

[The Best Way To Deal With Customer No-Service](#)

[0:00:12.5] ST: Welcome Nation to the Financial Rock Star Show. I'm your host Scott Alan Turner, ready to help you get out of debt, save more money and retire early. In the studio with me is producer Katie who is the hostess with the mostest. On the show today I'll be answering your questions about money, business and life. If you have a question you like answered on the show, please visit Goaskscott.com.

If you missed the last show, you missed, what you need to know to be a successful investor. If you want to build wealth, go check out that show right now. Now, years ago, my wife and I had Motorola flip phones, that was a while ago, we had them for a year and the battery started going bad. They'd die out in less than 24 hours after charge. I got to the Sprint website, we were with Sprint at the time and I ordered two new replacement batteries.

A week later the box shows up and guess what? There's only one battery inside. I called, Sprint customer no service and I get the Spanish inquisition, "What's your name, what's your phone number? After I have already entered it into the phone two times with the buttons, what's your billing address, what's your birthday, what is your social security number? Let me transfer you to this person and let me transfer you to that person over there, what's your name again? What is your phone number?"

What's this, what's that, I can't help you with that? Let me transfer you again," and then you get hung up on. You've been through this, I know you have, then, "Hey, let's try this again, get back on the phone, let me go through this process a third time just for fun." Two hours later I had had enough. Forget this nonsense. I write a kind letter to the CEO of Sprint. In it I explain how I've been a customer for seven years and I spent two hours on the phone with no resolution and I told him, being asked repeatedly for the same pieces of information which had nothing to do with the error in my order, it was absolutely absurd.

Why do you need a social security number for a battery that I ordered? I wrote on my letter, "I'm only including my name and I'm including my cellphone number, you Mr. Sprint CEO, you're going to have to figure it out with everything else on your end. Please send me my replacement battery," that was my letter. About a week later I got a phone call from the executive assistant to the CEO. She apologized profusely and said a replacement battery was on the way, problem solved.

When you have a problem with something that's going to involve you calling customer noservice, I want you to take a time shortcut that will get you the results you want. Bypass the phone tree, skip the hours of being on hold, avoid being hung up on, don't waste your time with someone who doesn't have the power or the authority to make a decision in your favor.

The people you get on the other line usually can't get you what you're after. They're just robots, they are reciting scripts, they've been trained to recite, it doesn't mean they aren't nice people but they just don't have any authority. That's not true, they do have the authority to say no, they have the authority to say, "I'm sorry, that's not to the company policy." Company policy's a joke. Get to the person who has a customer policy and can make a decision and that's the CEO every single time.

I have written letters to Steve Jobs at Apple because of some iPod problems I had. I have written to the CEO of Target before from an error on a furniture order. I have written to the CEO of Eco Shoes, the CEO of Twitter and so many others, I've lost track. I don't waste my time on the phone anymore. When I've got an issue, I know customer no-service, they can't solve it. I don't want you to waste your time either so here's what you do.

You hop on Google and this is what you type in. The company name that you want to contact, whatever it is and you look for in the Google search bar, "10-K report". For example, "Target 10- K" report. That's an example. The first thing in the Google search results should be a link to the company's website and you'll see a link for what's called a 10-K report. 10-K report is required to be submitted to the SEC for publicly traded corporations each quarter.

This is some investment at Wall Street stuff, you don't care about this stuff all right? You don't care about this reports but neither do I. We're just doing a two things that's in that report, it's usually a PDF or on the website. You want the name of the CEO in charge of the company, that's the quickest way to find it, in that report and you want the address of the corporate headquarters. Second piece of information and that report always has it.

You may have to download their report as a PDF as I mentioned. Now, what are we going to do next? We're going to write our letter, we're going to be polite but firm. Stick to the facts, don't make any threats, don't say your product sucks, don't say your service sucks. If it's a service company don't tell them you're going to cancel your service, just write what happened and write what you want the resolution to be and then you wait for a response.

If you want to cancel a service, that's fine but get what you want first. If it's a refund, replacement product, free month of service, discount, whatever. First, get what you're after then you cancel the service because if they sniff that you're not a customer anymore, they have no reason to help you, right? They have no reason to help you resolve that issue, they're not going to do it so you don't threaten them with lawsuits, canceling service, whatever.

You mail that letter in at the post office, don't send an email, physical mail to the CEO of the company and wait 30 days for a reply. If you don't hear anything back, you write another letter asking them if the issue has been resolved, you include a copy of the first letter. In my life I've only had to write two letters one time and the second time I got the response I was looking for. It's for a pair of replacement shoes, this is from a shoe company who sold me a pair of crappy \$150 that fell apart within two weeks.

What I did, I put the shoes in the box, I mailed the shoes to the CEO and said, these shoes suck, send me a replacement. Again, I didn't get a response in 30 days, I emailed him a second letter, boom, a new pair of shoe showed up. I guarantee you will get better results than if you try calling the company's help center and you will save yourself a ton of time and frustration, you'll get the results you want.

Now, on to your questions. Farrah asks,

[0:06:50.8] F: "I have a son in the eighth grade, we're already worried about paying for college and what we can afford. I don't want my son to be burdened with student loan debt, should I be looking at saving more, figuring out what loans are available or something else?"

[0:07:04.0] ST: The answer to your question Farrah, yes, all of those. Middle school, ninth grade, that's the time to start thinking about what your son wants to do and what you can afford. You've got to set realistic expectations for your children. There are many ways that you can go about paying for school and you'll want to use all of them that are available before you start looking at loans. Research which private schools give a lot of financial aid. See how much of it is free money coming from grants and scholarships.

Their kids can go to work, they can actually go to work starting right now, eighth or ninth grade, get those kids in a job, generate some money so they can help pay for their way. You also want to check out this website, it's called the website college score card, it's a cool website. You can compare how much each college costs, what the employment prospects are after the kids graduate and how much student loan debt could affect your child's lifestyle after they graduate if she has attended that college.

You can sit down, you can do some research and figure out how much it's going to pay off that college degree once they graduate. You can look at each school and say, "All right, if we go to school here, we're going to pay \$100,000 over four years for this English degree, maybe that's not a good idea because kids coming out of that school with the English degree, it's going to take him a long time to pay that back."

This is an awesome website nation, producer Katie, she did a quick research for me. Found a university in Texas here, cost \$20,000 a year and the average salary when you get out of that school, \$40,000 a year. If you pay it in 100% loans, you would spend \$80,000 to earn \$40,000 when you come out of school. That's not good because after your taxes, your bare necessities, your needs, you're going to be paying back that \$80,000 for 20 years at that rate. In that case, you might go to a community college for a couple of years for your core classes.

There is no reason to spend 15 or 20 grand a year to take history, English, poetry, pottery, basic chemistry. I did but I didn't know any better at that time. School is just too expensive now for all those basic classes. Take that route, check out that scorecard, get a good idea of where you want to go, get those kids working and saving for that community college, great option for the first couple of years to get rid of these core classes and then you go to school and get the degree that's going to pay you the money back quickly and pay back those students loans quickly if you go that route.

Bob writes:

[0:09:37.7] B: "I just turned 41 and have no retirement savings, I spent most of my time on my career and family, not paying attention to saving, a recent divorce also set me back considerably. What should I be doing to make up for lost time?"

[0:09:51.7] ST: Bob, you are not alone, there is a ton of people in that situation in their 40's, in their 50's, sadly some people in their 60's, no retirement savings because they've had other priorities or they've had a lot of debt. Occasionally you have a job loss or a medical issue and you're in a bad financial situation. If you're in that bad situation, you've got to work backwards.

When are you going to retire? When would you like to retire? What are your expenses going to be? You can look online for retirement calculator estimator, it will help you figure out those numbers. What you need to do is plug in some numbers and see if there's a gap that you have to make up if you're going to retire at 65, you're starting at 41, how much money do you have to save? How much money are you going to be spending in your retirement, how much do you plan on — how much do you estimate, we don't really plan how much.

How much do you estimate you're going to live based on your parents and your grandparents life expectancy? From there, if you see what your gap is and then you're going to figure out how aggressive you're going to need to be. Now, I sound like a dope but you're going to remember that now, you're going to curb your spending, max out everything, your 401(k) your Roth IRA, your other investment accounts, don't pick stocks, don't pick gold commodities. Just go with good, low cost index funds.

Also, decide if you're going to work forever, you might retire from your current full time job but that doesn't mean you have to stop earning an income. Some people enjoy working, some people, husband and wives, they hop in the RV at age 60, 65, 70, whatever and they're just driving around the country and they're working at national parks, they can help out there, this is just one example. A lot of people do this, work at national parks during the summer time and they get free rental and electrical and water service for their RV's.

It helps offset the cost by them doing that. So there's a lot of things that you can do. You may need to decide if you want to work part time in the field that you've always wanted to explore, it might mean teaching on a part time basis or offering consulting services for small business owners or taking a part time job at a local grocery store if it's something that would interest you.

Now, the two key factors for ensuring a well-funded retirement are number one, time, two, your savings. If you are where you are currently, 41 with no savings, you've skimped on them, you can always add a time to that part of the equation, always work more, work longer. Working for one, two, three years after you originally plan to retire adds a ton of money to your pool of retirement savings.

Then, you've got to figure out what you want to do, writing out a detailed plan for how you're going to spend your time after retirement and that's going to help you determine how far behind your savings are as well. If you plan to spend your volunteering, traveling around visiting the grand kids, doing something that doesn't require you to save a bunch of money, something that grand kids are close by.

It's different than if you want to live a lavish retirement paying a golf club membership fee every year, getting the putting range, whatever they call it, golf range thingie. Hitting the links every day. It's going to cost a lot more. One recommendation, pay a consultation fee with a fee only certified financial planner, get some advice from them, get a retirement checkup, it's like a doctor's visit. You want to show up a retirement without enough money. Thanks Bob for the question.

Nick is 28 and writes:

[0:13:31.5] N: “I make \$55,000 a year working as a project manager for a big company, I’m single and able to save 30% of my income. I don’t own a home and keep my expenses low so I can save a lot. I contribute to a 401(k) and Roth IRA. when planning for retirement should I be factoring in social in-security.”

[0:13:50] ST: Well, 30% savings at age 28, nice, that is nice. Good job. Young people that are listening pay attention because Nick, he’s got it right and he should be an encouragement for you to push harder. Now, there’s a myth that social security is going to be gone if you’re younger, 20 or 30 years old and then you’ve got to wait till 65 or 68, 69, 70, 72. Whatever the social security retirement age is when you show up there. There’s a myth social security’s going to run out.

Now here’s what we do know. It’s underfunded and it’s bankrupt, okay? It’s going to run out because there’s not enough money going in. There’s no argument about that, there’s a date where it’s going to run out. So something has to change. There are reports that said you could take every single dollar from all the rich people, the 1% of high income earners and still wouldn’t be enough to fund social security. I’m not talking about taxing them, I’m talking about just stealing all their money, just taking everyone, every last dollar they’ve got, it wouldn’t be enough to fix the problem.

So social security will be around in some shape or form if you’re younger when you retire. Now, if you listen to me and do what I tell you, you hit retirement in fat city. A life of abundance, who does the imperial federal government like to pick on? You. With the fat pockets, right? Because you’ve got more. Benefits have to go down in retirement age has to go up with social security. If I am running the system in desperate, I’m going to be looking at the people who have been responsible and saved and I’m going to say, “You don’t need that so we’re going to cut your benefits, right? You’ve already got enough. So we’re going to trim your benefits and give it to these other people here who don’t have enough.”

Google people who survive on social security, meaning that’s their only source of income. I don’t want you to survive retirement, I want you to thrive in retirement, and they should be your golden years, not the tin years. Consider social security as your 15% gift to someone else so they can eat during retirement. Why did I say 15%? It’s 7.5% that you pay out of your paycheck, it’s 7.5% that your employer pays which you don’t see, you don’t see that part, you only see what comes out of your paycheck but they’re paying the same amount.

That’s 15% of money that you’re earning that you don’t get. That’s a gift to somebody else so they can eat during retirement. Will it be around in 40 years Nick? Yes, should you rely in it? I wouldn’t, you should rely on you, that’s your best bet.

Trey says.

[0:16:51.6] T: “Me and my fiancé are saving for a wedding next summer and a house but also want next to no debt other than her student loans. When we start out as a married couple. Thanks to many of your tips we are able to save more and knock out our other debts like you. We don’t have a loan over a 4% interest rate but her car loan is interest free for two more years.

Should we stick to the next two years and pay as planned since it is interest free or even though it is interest free, should we still be trying to eliminate it from our debt by the wedding? All totalled we owe \$37,000 in loans other than her student loans and \$7,000 of that is her current car loan. We’re on track to be rid of most of this debt by the wedding but we are wondering if it’s better to save more and pay the minimum for the interest free loan?”

[0:17:38.7] ST: Now, you’re ahead of most people Trey, you have a plan to earn, thinking ahead. Nice work so far. Most couples, they don’t even discuss their finances before they get married and they end up setting themselves up for tough times after the honeymoon is over. Since you have plenty of time for wedding preparations, and this is a side video. Check out an article my wife Katie wrote on “12 Tips for Having a Dream Wedding for Less”, that link will be in the show notes.

Remember with all your wedding planning, negotiate, negotiate, negotiate. You should be able to knock off at least 10% off your wedding cost just by asking a vendor for better pricing, "That's it? Is that the best price you can give me?" Now, regarding the car loan, a debt is still a debt if it has a 0% interest rate or a 22% interest rate. It's not free money. Now, some people will get a warm and fuzzy feeling if they have \$10,000 in their savings account earning 1% and still have a \$10,000 car loan.

Even if the interest rate in the car is 0% or 1%. You still owe \$10,000 and you can't build wealth, your net worth is zero. It's only when the car loan is gone that you can start to save money for whatever your goals are. When you free up that cash each month, that's going to the car payment, \$400 for the average person then your world starts changing for the better. Additionally people don't think about their worst case scenario, it's not actually the worst case, it's just life.

If you owe money on a car and are unable to make a payment, do a job loss, a medical condition, a family emergency, the interest rate doesn't matter. Doesn't matter if it's zero percent or 22 percent. What matters is the repo man is coming to take that care if you can't pay the car loan, it happens every day. Repo men, they're in good business. People selling cars wouldn't do as well if they ask customers if they can truly afford the car they're buying and have their financial house in order.

So if I'm in your shoes, I'm writing the check to pay off the car the day I get back from the honeymoon. I was in your shoes, exactly with my wife's car loan except it was 3.5%. Now, it took me a few months longer after we got married to make the decision as we traded in for a cheaper car to get rid of the car loan. Now we haven't had a car payment since 2005 and it's been a huge difference maker in our life.

If you enter the marriage with no car payment, no savings because you paid off the car and no other debts other than the student loans, you're in great shape. You don't need the \$7,000 in the bank just in case because the only thing you need to pay is your student loans. With no car payment, you're quickly going to build up your savings again.

Sure, you've got rent and food but nobody's going to let you starve and live on the street if the worst case happens. Family and friends are always going to help. Besides you get ahead very quickly because you have a plan. Additionally if you want to get into a house soon and you're talking about having student loan debt, car debt, house debt, that is a burden especially if something bad happens and unfortunately someday.

Something bad happens to all of us. The less you owe, the less bad the situation is because you don't have to worry with making the car payment. Or you don't have to worry of the mortgage payment because you have a 36 month emergency fund in place. Thanks Trey and again, well done on thinking ahead.

If you have a money related question you would like answered, please visit Goaskscott.com or get in touch with me, that website has my email address, twitter and you can also leave me a voicemail. Please contact me, I am here to help you.

[BREAK]

[0:21:15.0] ST: Now, this next money mistake is just embarrassing. I got outright scammed in this story. When I was single living in Atlanta, I was out grocery shopping one day at Windixie. I parked my car, I'm just getting out when a white van pulls up near me. No, I didn't get kidnapped, they didn't kidnap me. Young guy with a scruffy beard rolls down the window and tells me hey man, a delivery guy made a mistake. They shipped us all these extra speakers we got for free, we're trying to get rid of them, you want to buy some?

Yeah, I love loud music and giant speakers. I looked in the back of his van and then he threw me in the back and kidnapped me, no. I looked at his inventory, saw a couple of grey speaker boxes with 10 inch woofers, that's awesome. I knew they had to be good because they're 10 inch woofers, right? If you're into music you know what I'm talking about. He asks me, how much I would give him for a set?

Now, I just threw out a number, \$200 bucks, I don't remember what it was at that time, \$150? I don't know where the number came from, I had never heard of these brand of speakers, all I knew, they looked like speakers. He agreed to the price,

proceeded to write me a receipt in a yellow carbon paper. I thought, that's peculiar because it was an actual official receipt with a company name on it.

I'm thinking, "I thought these speakers were extra deliveries and free, now I'm getting a receipt for them." I thought it would be more like when you buy some type of garage sale, there are no receipts right? I figured out later I've been scammed in the sense of the story I was told it was an absolutely lie. These guys are just driving around selling speakers out of the back of their van on behalf of their company trying to see what they could get for them.

There was no delivery mistake, they hadn't gotten any free speakers, they had gone to their warehouse, loaded up the van and they're just driving around trying to sell the speakers to idiots like me. Almost like the guys who used to go around selling vacuum cleaners door to door, except these guys are just driving around the parking lot telling a tall tale, trying to see what they can get? To add insult to injury, the guy asked me if he could have some beer money because he was helping me out and I gave him \$20 cash.

I bet he didn't have to report that \$20 on his income taxes either or to his boss. Thankfully I wasn't out too much money and this was the first and last time I fell for that type of rip off. Someone approaches you on the street selling you a Rolex, it's time to move on, you got to watch out for these scammers and rip offs, if an offer is too good to be true, it probably is. With the exception of thin mints and Samoa Girl Scout cookies, avoid buying anything from people that approach you on sidewalks or on parking lots or any other unusual places. Now, back to your questions.

Charles owns a restaurant, it's considering opening a second location, the current restaurant is doing well but he can't manage two locations at the same time.

[0:24:01] C: "How can I bring in a partner and reduce my risk with a second operation?"

[0:24:07] ST: Back when I was in the corporate world, there were a lot of ways we were compensated as employees that weren't tied to being owners of the company. Now there are some like stock options but we also got early bonuses based on achieving goals and goals that we had agreed on to achieve in the beginning of the year. Not just sales people have goals, every employee had these goals. With a sales person, you would expect them to hit certain quotas to earn their commissions. We had personal goals, we had department goals, we had division goals and companywide goals. Some years it was all or nothing, if all the goals are met, you got the bonus. If some of the goals are missed, you got nothing. If you're way down in the totem pole, you don't have a big impact on the overall company goals on hitting a certain amount of revenue then you're just hoping the sales team is killing it, they hit their companywide goals.

But for restaurant, I'd look for a GM, give them an opportunity to make a bunch of money if the restaurant does well. You don't need to bring in a partner, in fact you probably shouldn't. If you have a partner in the company from day one, you are stuck. That person is a great partner or a terrible partner, you got a partner. You give ownership to a partner in a legal contract before you open for the first customer, you are stuck.

That partner might walk out on day two and now you've got nobody running the place and there is someone who owns part of the company that you want out of your life. It's a bad situation. I've been in a lot of businesses with a lot of different partners and things can get hairy especially when the money starts rolling in. Or, on the opposite side, when the company starts tanking. I'm a fan of you giving your restaurant manager incentives for making that location flourish. He hits certain revenue goals, employee retention, good restaurant reviews, profit sharing is a great way to motivate employees at all levels.

Just don't give out money Willy nilly all right? Have written goals set out for people who work towards. If they hit those goals, reward them and if they don't, they get nothing. Remind them along the way during the corner and during the year, see how they're tracking and encourage them. When you make a profit, they make a profit, then they get a piece of the money, but you're not legally bound to give up part of the company.

They aren't stock holders, they aren't partners, they aren't silent investors, they aren't board members, they have no say at the end of the day. The sales person or your GM is crushing it and making double their salary in incentives, that's awesome.

That's like a bunch of money in taxes, it's a good problem to have. Don't get greedy that they're way outside their pay grade, they are making you a lot of money and making the business more valuable, you got to reward those people a lot. Don't put a limit on how much someone can make, that is a sure fire way to discourage someone from trying to go all out.

If the restaurant makes a lot of money one month, share the wealth, you do that and you'll have an excited manager. Next month he'll try to do even better by making them feel they are part of the business and rewarding them handsomely, the pressure is taken off you to try to run two locations. It's an easy compensation strategy compared to the legal wrangling that can come up with, having to dissolve a partnership. Everybody wins. Thanks for the question.

Okay, quick break, back in 30 seconds, I'll be answering more of your questions, you're listening to Scott Alan Turner.

[BREAK]

[0:27:28] ST: Hey Rock Star Nation, Scott Alan Turner here. Now for those of you that are my long time listeners, you know I'm not one of those guys in the radio who promotes every product that shows up on their desk, you're never going to hear me trying to get you to buy high fructose corn syrup or recommending you buy the DVD collection for Star Trek deep space nine. No.

I have a name to uphold to you the Rock Star Nation. But if I were, if I were to recommend something to you, I would tell you about Spoon City. Many of you are sitting right now listening to this mindless dribble at home eating a bowl of cereal for breakfast. Unless you're like my two year olds using their hands, you're using a spoon to shovel in those chocolate marshmallow Sugar-O's.

Spoon design has remained unchanged for hundreds of years until now. To find folks at spoon city have come up with their first ergonomic spoon to take your eating experience and health to a whole new level. Eating with a non-ergonomic spoon can cause side effects such as headaches, nausea, cramping, bloating, light headaches, stuffy or runny noses, chest pain and in some rare cases, spontaneous combustion.

Head down to your local spoon city today, your mouth deserves the best.

[CONTINUED]

[0:28:42.1] ST: Welcome back Nation. Do you remember who Aristotle was? He was a famous philosopher. Smart guy, I'm dropping stuff in here, we're not going to edit that out. Aristotle said, "We are what we repeatedly do," excellence then is not an act but a habit. Ask yourself, "Is what you're repeatedly doing bringing you excellence in your finances, your work, and your life?"

Do you repeatedly update your budget once a week? Do you even have a budget? Do you repeatedly blow extra money when you shop at Target? Do you repeatedly avoid investing in the stock market out of fear? Do you repeatedly say you'll get out of debt when you start making more money? Do you repeatedly find more to do at your job in volunteer for other opportunities so you can get a promotion or a raise?

Do you repeatedly continue your education? Free education online or paid education at a school so you can advance your career? Do you repeatedly discover ways to cut your expenses on things that are unimportant in your life? Repeat the things that will bring you closer to your goals and don't repeat the things that won't. Those are the words.

Next time on the show, certified financial planner Doug Goldstein joins us, author of the book Rich as a King: How the wisdom of chess can make you a grandmaster of investing. Even if you're not a fan of chess, you'll become a fan of Doug's words of wisdom. That's it for this episode, I'm your host Scott Alan Turner, Rock star Katie is my producer, all the links mentioned in the show are available in the show notes at Scottalanturner.com. Today's episode are by Ben and Jerry's ice cream. Thanks for listening.

[0:30:28.2] ANNOUNCER: Okay nation, for your free copy of the guide, How to save \$1,000 in one week, simply subscribe to the podcast right now on iTunes and text the word saving to the number 33444 to prove that you did it. Subscribe now to get out of debt, save more money and retire early. See you next time.

[END]