

Case Study- a Bad Experience

Written by Steve Marr

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“Metro Fitness” offered fitness programs. The business model was customers would sign up for a short term commitment, usually a series of training sessions priced between \$250-\$400.00.

The client would schedule times and one trainer would work with three clients at a time. The idea was to blend personal attention at a lower cost than using a personal trainer. A contract was signed, payment made in advance, and was non refundable.



“Tom” arrived for the first session. The place was busy and the receptionist said to jump on an open treadmill and someone would be with him shortly. Tom was wearing progressive glasses that made looking down difficult. Unfortunately the treadmill he stepped on was going full tilt and within seconds he was flat on his face. The damage was some scrapes, a strained knee, stiff neck and a sore shoulder. Fortunately the injuries were real, but not serious. Tom departed and went home. The next day, Tom informed Metro Fitness he would not be returning, and requested a refund.

The situation can be viewed from several vantage points. First, a nonrefundable contract was signed. Tom could decide to drop out, but no refund would be made. A deal is a deal.

Another view could be given the bad experience and considering Tom should have been provided with some level of orientation Metro could just grant the refund request.

My advise to Metro Fitness was a bit different. I would call the client, and apologize for the rough start. I would ask them to reconsider canceling and commit to them should they return the trainer would work to integrate them into a program effectively. My thought is the success of Metro is based on repeat business, not folks that sign up for one package and depart.

If the client still wanted a refund, I would grant the request. My thought was the accident

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responsibility was shared between the client and the gym. Metro did not have increased costs with the program. For example a furniture store may have a policy of no refunds on special order merchandise. When the store places an order the store is on the hook to pay, so they cannot easily release a customer commitment. In this case Metro was not out of pocket funds.

Metro is also within its rights to hold to a no refund policy and if this is the case, Tom needs to understand he made an agreement he can be held to. If Metro says no, then with a good spirit Tom needs to take the loss and move on. This would not be a time to post negative customer reviews online in retaliation.

We will have moments of truth with customers, rough spots. These rough spots can be opportunities to cement, or destroy relationships. The key is how we respond. In this case Metro could make an effort with the client and in the process develop a long and profitable relationship. King Rehoboam was advised, "If you will be a servant to this people today and serve them, and speak good words to them when you answer them, they will be your servants forever" (1 Kings 12:7).

If you were Metro Fitness, what would you do? Post your thoughts.

Steve Marr, Your Christian Business Coach

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