as suppliers, we should all be thinking how customers behave. Thus, fulfilling their every want and whim becomes highly essential. Everything we are doing should be customer-oriented. As our customers become happy, suppliers should be happy. And so does our world.

Or doesn't so?

However, there are a lot of arguments hanging around here, challenging these 2 golden rules recently. After all, we might think that we are becoming more sophisticated and buyer/seller relationship should not be this one-sided. We have seen business people suggesting that we might be getting unhappy employees when we try too hard to stick to the golden rules. Customers sometimes are really unreasonable, so to speak. So, not everyone will be happy. And so doesn't our world.

Or does so?

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This is not to make any judgment here, suggesting what's right or what's wrong. Let's think it through here: what is indeed the definition of a customer (to you)? Well, it should be quite obvious, shouldn't it? To be considered as your customer, s/he must be availing of your products and/or service.

So, do you think that customers are only right if they buy from you and wrong if they don't?

Sales start, and only start when there is a need to be fulfilled. We should not confuse, in particular, what customers want vs. what they need. In many cases these can be two completely different things, but if the customer doesn't get what s/he wants, the sales relationship can dissipate quickly.

Let's imagine, one day you walk into your favorite hair salon, where you have been getting your haircut every month for the past 5 years with your favorite number one hair stylist, who you think is personable, enthusiastic and usually gives you a good haircut – that is why you have been there every month. That particular day, after he has done his routine: cutting, washing, blow drying and styling, he changed your hair style (and coloring, too) completely.

Before you could start screaming when you look at the mirror, he said immediately that he – not you – like the way you looked. He said that you actually "looked five years younger".

You want to look younger, but that is not how you want to get a new look – by changing your hair style. That is not what you need.

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Perhaps you wonder why he didn't ask you before he started his scissors.

Perhaps you wonder why he did not get your consent before he started his work.

Perhaps you wonder if he is right, but you were not prepared to accept that. In other words, you have not agreed.

Perhaps you wonder if it's because you have mentioned that you wanted to look younger last time you had a haircut that he thought you meant you need to look younger by changing your hair style completely.

Perhaps you wonder who is actually paying here.

Perhaps you wonder whether you should be coming again or not.

So perhaps your number one hair stylist should follow this rule: "Know thy customers, whether they are right or wrong."

When you know your customers, it's easier for you to give them what they need and want. Don't ever make the mistake of giving your customers what you think they want. It's not about you, it's about your customer.

Perhaps this is not good enough though. In our "Stop Selling!" approach, we even go one step or steps further: we coach our customers to help them find out what matters most to them – to understand what they really need now, instead of what they initially thought they wanted.

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So perhaps the real rule for your number one hair stylist, or your sales team should then be "Coach thy customers to have them know themselves."

Only if this can be done, then it is safe to say "The customer is always right."

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William is a senior veteran in the business world, also helped to attract and confirm investors to set up overseas companies; and was involved in a few merger and acquisitions throughout his career. He earned his stripes through his practical experience in the actual market.

He is keen to help and coach companies to explore their own potential, understand their core competence, and ride through the adversity of the economy. He is especially interested in situation where companies have to deal with constant changes, new market developments, multicultural environments, fierce competitions, and leadership development, particularly in sales. His expertise lies in building and managing sales and marketing teams, key account management, tactical negotiation and closing deals, forming alliances and partnerships through training and coaching within the organization to develop a sales- and subsequently results-oriented culture.

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