

# A Lesson in How “Not” to Win Customers

Sarah Kohl-Leaf was looking forward to an evening out with her husband and another couple, but got anything but enjoyable - in fact, it became such a disaster that her experience hit the Internet, TV, radio stations, and newspapers throughout the country the very next day!

Two couples went to the St. Croix Falls Cinema 8 to see “Shutter Island.” Kohl-Leaf and her husband had brought with them enough cash to purchase snacks and beverages, planning to pay for the movie tickets with a debit card. They discovered the theater did not accept the card—and the ATM in the lobby was out of cash, so their friends had to buy them their tickets. Minutes into the movie, staff members announced that there were eight people in the theater who were not supposed to be there and began flashing lights and checking ticket stubs, a process that lasted about 20 minutes and created a distraction for other movie goers.

Once home, Kohl-Leaf sent a complaint by e-mail to the theater’s owners, saying she “would rather drive to White Bear Lake, where they obviously know how to run a theater than have this experience again.” The response she received the next morning from Steve Payne, vice president of Evergreen Entertainment LLC, which owns the theater in St. Croix Falls, as well as five others in Minnesota, shocked her.

It read in part: “Drive to White Bear Lake and also go [expletive] yourself. If you don’t have money for entertainment,

get a better job and don’t pay for everything on your credit or check card. You can also shove your time and gas up your [expletive] ass. Also, find better things to do with your time. This email is an absolute joke. We don’t care to have you as a customer. Let me know if you need directions to White Bear Lake.”

Payne later apologized for the e-mail, but it was too late—much too late. Kohl-Leaf had posted the e-mails on her Facebook page and it quickly took off from there. A friend then created Boycott St. Croix Falls Cinema 8, a Facebook page that within four days had drawn some 3,300 fans and, within a week, more than 5,100 fans.

Payne later apologized, but the damage was done. Payne drove away Kohl-Leaf and countless other customers who heard and read about how he treated her, doing serious damage to the company’s reputation with the negative publicity. He didn’t realize that he’s in the customer service—not the cinema—business. Mr. Payne, like so many other executives, did not understand the importance of customer retention by doing whatever it takes to retain a customer vs. the power of negative publicity.

### USE THESE 3 STEPS TO RESTORE CUSTOMER LOYALTY:

**1. Act Quickly.** Whenever a customer contacts you, respond as quickly as possible when a customer has a complaint. Acknowledge the complaint and then do whatever is

necessary to rectify the situation.

**2. Take Responsibility.** Admit and accept responsibility for the problem. Payne should have apologized and admitted that the theater and its employees screwed up. Instead, he insulted Kohl-Leaf, used vulgar language, and said he did not want her as a customer. Who in today’s economy wants to insult customers and drive them away?

**3. Compensate the Customer.** Payne could have retained Kohl-Leaf as a customer by apologizing and offering her something for her inconvenience, such as eight complimentary tickets for future movies. The cost would have been virtually nothing, and she would have purchased snacks and beverages when she returned to the theater. She also would have told her family, friends, and coworkers about the wonderful experience she had with the theater’s management.

What will you do to empower your team to handle an unhappy customer before the customer handles your business?

**RO**

*John Tschohl - described by Time and Entrepreneur magazines as a customer service guru, is also an International strategist and speaker. He can be contacted at [John@servicequality.com](mailto:John@servicequality.com)*

