Mistakes are a critical part of every service. Hard as they try, even the best service companies can’t prevent the occasional late flight, burned steak, or missed delivery. The fact is, in services, often performed in the customer’s presence, errors are inevitable.

But dissatisfied customers are not. While companies may not be able to prevent all problems, they can learn to recover from them. A good recovery can turn angry, frustrated customers into loyal ones. It can, in fact, create more goodwill than if things had gone smoothly in the first place. Consider how Club Med-Cancun, part of the Paris-based Club Méditerranée, recovered from a service nightmare and won the loyalty of one group of vacationers.

The vacationers had nothing but trouble getting from New York to their Mexican destination. The flight took off 6 hours late, made 2 unexpected stops, and circled for 30 minutes before it could land. Because of all the delays and mishaps, the plane was en route for 10 hours more than planned and ran out of food and drinks. It finally arrived at 2 o’clock in the morning, with a landing so rough that oxygen masks and luggage dropped from overhead. By the time the plane pulled up to the gate, the soured passengers were faint with hunger and convinced that their vacation was ruined before it had even started.

One lawyer on board was already collecting names and addresses for a class-action lawsuit.

Silvio de Bortoli, the general manager of the Cancun resort and a legend throughout the organization for his ability to satisfy customers, got word of the horrendous flight and immediately created an antidote. He took half the staff to the airport, where they laid out a table of snacks and drinks and set up a stereo system to play lively music. As the guests filed through the gate, they received personal greetings, help with their bags, a sympathetic ear, and a chauffeured ride to the resort. Waiting for them at Club Med was a lavish banquet, complete with mariachi band and champagne. Moreover, the staff had rallied other guests to wait up and greet the newcomers, and the partying continued until sunrise. Many guests said it was the most fun they’d had since college.

In the end, the vacationers had a better experience than if their flight from New York had gone like clockwork. Although the company probably couldn’t measure it, Club Méditerranée won market share that night. After all, the battle for market share is won not by analyzing demographic trends, ratings points, and other global measures but rather by pleasing customers one at a time.

Opportunities for service recovery abound. Any problem that employees who are close to the customer can discover and resolve is a chance to go beyond the call of duty and win a customer for life. We’re not talking about gas leaks in Bhopal or Tylenol poisonings, which threaten large-scale damage and demand top management’s attention. We’re talking about mistaken billings and late deliveries, the