

## The Customer Is Always Right. Even When They Are Positively Wrong

A man walked into the Fairbanks, Alaska, Nordstrom department store with two snow tires. He walked up to the counter, put the tires down and asked for his money back. The clerk, who'd been working there for two weeks, saw the price on the side of the tires, reached into the cash register and handed the man \$145. The customer wanted to return the tires. It did not matter that Nordstrom's did not sell tires and never sold tires. They sell upscale clothing. The clerk accepted the return because that is what the customer wanted. The validity of this story has been argued for years. It is true that Nordstrom's has become synonymous with great customer service, like no other chain retail business has, with the "tire refund" story helping boost that image. Nordstrom's customers receive the greatest customer service. They receive thank you cards. All requests are handled with fast service from a knowledgeable sales staff. Hand deliveries are made to the customer's homes. Nordstrom's goes out of their way to help customers find items they do not sell. Returns of Nordstrom's products do not have to be accompanied by a sales invoice or a Nordstrom's price tag. So back to the "returned tire" story. Did the event happen? John Nordstrom claims he was there and that the legendary refund took place in a converted tire store the Northern Commercial Company had sold to Nordstrom's. Northern Commercial Company operated department stores, auto dealerships and tire centers in Alaska. In 1974 Nordstrom's purchased three of their properties, in Anchorage, Fairbanks and Kenai. The customer in question had purchased the tires from Northern Commercial Company right before Nordstrom's took over the property and converted it into a clothing store. The customer took the tires back to the location where he made the purchase, and presented them to the clerk for refund. The store policy was to take care of the customer. Do what the customer wanted. I do not know if any of this is true. My source is Snopes and you can check with the references below that have reported the story. But I do know for a fact that the week after a Wal-Mart store opened across the street from my retail businesses one of my customers came in and told us that he had just returned a Wet Vac, vacuum cleaner that no longer worked, to the new Wal-Mart store. He had purchased it 3 years earlier from a local merchant and was given his money back at the present Wal-Mart selling price. No receipt needed, no hassle. I know he became a lifetime Wal-Mart customer because of their liberal return policy. And I knew instantly that Wal-Mart had a fantastic customer service strategy that would hurt the business of every independent merchant in competition with Wal-Mart if the independents did not rethink their customer service policies and become much more aggressive in doing what the customer wants. Nordstrom's and Wal-Mart know that it is not the price, it is the customer service that gains and retains loyal profitable customers. Sources: Abramson, Pamela. "Nordstrom's High Style." Newsweek. 5 January 1987 (p. 43) Diamond, S.J. "Not All Stores Will Cheerfully Give Refunds." Los Angeles Times. 15 Dec. 1986 (p. D1) Gonzalez, Christine. "Nordstrom Has a New Attitude." Minneapolis Star Tribune. 3 Sept. 1998 (p.D1) Hamilton, Joan & Amy Dunkin. "Why Rivals Are Quaking As Nordstrom Heads East." 15 July 1987 (p. 99) Kossen, Bill. "Success Came a Step at a Time for Nordstrom." Seattle Times. 29 May 2001 (p. A1)

## About the Author

Bob Janet uses 40 plus years of face-to-face selling and marketing experiences, combined with his unique fun-entertaining presentation audience involved style to help sellers gain and retain their most profitable customers. See all Bob's sales growth programs at <http://www.BobJanet.com>

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