

## **From The Complaint Department Why a Client That Complains is to be Cherished**

From Travel Weekly, March 10, 2003 by Arnie Weissmann

A travel agent I had never met e-mailed a tip for a news story to me recently, and below his name was this quote: "A client who complains is a client to be cherished!" Was the tagline sarcasm or simply an atypical outlook? Most business people I know regard complaints as the unfortunate side effects of a mistake, and see time spent resolving them as a part of the cost of doing business.

I called the agent, Chris Nicholas, and asked what the phrase meant to him. He said it was an old Chinese proverb that a tour guide had quoted to him when he was on a fam trip to Beijing. "She said that when clients tell you something is wrong, they're giving you an opportunity to fix it, not only for themselves but for all future clients," he said. "On the other hand, a client who doesn't tell you about a problem may just slip away, and tell his complaints only to your potential clients." In other words, as painful as a complaint may be to hear, it's potentially more painful to have it remain unsaid.

Nicholas, president of Nicholas Travel in Chesapeake, Va., carries that philosophy to all aspects of his \$6 million corporate firm. (After merging with CI Travel in September 2006, Chris Nicholas assumed the role as Vice President – Sales & Business Development.) He gives clients his personal cell number ("I want to make it much easier for them to reach me than my competition if there's any problem"), and his Web site has prominent feedback forms. "Most of the companies I serve are small -- they do less than \$1 million in travel a year," he said. "They can't afford their own travel department. But we encourage them to think of us as being an extension of their company, as their travel department. When they think of it like that, they tend to open up."

He credits this positioning with maintaining a low client turnover rate. "The average time an agency holds onto a corporate account is about four years. Currently, we have about 40 clients and, over the last seven years, we've lost only one. Well, only one we didn't want to lose." Nicholas and his wife opened their agency shortly after the Gulf War. "Travel was just starting to rebound. It was exciting until about February 1995 (when the first commission caps were instituted). And then it became really exciting. "Yes, I was upset about the caps, but I remembered a formula I once learned:  $e + r = o$ . That's event plus reaction equals outcome. You can't change the event, so if you want to change the outcome, you have to change your reaction. "What I realized was that I never really worked for the airlines; I worked for the clients. That's who was really paying us all along, and that's where we needed to continue to keep our focus. That realization not only helped us survive, it helped us thrive. Last year was a tough year, but we were up 19%, and this year we're tracking even better than last."

Nicholas said soliciting feedback was critical when his agency instituted service fees. "We knew that was a point when things left unsaid could cost us business -- if we didn't have a good understanding with our clients, they may well have left us without saying why." To justify the fees, Nicholas said, you have to give great service. "I just finished a site inspection on a hotel where one of my clients wants to hold a meeting. He asked me to, so I said, 'Sure.' I suspect many agencies would have said, 'No.'" "We have a client that's a film company. The way I pitched them was to say, when an audience sees a movie, they see only the end product, and judge the work from that. They don't see what effort went into the filming, editing or lighting, or any of the other work that goes on behind the scenes. The same is true with travel. In the end, we want to hand them a beautiful, finished product."

The agency holds an annual business travel seminar for travel planners representing about 25 companies -- some clients, some not -- and he explains to attendees the ins and outs of arranging travel to meet the needs of business people.

He got the idea from something he observed in his former career as a pharmaceutical salesman. "A couple of brothers who were dermatologists held seminars on dermatology for family practice physicians. All the other dermatologists were upset, saying they were giving away the business. They were worried that, armed with knowledge, the family practitioners wouldn't need their services any more. "But what happened was that they got more referrals than ever. Once the family practice doctors realized how complicated dermatology was, they were happy to make referrals. The same is true in travel -- this is a complicated business, thanks to the airlines with all their rules. The more our clients know about the process, the more they realize they need someone to help them navigate. And, fortunately for us, the big six airlines don't have a clue about customer service."