



To: Customer

Cc:

Bcc:

Subject: Sorry...

Decide to Say Sorry

The “Peace Process”
for Growing
Your Business

Jeanne Bliss

Saying “sorry” is not admitting defeat. It’s admitting you’re human. Customers like that.

Beloved companies regularly practice this important peace process. It makes them grow.

Remember when you were a kid and your brother or sister punched you or pinched you? Sure, he or she apologized. But it didn’t mean much because a) your parent was usually prompting the words, and b) you’d been apologized to many times before, just to be punched again another day.

This is what we put our customers through when we deliver a hollow apology and then don’t fix the problem causing the issue. You’ll likely get credit when you apologize *once* for a problem. But when it repeats, another letter, email, or discount coupon just won’t cut it. Your currency with customers and their trust in you will dwindle. Just like it did with your little brother. You likely flinched and pulled away when your brother got near you. Customers will do more than flinch if you don’t decide to say “sorry” well. They’ll just plain leave you.

How you apologize is your humanity litmus test. Let’s face it, at some point your business will suffer a failure that disappoints customers. How your company reacts, explains, removes the pain, and takes accountability for actions signals how you think about customers, and the collective heart of your organization. Grace and wisdom guide decisions of beloved companies toward accepting responsibility and resolving the situation when the chips are down—not accusations and skirting accountability. Repairing the emotional connections well is a hallmark of companies we love. It makes us love them even more.

It has been proven that a genuine apology strengthens the emotional connection that a customer has with a company. Being human and prone to making mistakes, we’re in luck. We have the opportunity regularly to make amends.

Robert Wright, in his book, *Nonzero: The Logic of Human Destiny*, writes that we would all be better served by looking at challenging times from a “nonzero” perspective, meaning that there doesn’t have to be a winner and a loser. This holds true in business. Companies that are beloved don’t take apologizing as admitting defeat. It’s part of the journey toward becoming a better company.

A good apology strengthens the bond between customers and company. It defines the people inside the company, their values and who they are. In a thoughtful and well-executed apology, the focus is on restoring and preserving the relationship; it is about the people impacted and the human connection with them. Customers feel that they have been honored, acknowledged and taken care of. Companies continue to prosper. These solutions appeal to the natural order of humanity. They become a peace process where both sides win.

The apology peace process between companies and customers is comprised of five actions that signal to customers that they are important and that someone is looking after them:

- Delivering a swift response
- Showing humility and empathy for what the customer went through
- Accepting accountability
- Providing an honest explanation and a commitment to improve
- Extending an olive branch—to right the situation and mend the relationship

But it all begins with deciding to not only apologize—but to do it well.

In 1988 at Lands’ End we made the cover of the catalog dedicated to the purpose of admitting to customers, that, like them, people who make clothing have good days and bad days. Human hands cut the cloth. Raw materials grow inconsistently. People, not machines, sew the turtlenecks and pants and luggage. It was a proactive olive branch that said, sometimes mistakes happen, but that if you bought from Lands’ End, we would always take care of you if you received something that was not up to our usual standards. It reinforced our unconditional guarantee, and that message humanized Lands’ End. Our explanation and the security blanket of our guarantee bonded us closer to customers.

The actions that came from the decisions we made when I was at Lands' End gave me faith that companies and leaders and people at the moment of interaction with customers can do what's right. They can bring their personal self to work and use what they learned when they were young to guide their business decisions. Those decisions continue today in beloved companies, which make how they respond to customers when the chips are down a cornerstone of their humanity.

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Here are five recent decisions that beloved companies have made on how to decide to earn back customers' good graces when a misstep occurred. They are five apologies to bolster your faith that business can connect commerce with humanity ... and win! After each decision outlined is a challenge to you and your organization so that you can evaluate how you would decide in the same situation.

Decision #1. Southwest Airlines proactively says “sorry” to its customers every day. Each morning a group assembles to learn about passenger experiences the previous day and to anticipate passenger experiences in the current day. BEFORE customers contact them, Southwest reaches out, acknowledges any mistakes and extends an olive branch commensurate with the experience the customer encountered. A customized letter is created for each incident. Written with humility, remorse and whimsy when called for, this uniquely “Southwest” rigor won back \$1,800,000 of return flights from customers in 2007.

→ *The question is:* How proactive are YOU? Do you have a recovery plan to wow customers when things go wrong?

Decision #2. Netflix, the DVD-by-mail service with 10 million subscribers, prescribes to decision making that “honesty is the best recovery.” They let ALL of their customers know when something goes wrong, not just those who experienced the occasional interruption in service. In fact, on August 31, 2009, Netflix emailed a large number of its subscribers to apologize for an Xbox Live streaming outage that occurred the day before. Netflix emailed everyone that could have possibly seen this blip in their service and offered a refund—including users who didn’t suffer through it at all. Greatly rewarded by customers, NetFlix grows because they aren’t afraid to show that at times, their feet (e.g. operations) are made of clay. As a result of actions like this, 85 percent of new Netflix customers state that they were referred by a friend. And that means increased profits. In 2008, their average cost to acquire a new subscriber was reduced by 23 percent!

→ *The question is:* Do YOU confess to customers when a misstep occurs in your operation?
Is this when you show your true colors?

Decision #3. The University of Michigan Health System decided to enable doctors, nurses and all hospital staff to exercise their natural instinct and to say “sorry” when something went wrong. An early adopter of a process that encourages transparency with healthcare providers and patients and their families, the University of Michigan encourages (without fear) a swift and caring explanation, and when appropriate, a heartfelt apology. Doctors and lawyers worried that this level of transparency and just uttering the words “sorry” would drive an increase in claims and malpractice suits. But when put into practice, the complete opposite occurred. From 262 claims in August 2001, the number dropped to 104 in 2006, the last figures publicly reported. Average legal expenses dropped by 50 percent. Moral of the story: a good apology trumps the legal system. As long as the apology is sincere and the effort to make amends is genuine. People prefer the human connection of the apology.

→ *The question is:* Can YOU suspend the fear and say “We’re sorry?”
Are you able to table the corporate response and deliver one that connects on a personal level?

Decision #4. Saying sorry well in most cases should not require a committee, consortium or legal review. Most apologies should occur spontaneously, the moment the company knows a problem occurred. And the person who first hears the news should be in a position to respond appropriately. L.L. Bean's guarantee frees their frontline to do the right thing. It keeps them close to their small-town company culture, "Sell good merchandise at a reasonable profit; treat your customers like human beings and they'll always come back for more." True to those words, L.L. Bean's frontline is trusted to take action, using their own best judgment to deliver a response warranted by the situation. There is no debating their ability to deliver a genuine apology and offer customer recovery for something that doesn't measure up. The mind-numbing and spirit-killing process of going to a manager to ask permission to be kind to a customer in distress doesn't live there. They are trusted to do what's right. And they do. As a result, L.L. Bean remains one of the beacons in retailing, enjoying annual sales of \$1.5 billion in 2008.

→ *The question is:* Can YOUR frontline rescue customers? When an unhappy customer contacts you, does your frontline have "permission" to do the right thing?

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Decision #5. On April 15th, 2007, 200,000 TurboTax by Intuit customers experienced horror and fear as they pushed the “send” button on their electronic tax return. Instead of receiving the reassuring “sent” message, they received an error message. They needn’t have worried. Within one day, Intuit apologized to customers affected by the slowdown in their overloaded system and won all customers extra filing time. Imagine that, clemency from the IRS! They also refunded fees for their service and paid any penalties customers incurred as a result of the delay in filing for their customers. The message from President Steve Bennett set Intuit’s tone and course of action: “We deeply regret the frustration and anxiety this caused our customers ... It’s not acceptable to us, and we will do right by our customers who were impacted by this delay.” And they did just that. Intuit made a \$15 million apology to right their wrong. This action was congruent with the way customers had been treated all along, forging an even greater bond between customers and companies. Customers love Intuit not because of the money they spent, but because of their heartfelt response. This is what makes them grow. Customers who love them grow their business. Eighty-one percent of Intuit’s sales are attributable to word of mouth.

→ *The question is:* Do YOU accept accountability? Do your rescue plans show a commitment to make customers whole, or just get past the incident?

The delivery of products and services—and in many cases, the creation of them—is a human activity. And because we are human, we have good days and bad days. Customers get that more than companies give them credit for. When things escalate, it’s often because blunders seem to be purposefully swept under the rug, and the company doesn’t genuinely apologize and work to make things better.

Beloved companies don’t consider the job done until the emotional connection with customers is restored. Why do they decide to apologize in this manner? Because it’s the right thing to do. Our mothers told us that when you hurt someone, intentionally or not, you apologize and you mean it. You right the wrong. You make peace.

To quote Nicholas Tavuchis, from his *Mea Culpa: A Sociology of Apology and Reconciliation*:
“An apology, no matter how sincere or effective, does not and cannot undo what has been done. And yet, in a mysterious way and according to its own logic, this is precisely what it manages to do.”
Do you have the courage? Are you doing the apology well?

When things go wrong, are you nimble enough to spring into action, identify the issue, plan a recovery and implement it within one day? How about within hours? Is your customer recovery plan as robust and practiced as your IT recovery plan? Beloved companies turn “recovery” into an opportunity that says to customers “Who else would respond this way?” They are zealots about recovering customer goodwill. They know that the measure of a company is determined in these moments. And they obsess over every moment of these situations, because they know that customers are keeping score. Do you delivery “sorry” well?

The measure of your company is determined in the moments from the time something happens to the time it takes to recover, to just how you recover. What’s your story? Do you purposefully craft the story you want the market to know about your humility and remorse in challenging situations?

Our Pledge to be Human to Our Customers:

We Commit:

- To admit when we’ve made a mistake
- To tell the truth about what happened
- To honestly care about getting back into customers’ good graces
- To try not to do it again

That’s it. Simple and to the point. What we learned in second grade.
Do you commit to say “sorry” well?

The Decision is Yours. 📌



BUY THE BOOK

Get more details or buy a copy of Jeanne Bliss's [*I Love You More Than My Dog*](#).

ABOUT THE AUTHOR

Jeanne Bliss learned firsthand about the customer bond while working as a customer service pioneer at Lands' End under founder Gary Comer. She went on to hold the chief customer position at Allstate, Coldwell Banker, Microsoft and Mazda. Today her firm, CustomerBLISS, consults with companies around the world, teaching and guiding them to honor both the people who work for them and those who buy from them every day. Her first book, *Chief Customer Officer* (Jossey-Bass, 2006) was based on 25 years of reporting to the CEOs of five major corporations. You can learn more at customerbliss.com.

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