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The Basics

Are you a bad customer?

It depends on your definition. But too many returns or a history of staff harassment may get you locked out of good deals or better service.

By [Liz Pulliam Weston](#)

Are you frustrated by uncooperative clerks, long wait times on the phone and companies whose response to any request always seems to be "No"?

Maybe the bad customer service you're experiencing isn't the result of corporate cluelessness. Maybe the company just doesn't like *you*.

Fulfilling a paranoiac's nightmare, many retailers, service providers and other companies today are deciding some of their customers simply aren't worth the trouble. These patrons spend too little, complain too much or tie up too many company resources. The worst of these customers, says Larry Selden, a corporate profitability expert and co-author of "[Killer Customers: Tell the Good from the Bad -- and Crush Your Competitors](#)," can eat up the earnings generated by the best. That's why many corporations, aided by massive computer databases of customers' shopping habits, try to separate their profitable from their unprofitable customers. Some examples of how they treat 'bad' customers differently:

- **Long holds.** Many banks and brokerage firms have established special, faster phone lines for their wealthier clients. Some go even further: They figure out which customers cost them money -- regardless of their total account balances -- and shunt them to the back of the line. Fidelity Investments took this approach several years ago to customers who were tying up their phone representatives, including one client who called thousands of times a year. Fidelity then focused on teaching these folks how to use the company's Web site and automated phone systems.
- **Fewer perks.** Airlines know exactly who their most-profitable customers are: They're elite frequent fliers, particularly the ones who buy lots of expensive first- and business-class tickets. These folks get to use a separate, shorter line through security

at many airports, as well as numerous other benefits. (For more, see "[How to get luxury perks for your travel buck.](#)") But airlines also keep computerized notes on their frequent fliers, says travel expert Joel Widzer, and those known to be too demanding or obnoxious may get fewer free upgrades and less-accommodating agents.

- **Booting out bargain-hunters.** Filene's Basement, the off-price clothing retailer, made headlines when it banned two sisters for returning too much stuff and complaining too often -- behaviors the company said tied up too much staff time. More recently, Best Buy, the electronics retailing giant, has attracted attention with new corporate policies designed by profitability guru Selden to lure big-spending customers while discouraging those who cost the company money. Among the tactics: taking money-losing patrons off mailing lists for sales and other promotions.
- **More difficult returns.** Retailers, including Staples and Limited Brands, are using technology supplied by The Return Exchange, an Irvine, Calif., company, to identify and refuse shoppers who abuse store return policies. The customer who wants to return an item is first asked to hand his or her driver's license to the clerk, who swipes it through The Return Exchange's Verify-1 device. The device records the consumer's name, address and age, as well as details of the transaction, and sends it to The Return Exchange's database, where the information is aggregated. If the transaction is deemed suspicious, the clerk can refuse to complete the transaction. The company says its technology is meant to halt shoplifters and price-tag switchers, among other fraudsters. But some consumer advocates worry about privacy invasions and the potential embarrassment for legitimate customers who could be turned away.

'Bad' behaviors

Some of the behaviors retailers don't like are clearly unethical, even if they're not illegal.

These include:

- Returning a purchase after you've sent away for the rebate.
- Returning an item so you can buy the item again at a discount when it shows up on the "opened box" shelf.

- The perennial "Beverly Hills borrow:" Wearing an evening gown with the tag hidden away so you can bring the dress back the next day.
- On the borderline: Taking up an employee's time with questions about a product while knowing you're going to buy it elsewhere.

But retailers also complain about customers who buy only "loss leaders," or items priced below the merchants' cost, or those who force the stores to honor "lowest price" guarantees. It remains to be seen how far they'll go to discourage consumers who like a good deal, and the ultimate effect it could have on their businesses.

5 ways to cope

In the meantime, here are some thoughts about how to cope with businesses looking for angel customers:

- **Concentrate your business.** Loyalty has its rewards. Moving more accounts to a bank or brokerage can win you more prompt attention as well as a break on fees. Frequent traveler programs for airlines, hotels and rental cars can win you free upgrades and better service, as well. Loyalty cardholders at grocery stores and retailers typically win discounts. At the same time:
- **Consider how much your privacy is worth.** The more a company knows about you, the more it can market to you -- and the more revenue it may generate selling your information to others. Financial institutions are required to send you annual privacy notices that tell you how to opt out of information sharing. You may be able to thwart retailers' marketing machines, according to Beth Givens of the Privacy Rights Clearinghouse, by giving a generic name ("Shopper") or a phony phone number or address. Then again, you may want to be notified of sales or special deals; it's up to you.
- **Don't be a jerk.** Yes, I know how hard it can be not to shriek abuse when you've been transferred 15 times to 15 increasingly unhelpful employees. But abusing the help isn't just bad karma; it's bad policy. As I explained in "[How to complain and win](#)," being civil but tenacious usually gets you further than being a jerk -- especially when

note-taking clerks can put you on the company's "naughty" list.

- **If you don't like the return policy, shop somewhere else.** The time to find out how a store treats its customers is before you buy, not after. Stores usually post the basics of their return policies, but you'll probably need to ask if they use Verify-1 or other technology to track individual customers' return patterns. If you don't like what you hear, go elsewhere.
- **Do an end-run around the store.** Web sites like FatWallet.com and SlickDeals.net can keep you apprised of great deals, even if you've been trimmed from a retailers' mailing list.

Liz Pulliam Weston's column appears every Monday and Thursday, exclusively on MSN Money. She also answers reader questions in the [Your Money message board](#).