



Book The New Experts

Win Today's Newly Empowered Customers at Their 4 Decisive Moments

Robert H. Bloom
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Recommendation

Today’s customers hold vast power, and they know it. They can choose from an endless array of products and services. The Internet keeps them informed about companies and their offerings and enables them to purchase items from virtually anywhere across the globe. How do firms survive in this challenging buyer-centric market? Business growth maven Robert H. Bloom offers some expert ideas. Through numerous valuable, informative case histories of successful and unsuccessful businesses, he shows how to win even the toughest customers. Though his book is easy to read, some of its points – for example, offer great service after the sale, be likable, think like the customer – are fairly pedestrian precepts any responsible company tries to meet. Still, Bloom offers useful sales guidance and interesting vignettes of companies that work hard to exceed customer expectations. *BooksInShort* recommends his book to corporate leaders, as well as to marketing, sales, and operations and customer-service managers.

Take-Aways

- Sellers used to control what buyers knew about goods, where they bought them and how.
- Now buyers are in charge due to their increased access to product information, a broader array of choices, and the recession economy, which has weakened sellers.
- Buyers no longer feel much loyalty to companies. They follow the best deals.
- However, their wants and fears put them at a psychological disadvantage.
- Sellers who are aware of this can use this knowledge to make sales at four “Decisive Customer Moments.”
- These pivot points are the “Now-or-Never moment,” the “Make-or-Break moment,” the “Keep-or-Lose moment” and the “Highly Profitable Multiplier moment.”
- Develop “Customer Preference” at each stage of the purchase process.
- Offer sales prospects unique benefits that fit their needs.
- Salespeople who perform well at every stage develop “personal equity” with their customers, equity they can use to generate more sales and referrals.
- To succeed in the modern marketplace, sellers must think like buyers.

Summary

Buyers Call the Shots

Sellers once controlled commercial transactions, but now buyers are firmly in charge. Today’s consumers can choose from a vast array of worldwide, competitive

offerings. Since the 2008-09 recession, buyers have learned they can capitalize on sellers' weakened economic positions. At the same time, their devotion to businesses they previously patronized has seriously diminished. In fact, research shows that only 20% of those who purchased cars in 2009 acted on brand loyalty, compared to 80% during the 1980s. Buyers want the best deal.

“Customer loyalty will not rise from the grave that was dug by a robust economy, abundant choice and seller apathy.”

The Internet and other technologies also have empowered buyers in unprecedented ways. Before the web, consumers had to go to retailers and manufacturers for first-hand information on products. Businesses could decide to share this information or not, according to their own interests. Before credit emerged, retailers controlled credit terms; they could choose to extend it or refuse it. And before debit cards and ATMs, banks shaped consumers' financial decisions, including how and when clients could access their own funds. Thus, consumers did not possess the predominant buying power – sellers did.

“Buyers no longer care which seller they buy from – which gives buyers all the power.”

Not anymore. Now credit is easily available. Technology empowers buyers and enables them to become the “new experts,” secure comprehensive information about whatever they want to buy, choose from a vast array of options and make immediate cost comparisons. Sellers offer shoppers countless products in every size and color, plus multiple delivery and service options, and 24-hour-a-day buying, over the phone or through websites. Search engines let customers instantly compare prices. Consumers can connect with each other on Twitter and Facebook to discuss the best products and the best deals. Now, buyers hold all the cards.

“Technology and choice changed every aspect of commerce, but the transformation in the marketplace went largely unnoticed.”

Ironically, for many years, sellers did not see that buyers were gaining the upper hand. This is understandable. Business was pretty much uniformly excellent due to a growing, optimistic middle class with money to spend, and a quickly expanding, robust economy. Companies had exceptionally strong sustained sales. Buyers would line up to purchase whatever they needed. Contented sellers did not notice that their world was undergoing a radical change. Technology and other market factors were shifting the purchase process advantage to buyers.

Smart Sellers Can Still Do Well

Sellers have finally woken up. They know the road forward has changed, putting buyers in the driver's seat. Nevertheless, savvy sellers can continue to do well if they know how to speak to consumers' psychological vulnerabilities. All “buyers have...wants, needs and aspirations, as well as apprehensions, concerns and fears.” Address the concerns of these typical buyers:

- The husband and wife who have worked hard and now want a beautiful car.
- The construction firm leader who needs a huge crane to be competitive on project bids.
- The parents who aspire to help their child obtain the right piano and training to become a great pianist.
- The engaged pair who feels apprehensive about selecting a good diamond ring.
- The bosses who fear the technology they're buying will cost too much or age too quickly.
- The project manager who is afraid that his new heavy equipment will arrive late.

“Far too often, we, as sellers, think like a seller and act like a seller.”

At such pressure-filled moments, sellers can influence buyers. Unfortunately, many sellers are not aware of these exploitable turning points, featuring “emotionally driven purchasing events.” At such pivot points, you can get people to buy your products or services instead of your competitors' products. First, start to “think like buyers.” As Walmart vice chairman Eduardo Castro-Wright explains, “Think about the way that you yourself would act...as a customer.” Jeff Bezos, Amazon's founder and CEO, agrees: “We start with customers, figure out what they want and figure out how to get it to them.”

“Preference...is deliberately making a choice to obtain a real or perceived benefit – a benefit the customer values enough to let it influence the decision about where and from whom to purchase.”

To that end, sellers must abandon their own mistaken ideas about typical consumer attitudes. Don't expect your clients to adhere to old, conventional marketing paradigms. People will not:

- Loyal go to your website instead of your competition's.
- Keep your location in mind.
- Admire your brand and use your goods or services exclusively.
- Believe strongly that you provide a far better value than your competitors.

“At each of these crucial moments, you can make your business first choice.”

Maybe these expectations were once realistic, but they aren't any more. Contemporary buyers don't focus on a seller's characteristics. Pitching to their sense of loyalty will not work. It's gone with the economic times. Customers now prioritize “the seller's quality, reliability and responsiveness.” Set aside your “buyer's brain” and plug in your “seller's brain” to put yourself in position to motivate consumers “when they are most vulnerable and impulsive.” If you meet their wishes they will buy from you. However, counteracting the “revolution in buyer behavior” requires making yourself into the customer's preferred supplier based on the benefits you provide. Your customers want you to offer:

- **“Likeability”** – Shoppers will not buy from people they dislike.
- **“Trust”** – If you treat purchasers badly, you will lose their trust forever.
- **“Guarantee”** – Your product or service guarantee must be easy to read and understand.
- **“Ease of navigating a vendor's website”** – Customers will abandon your website quickly if they cannot immediately find what they want.

- **“Best option”** – The best way to win customers is to be the best choice in the market.
- **“Reflection of what a brand says about the buyer”** – Consumers feel that they gain status from buying quality brands.

“The Keep-or-Lose Moment is your least expensive and most valuable opportunity to retain customers, generate repeat purchases, and motivate advocacy and referral.”

Every buyer is empowered to select one purchase option instead of another, so becoming a consumer’s first choice has many advantages. A buyer who comes to prefer buying from you will make an effort to obtain your goods, will pay a premium price, will not require bid submissions, will buy frequently and will even tolerate your mistakes. To achieve that status with customers, you must leverage the four “Decisive Customer Moments” to your advantage:

1: “Now-or-Never – Your First Brief Contact”

The consumer’s first encounter with your company is a vital step in the way a transaction progresses. At this stage, you want to convert prospects into customers. When salespeople fail to win new contacts and customers, they rationalize their failures with such excuses as “You can’t win them all” and “Initial contacts are unpredictable.” “Customer preference” makes all the difference at this decisive moment. You need prospective buyers to like you. First, learn all you can about your prospects. Ask how much time they have to spend with you and don’t exceed that limit. Pay attention to what people say and how they act. Ask intelligent questions. Determine if the prospects can make purchase decisions or if they need someone else’s approval.

“Personal equity with a customer is built on the aggregate investments you made throughout the customer’s prolonged purchase progression.”

Since your website often will be a prospect’s first point of contact, make sure it offers a positive experience. Amazon’s welcoming website offers fully intuitive searching and is easy to navigate. The “Where’s My Stuff?” and “Need Help?” buttons make visitors feel as if Amazon cares about them. An effective website must draw consumers in, help them find the information they want, communicate your product’s benefits and earn customer preference by meeting all their shopping needs.

2: “Make-or-Break – The Lengthy Transaction Process”

This is the transaction period, a time for “consideration, negotiation and decision.” This is when buyers commit or get cold feet, when deals culminate or crumble. To make sales, thoroughly engage with your prospective buyers. Stanley Marcus, a founder of high-end retailer Neiman Marcus, would roam through his elegant department store, a super salesman ready to help close deals. When a customer tried on an expensive fur coat or a pricey necklace, his salespeople would secretly summon Marcus to the scene. He would apparently pop “out of nowhere,” to tell the shopper how great she looked with her new coat or jewelry. “It looks like it was made for you,” Marcus would tell the impressed customer. Often, this “grand master of customer engagement” would persuade clients to make numerous expensive purchases at the same time.

“Every purchaser buys on emotion.”

To close more sales, satisfy these customer concerns:

- Deliver the product precisely when the customer wants it.
- Customize the product to meet the buyer’s particular desires.
- Include a “free” extra to close the sale.
- Cover a repair at no cost – even if the warranty is out of date..
- In commercial sales be sure to meet the bid’s “respond by” date and agree to the customer’s proposed payment terms.

3: “Keep-or-Lose – The Customer’s Continued Usage”

By this stage, the company has made the sale and the buyer is using the product or the service. Often, sellers stop paying attention to the customer at this point so they can focus on closing more prospects. This is a big mistake. To keep your customers fully satisfied, make sure they receive the benefits and service that you promised, and that they enjoy a positive experience. Stay in touch and work hard to turn the customer into a “repeat buyer.” Just to keep clients happy and win the “battle to reduce customer churn,” your firm must perform at a high level long after the time of purchase.

“Customer churn is the most common and most destructive cause of bottom-line shrinkage.”

In 2001, Volvo tried to gain a foothold in India’s “luxury bus market.” The automaker provided nearly 20 “trial” buses to Indian operators. Volvo stressed its rock-solid commitment to service, even after the sale was set. When something went wrong, Volvo immediately dispatched a service unit to get the bus quickly back on the road. As Volvo demonstrates, to build sales you should:

- Adopt a “customer-centric” attitude.
- Pay close attention to how the customer describes the specific problem.
- Offer sincere apologies for any problems.
- Tell the customer you will work hard to do better in the future.
- Ask the customer to tell you what will make him or her fully satisfied – then do everything to exceed those expectations.

4: “The Multiplier – Repeat Purchase, Advocacy and Referral”

This is the pivotal opportunity to transform a “one-time customer into a repeat customer” and perhaps even a booster for your company who will refer more business to you. To secure more purchases as well as new client recommendations from your current customers, meet four goals:

1. Deliver superior performance at all times.

2. Stay in close touch with your customers so you can build “top-of-mind awareness.”
3. Leverage the “personal equity” you have established with your clients to secure more sales from them.
4. Using this personal equity, motivate your buyers to become enthusiastic advocates for your company and to refer other business to you.

“Performance must be the paramount mission of your company.”

Every investment you make in superior service during each stage of the purchase progression builds all-important personal equity. Carrying out the necessary steps to “make your business first choice” may require substantial internal change, in keeping with the massive shift of power from sellers to buyers. Organizations that are unwilling to make the necessary alterations will find it difficult to remain competitive. To succeed, “think like a buyer and act like a seller.” A customer-centric approach is your only viable option.

About the Author

Robert H. Bloom is the former US chairman and CEO of Publicis Worldwide. He wrote *The Inside Advantage: The Strategy That Unlocks the Hidden Growth in Your Business*.
