



Book Customers as Partners

Building Relationships That Last

Chip R. Bell
Berrett-Koehler, 1996

Recommendation

Chip R. Bell combines the practical with the heartfelt in a top-notch guide to creating a partnership with customers. He focuses on the elements of abundance, trust, dreams, truth, balance and grace. The book uses intelligent and creative case histories and anecdotes to illustrate these essential components and, therefore, rises above the level of the basic how-to. The author pays close attention to intangible, human relationship concerns. The book is written in an intimate, yet highly informative style. It weaves stories throughout each chapter. Although *BooksInShort* recommends this book for people who deal directly with customers and people who supervise, manage, or lead others in a service-oriented business, the author correctly points out that the book's methods also can enhance anyone's professional and personal relationships.

Take-Aways

- A customer-based business should develop a relationship with customers that nurtures commitment and cultivates loyalty.
- Customer partnership is an attitude that relies on a genuine and expressed respect for the customer.
- Cultivate a rapport with customers that leads them to feel like family and to recommend your services.
- An attitude of abundance focuses on the infinite amount of benefit to the partnership.
- A sense of trust breeds confidence and reliability.
- Shared visions, aims, missions and purposes are the mutual dreams of the partnership.
- Truth kills guilt and deceit and nurtures all partnerships.
- Balance, equity and fairness furthers fair outcomes.
- A partnership of grace offers peace, ease and composure as the norm.
- In a crisis, focus on the customers first, then on their problem.

Summary

Partnership Is...

A customer-based business should develop a relationship with its customers that "nurtures commitment and cultivates loyalty." This customer partnership comes from an attitude of genuine and expressed respect for the customer. As a result, you will know that you've done your best to meet or exceed your customers' needs. Cultivate a rapport with customers that leads them to feel like family and to recommend your services. This partnership approach results in long-term loyalty from your customers. Customer partnerships have certain characteristics. They are anchored in a generous attitude, grounded in trust, bolstered by a joint purpose, and based on balance and grace. These relationships are built on honesty, candor, and straight talk.

“Customer satisfaction is no guarantee of customer retention.”

The concept of customer partnership generally implies a long-standing relationship, but the feeling of partnership can still be created in any short-term relationship. This service intimacy is based on your commitment to unconditional, high-value service.

Customer partnerships take more work than transient or temporary customer relationships, but they are greatly rewarded. Not all customers want to be in customer partnerships, because they prefer a certain degree of aloofness. "As the service relationship becomes more intense and intimate, they flinch and move on to another service relationship with exit language that says, "They knew us too well..We needed some breathing room."

“Abundance is an attitude.”

What makes customer partnerships work?

- **Abundance:** A non-competitive attitude of abundance and generosity focuses on the belief that the partnership can result in an infinite amount of benefit. As in any valued relationship, increased contribution causes it to grow and prosper.
- **Trust:** A sense of trust encompasses reliability, assurance, and faith, and leaves partners feeling confident. Such trust breeds the confidence to reach further and deal with tough situations.
- **Dream:** Shared visions, aims, missions, and purposes result in mutual benefits.
- **Truth:** This requires candor, openness, authenticity, and the courage to ask for feedback and to give it compassionately. Truth kills guilt and deceit, and nurtures all partnerships.
- **Balance:** Equity and fairness focuses on just outcomes for the partnership.
- **Grace:** Peace, tranquility, calm, ease, and composure become the norm, despite infrequent pressured encounters or situations.

Abundance

Abundance is all about mutual growth. Its attitude is: "plant the best and the crop will grow more bountiful each year." Abundance doesn't focus on transaction costs, but on relationship values. While transactional costs are important, they can become "destructively dominant," leading you to lose money eventually because you aren't able to keep customers long-term. An abundance attitude tells your customers that you offer an unconditional regard only found in the best relationships. The customers feel valued, not used. Each contribution you make to the customer partnership makes it grow and prosper.

“The emotional merits of customer partnerships are important.”

Give your customers excellent service in the spirit of a gift - unconditional, without expectation of receiving anything in return for going the extra mile. This evokes loyalty from customers and naturally brings about the same respect, feelings, and 'extra-mile' attitude in them. Most customer relationships don't end in conflict; they just fade away because either or both partners have taken the relationship for granted. Customer partnerships last when they are regularly re-energized by diversity, pleasant surprise, and the passion for good service.

“Partners count on each other.”

Personalizing your service - including communications such as letters, tailoring services to customers' needs, and creating direct access to service providers - also adds to the energy of customer partnerships.

Trust Trust is an important element in building customer partnerships. Stanley Marcus, founder of the famed Neiman Marcus department stores, has always enjoyed telling the story of the debutante who, in 1935, returned a \$175 evening gown after she had worn it. "It was obvious her own reckless behavior had left the dress in shambles. But I gave her back her money. And in 1935, \$175 was a lot of money for a dress." Marcus has always loved the punch line: "But not only did she spend over a hundred thousand with me over the next thirty years, she made sure all her wealthy friends did likewise. Trusting her turned out to be a great investment!"

“Partnerships are growing entities that perpetually change.”

To demonstrate trust to customers, keep your promises, offer a service guarantee, and extend more trust to your employees. This is important because such trust shapes customers' perceptions of your business.

Dreams

Shared visions, goals, missions, and purposes involve mutual understanding of what is and isn't important in creating the desired outcome. Having a "dream" isn't enough by itself. Your dreams must be achieved through action. The consistency of your purpose or "dream" is the secret of success in customer partnerships. To meet your customers' needs or "dreams," be friendly and sincere; relax and have fun; and learn to be a risk taker.

“The smart money is on customer retention. Not only is it much more expensive to acquire a customer than to keep one (about five to one), but the average customer, in year five of his relationship with you, will spend considerably more than he did in year one or two or three.”

Truth Master "the art of mask removal" and you will naturally appeal to your customers by not playing a role and by offering up your genuine self. Trust comes from a gradual process of promises kept, expectations met, and dreams fulfilled. But, at the beginning, every new relationship involves the desire and ability to take a risk, to enter uncharted waters. To indicate to your customers that these waters are a safe harbor, drop your own masks of protection. Project directness, honesty, patience, genuine friendliness, humility, and confident realism as opposed to arrogance, elitism, vagueness, or impatience. Removing your mask is "caring enough to let go."

“(Service partnerships are) doing what is needed, rather than what is rewarded.”

True partners worry less about who owes whom (and we're not referring to paying a bill) and more about how they can help or support. Self-doubt can lead people to believe they aren't worthy of another's trust. That belief makes them act defensive and distrustful, that is filled with doubt and suspicion. When you remove your mask, you begin with the premise that you feel positive enough about yourself to risk (trust) that your motives are good, and you believe, "if I am willing to trust, I will receive authenticity in return."

“The healthy customer partnership is marked by candor...”

Masks disguise our real, honest selves, often unintentionally and usually unnecessarily. The observant customer recognizes masks and perceives that they hide intentions and motives, leading them to conclude that anyone hiding behind a mask must be hiding something. This doesn't create a truthful or trusting relationship with your customers.

“Partnerships are remembered positively because of what you give to them, not for what you take from them.”

Candor is also essential to truth. To meet customers' needs and to retain customers, you must know how they feel about your services and how they think you can improve. Encourage customers to be candid by showing your willingness to listen to their concerns, praise, and feedback, and to meet their needs. Keep in mind that customers in partnership with you do not demand unrealistic perfection. They are content if all parties are truthful and if you show your concern with meeting customers' needs. "Dramatic listening marries input with interest." It tells customers that you are paying attention and that you are interested in considering their input and acting upon it. This demonstrates truthfulness as you receive their message.

Balance

You cannot have equality without respect, and equality is balance in any relationship. Respect is made up of admiration, esteem, and honor. Equality keeps both parties from feeling that they are giving away their hearts and souls just to please the other. Partnerships can never be consistently equal; there will always be shifts up and down, back and forth. What is important is a partnership’s overall equal balance, not its balance on any given day. Both parties must participate to achieve the goal of equal balance.

“At moments of service anxiety and instability, customers need demonstrations of confidence and competence from service providers.”

"Equality has nothing to do with rules." In fact, rules breed resentment. Flexibility and creativity are vital to a balanced and equal relationship. Tolerance, which is at the root of flexibility and creativity, contributes to the nurturing that a successful partnership requires. Partners should feel as though they are nurturing, not enduring. A healthy perspective about the normal give and take of a relationship is the key to its balance and longevity.

“Great service leaders know that quality improvement is continuous and that learning is never over.”

Grace Graceful partnerships are not ruled by policies. They flow with confidence and ease. "Graceful partnerships have an 'at home' feeling." This kind of grace can only be created with understanding and mutual respect. Partnerships with grace are always built around customer needs, so you need to ask for input regarding those needs. In this way, customers participate and enjoy an equal, graceful role in the relationship. They are co-creating, and thus enhancing, the services they receive. In pressured situations or emergencies, focus on the customer first and then on the customer’s problem. Be honest about what customers can expect, and make them as comfortable as you can, even during difficult circumstances.

Partnership Measurement

How do you measure customer partnership? That’s like asking how to measure marriage, friendship, family, or any other human interaction. But the economic benefits of customer partnership do make themselves known, since this kind of partnership is, after all, formed around business transactions. "Energy spent on retaining customers has a higher return than energy spent on acquiring customers by at least five to one, some researchers say more."

“We need partnerships today - those neighbor-like relationships that honor service at a caring level.”

While being able to measure the profit you make from a viable customer partnership is a valuable tool for monitoring progress, don’t look at the partnership only through that prism. Don’t obsessively and myopically monitor profits, because you’ll miss the larger picture of the success of your customer partnerships. Focusing too much on immediate profit could cause you to damage a partnership and lose a customer simply because the cash register didn’t ring as much this week as it did last week.

“True partners remain loyal through good times and bad.”

Many important aspects of successful customer partnerships are not effectively measured using the same tools you might use to judge the impact of a merger or of new equipment. Customer partnerships make you better at what you do. In the long run, that can only enhance your businesses economically and in so many other ways that can’t be measured. As Marilyn Ferguson wrote in *The Aquarian Conspiracy*, "In our lives and in our cultural institutions we have been poking at qualities with tools designed to detect quantities. By what yardstick do you measure a shadow, a candle flame? What does an intelligence test measure? Where in the medical armamentarium is the will to live? How big is an intention? How heavy is grief, how deep is love?"

About the Author

Chip R. Bell is a nationally known speaker and the author of nine books, including *Managing Knock Your Socks Off Service* and *Service Wisdom*. He consults with large and small companies on service quality and customer loyalty. He manages the Dallas, Texas office of Performance Research Associates, Inc.