

Is Your Company a Great Choice...or Simply the Lesser of Two Evils?

by Sandy Geroux

My husband and I recently went shopping for a health club. What ensued over the next week is nothing less than an incredible saga of poor salesmanship and worse customer service that sent us running home to dig out old exercise videos and try it on our own.

Let's look at the events that transpired, as well as the sales and customer services questions they prompted:

Event #1: While we were searching for a health club, a friend also visited a local club to sign up. When he asked his "Counselor" about a 50% discount off the initiation fee offered to people who know a club member, he was met with, "*What discount? I never heard of a discount.*" After stating three times that a friend had received a 50% discount off his initiation fee because he knew a club member, the Counselor finally "remembered" the "Buddy Plan" and gave him the discount.

Sales & Customer Service question: Was the Counselor that unknowledgeable or forgetful about the services he sells, or was he really going so far as to pretend he didn't know what the customer was talking about until he was forced to give the discount?

Event #2: I visited the same health club to get information. The receptionist wanted me to meet with a Counselor to discuss membership and receive a tour. I didn't have time then, but asked for a brochure outlining pricing and club features. She said they didn't have brochures. I asked her the price. She couldn't discuss that with me, either. "*Can you give me any information?*" "*No. But you can go to our website and get it online.*"

Sales & Customer Service question: Would they really rather make me **work** for the information than allow me to obtain it easily without going through their sales presentation?

Event #3: Even though neither my husband nor I were thrilled with events 1 or 2, we decided to check our options at that club because it was nearby and we had seen their do-able monthly rate of \$34.99 online. We went to the club where we were met by a receptionist who had us wait a few minutes until our Counselor was ready to see us.

When we asked about the "Buddy Plan", his eyebrows skittered to the top of his scalp as he incredulously asked, "*You know someone in this club?*" Inconceivable though it seemed to him, we did have friends in the area. We had to ask (again, three times), but he finally confirmed that we could cut our initial fee in half because we each knew someone in the club, but we'd have to "do some stuff."

Sales & Customer Service question: Was it a policy to make customers insist three times before acknowledging a discount – or simply a weird coincidence? And was it really his intention to question both our word (that we did have a friend in the club) and our ability to make friends in the area?



Event #4: When asked about monthly fees, our Counselor asked if we wanted a plan that allowed us to use any of their health clubs around the country, or just the facility we were visiting. We told him we just wanted to use that facility, and further that I was really just looking for an aerobics class; my husband was interested only in weight machines. He showed us a pricing sheet, on which the lowest monthly fee listed was \$49.

We told him we saw a price of \$34.99 online; he said, *“Oh, you don’t want day care and racquetball?”* We had just told him all we wanted was an aerobics class and weight machines. But here’s the topper: I was 48 years old at the time; my husband was 64. As complimentary to our “youthful appearance” as this question was, there is no way we resembled anyone who needed day care services! Without day care, the price went down to \$39.99; without racquetball, the price fell to \$34.99 – exactly what was posted online. Unfortunately, neither price was listed on the sheet we were shown. If we hadn’t seen the website, we never would have known there were other options lower than \$49, since I’m sure our Counselor would never have told us about them.

Sales & Customer Service question: Why show customers what appears to be a comprehensive pricing sheet that doesn’t list the lowest-priced options? Is their intention really to trick customers into paying higher fees by denying them information on lower-priced options that may better suit their needs? Do they think customers will never find out? How will they feel when they do?

Event #5: Just before asking about day care and racquetball, our Counselor had just finished saying that all club features were included in our membership at no extra charge. I can understand an extra charge for day care, as this is not an actual health club feature. However, if all health club features are included, why the extra charge for racquetball? Even if it is a special case, why not tell customers the truth up front: *“Everything except racquetball and day care are included in the health club membership.”*

Sales & Customer Service question: What purpose is served by misleading customers? Again, do they believe customers will never discover the truth? How will they feel when they do?

Event #6: Our Counselor then told us they had no contracts and wouldn’t lock us into one. All we had to do to join was to pay the initial fee and the “first and last month’s payments.” We asked what he meant by “first and last” (if there’s no contract, what and when is the “last” payment, and why must we pay in advance?). He responded, *“So that when you give 60 days’ notice to leave the club, you’ll just have to pay for one more month, then the last month will already be paid.”*

Sales & Customer Service question: If there are no contracts, there is no first and last payment. You just pay as you go. Also, must we give 60 days’ notice to leave a club with no contracts?

Event #7: In response to Event #6, we asked, *“If we’ve made the decision to quit the Club, why would we want to pay for 60 more days?”* The reply was, *“So it will be available to you if you want it.”*

Sales & Customer Service question: Huh? Why would we need to have it available to us for 60 more days when we’ve already decided to quit? Making us pay for something we no longer want or need is **not** a benefit – and simply calling it one doesn’t make it so.



Event #8: Once we told him that having to pay for two more months of membership after deciding to quit is not a benefit, he said, *“Well, if you go across the street, they’ll make you sign a one-year contract. At least we don’t make you do that!”*

Sales & Customer Service question: Did he just say what I think he said? Did he just basically say, *“Well, maybe it’s not good, but at least it’s not as bad as the other guys”??* So, now the company is differentiating itself by being “the lesser of two evils?”

Why would any company risk turning away customers with this policy? If customers are perfectly willing to pay for services they **do** want and need, why throw that business away trying to get an extra two months out of them? Eliminating this policy would, at the very worst, allow the company to collect an initiation fee and several months of payments from customers willing to give them a try (easily agreed to, since they can quit any time). At the very best, it allows them a chance to gain a customer, as well as innumerable referrals and positive word-of-mouth!

From the receptionist’s unwillingness to give me information, to my friend’s Counselor’s “forgetfulness”, to our Counselor’s inability or unwillingness to listen or adequately explain company programs and benefits, to incomplete membership offering sheets, this company proved it was more focused on itself than on its customers at every step of the transaction. In fact, everything seemed to stem from company policies designed to present the fewest customer choices to ensure offering slightly more than the competition, but not offering customers what they really want and need.

Instead of making minimum customer service policies that mainly serve the company, let’s focus on offering choices that truly serve customers, and allow our company to become a great choice, rather than simply the lesser of two evils.

With over 27 years of speaking and training experience, national speaker and author Sandy Geroux delivers motivational and educational programs to help “Turn Your Workplace Into a WOWplace™”, helping organizations create WOW experiences for customers and employees alike by fostering a culture of trust, compassion and commitment to values, service and respect.

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