

DOWNTOWN BUSINESS TIPS

OCTOBER, 2011

The Business Tips Newsletter is brought to you in partnership by the Dahlonega Downtown Development Authority & the Dahlonega-Lumpkin County Chamber of Commerce & Visitors Center.

WHEN A CUSTOMER HAS A COMPLAINT, YOU HAVE AN OPPORTUNITY TO SOLIDIFY YOUR RELATIONSHIP!

Beth Ingram, Dahlonega—Lumpkin County chamber of Commerce

The customer is always right. Except when he or she is wrong (*which is most of the time*). In sales, right and wrong do not matter. It's the perception of the customer and keeping the customer satisfied and happy that matters.

What's the best method of handling the dreaded CUSTOMER COMPLAINT? Try the *Personal Touch Method*. First and foremost TAKE RESPONSIBILITY, even if the fault isn't yours. The customer doesn't care. He just wants you to handle it. Now!

Here are 15 steps to taking responsibility when dealing with unhappy or dissatisfied customers.

1. Tell them you understand how they feel.
2. Empathize with them.
3. Listen all the way out.
4. Agree with them if at all possible. (*Never argue or get angry.*)
5. Take notes and confirm back that everything has been covered, and that they have said all they want/need to say.
6. Be an ambassador for your company. Tell the customer you will personally handle it.
7. Don't blame others or look for a scapegoat.
8. Don't pass the buck.
9. Respond immediately.
10. Find some common ground other

than the problem.

11. Use humor if possible. Making people laugh puts them at ease.

12. Figure out, communicate, and agree upon a solution or resolve.

13. Make a follow-up call after the situation is resolved.

14. Get a letter if you can. Resolving a problem in a favorable and positive way strengthens respect, builds character, and establishes a solid base for long-term relationships.

Tell the customer you would appreciate a sentence or two about how the situation was resolved.

15. Ask yourself: "What have I learned, and what can I do to prevent this situation from happening again? Do I need to make changes?"

It is important to be aware of some practical realities when trying to accomplish the task of satisfying the customer.

The customer knows exactly how they want it, or exactly what they want, but may communicate in a way that is difficult to understand. If the customer cannot state his complaint in a clear and concise manner, it's up to you to help him do so. Remember, you're the customer elsewhere. Think about the level of service you expect when you're the customer. Every customer thinks he's the only one you've got. Treat him that way. Make the customer feel important. The customer is human and has problems just like we do.

KEY DATES:

Post this for your employees to use...

Downtown Christmas Lights On!

Friday, November 18

Window Decorating Contest

Judging begins 5:15 PM

Tuesday, November 22

Open House & Luminary Lighting

Friday, December 2 (until 8 PM)

Parade & Lighting of the Tree

Saturday, December 3

The customer expects service at the flip of a switch. The customer's perception is reality. How big a deal is it to try to give customers what they want?

Recovery is powerful...

When you satisfy an unhappy or dissatisfied customer, and you can get him to write a letter telling you that he's happy and satisfied now, I'd say you have a solid shot at a long-term relationship.

If the problem is left unresolved, the customer will surely find your competition.

Source: The Sales Bible, the ultimate sales resource. Jeffrey Gitomer, John Wiley & Sons, Inc. Hoboken, New Jersey, 2003. The Book of Customer Service. Page 233.

6 WAYS TO MANAGE CASH FLOW AS A SEASONAL BUSINESS OWNER

Caron Beesley, [US Small Business Association](#)

Do you operate a seasonal business? If your revenue peaks and declines depending on the time of year, or you only operate your business during a certain season—then you can be considered a seasonal a business owner.

If this is you, then you know that monitoring and managing your cash flow and revenues through these fluctuations is essential. Below are six ways you can better plan and manage for the ebb and flow of seasonal business cash flow.

Make a Budget that Includes Cash Flow Projection

Every business operates off a set budget, but if you operate a seasonal business it's important to include a cash flow projection template as part of your financial planning process. This will help alleviate the guesswork involved in predicting your income and outgoings over the year, and inform you of the best ways to conserve cash flow throughout the year. If you can, plan your cash flow over a year. Use historical reports from previous years to forecast your revenue, your busiest months, and your estimated sales for each month. You'll also need to consider your fixed expenses (rent, utilities, etc.) and your variable expenses (salaries, inventory, taxes, etc.) as well as when these variable expenses will hit. Now that you have a view of your revenues and outgoings you can develop strategies to manage cash flow throughout the year.

Stream Roll Your Invoicing

One way of expediting the flow of cash as you head into your quiet season is to modify your invoicing policies. If you can, try to secure a percentage payment upfront. This will also help you deal with slow paying customers. This article also offers tips: [Getting your Customers to Pay-Up](#): [Tips for Protecting Yourself from Non-Paying Clients](#).

Negotiate Flexible Payment Terms from Your Suppliers

Just as you want to expedite the flow of cash in, you should also consider negotiating extended payment terms from your suppliers. This is especially useful as you head into your busy season and incur most of your variable expenses (inventory, marketing, etc.). The trouble is you won't see any immediate returns on those invest-

ments until your revenues kick in, so an extended payment plan can help ease the pain of these pre-season costs.

Find Alternative Sources of Income

Earning income from alternative sources or diversifying your products or services to include ones that will be popular during your off-season is a great way of keeping cash flowing and your business top of mind. Don't forget to check whether you need any additional business licenses or permits to do this, SBA.gov's "[Permit Me](#)" tool can help you find the paperwork that you might need.

Consider a Short-Term Loan or Line of Credit

Government-backed small business loans are a useful option if your cash flow projections show potential tight spots in your calendar. One option to consider is the Small Business Administration (SBA) [CAPLine Loans](#) umbrella program which helps small businesses meet their short-term and cyclical working-capital needs. Part of the CAPLine program is the Seasonal Line short-term working capital loan program which provides advances against anticipated inventory and accounts receivable to help businesses with seasonal sales fluctuations. Read more about the [SBA Loan Application Process](#). Another option is a revolving line of credit (RLC). An RLC is a flexible method of borrowing cash for your seasonal small business needs. It is very similar to a credit card in the sense that an RLC has an established credit limit that you can borrow up to, only without a plastic card. Learn more about [The Basics of Revolving Lines of Credit](#).

Use Your Downtime for Planning

Use your off-season wisely. Regroup, review, and plan ahead to ensure a profitable busy season. How did your business perform against its plans? Did your marketing campaigns pan out as well as you'd hoped? What new products and services can you introduce in the new season? What's the competition up to? How can you position yourself against them?

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Event Wrap-Up



[Farmers Market](#)



[First Friday Night Concert](#)



[Appalachian Jam](#)

Thanks to all those who helped create another successful season for the Downtown Development Authority's annual events.

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Learn More About the Contributing Authors

Caron Beesley is a small business owner, a writer, and marketing communications consultant. Caron works with the SBA.gov team to promote essential government resources that help entrepreneurs and small business owners start-up, grow and succeed. [US Small Business Association](#)

The "Downtown Business Tips" newsletter is intended to provide merchants with monthly information about improving their business's position in the market! *Please send your comments & suggestions to Rebecca Shirley, rebeccashirley@dahlongadda.org, 706-482-2707.*

Use our website www.dahlongadda.org for business resources.

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