

## **Marketing – a definition**

“The management process responsible for identifying, anticipating, and satisfying customer requirements – profitably”

Source: The Chartered Marketing Institute

## **Two seriously significant questions**

Buy growth - or earn it?

Spend heavily on attracting new customers, by definition fickle, and of unknown future value or loyalty.

Or,

Enhance the perception of value for highly profitable customers, increase targeted retention of these and they will generate by referral, further profitable business.

## **Two types of objections – three of each**

On track

- Price
- Delivery
- Quality

Off track

- Complaints
- Personal
- Historical problems

Source: Fourash associates

## **What are your unique selling points?**

Are you making the most of your USPs?

At three levels:

- Personal
- Product
- Organisational

### **Three really awkward questions**

If your company disappeared tomorrow to whom would it matter and why?  
Which of your customers would miss you and why?  
How long would it take for another firm to step into the void?

Source: Montgomery

### **Three really important questions...**

What factors do customers consider when deciding to do business with you?  
Why do customers buy more than once from you?  
Why do customers leave you, and take their business elsewhere?

### **Three reasons customer loyalty programmes fail**

The people who can resolve the problems are not sufficiently motivated  
The problems cannot be measured adequately  
A solution cannot be implemented easily

### **Three types of product or service**

Commodity	Not particularly differentiated from the competition, buying decisions based on price
Customised	Enhancements made form commodity product, takes longer to deliver
Designed	Specialised consideration given to specific needs of customer – delivery can take a considerable time

Source John M Coe

### **Three elements of a perfect marketing strategy**

Build a list

Establish and build relationship with list

Market to list

### **Three ways Salespeople are like Doctors**

First the examination

Then the considered diagnosis

Followed by the informed prescription

...beware starting with the third of these – never pounce!

Source: Brian Tracy

### **Three things buyers need help to do...**

Fix something... 'what do we need to fix?'

Avoid something... 'what do we need to avoid?'

Accomplish something... 'what do we need to achieve?'

Source: Dixon and Adamson

### **Three types of objection and five responses**

Three types:      Openly expressed  
                         Inferred or implied  
                         Disguised or hidden

Five responses:    Pre-empt  
                         Ask and explore  
                         Agree and counter  
                         Provide the answers  
                         Accept the sale is deal is dead

### **The three types of customer every organisation needs most:**

Current customers worth retaining  
Others' customers that should be won  
Lost customers that should be regained

### **Three brave questions for customers**

What are we doing that you like?  
What should we do that we are not yet?  
What are we doing that needs to be done better?

Source: Denton

### **Three elements to the FAB sales model**

F eatures  
    what is it, and what can it do?  
A dvantages  
    how can it solve problems?  
B enefits  
    what do I gain, what do I avoid?

### **Three types of customer**

Promoters   Committed customers that spread positive word of mouth  
  
Passives     Regular but not enthused customers  
  
Detractors   Dissatisfied customers within a range

Source: Fred Riechheld

### **Three secondary positive effects of customer loyalty**

Revenue grows as a result of repeat purchases and referrals

Costs decline as a result of lower acquisition costs and from the efficiencies of serving experienced customers

Employee retention increases because job pride and satisfaction increase, in turn creating  
A loop that reinforces customer loyalty and further reducing costs as hiring and training costs  
shrink and productivity rises

### **Four questions on the product life cycle**

When will the next stage start?  
How long will it last?  
How if at all, can we extend it?  
Are we ready for the next stage?

### **Four things customers want**

Reliability  
Responsiveness  
Assurance  
Empathy

Source: Marketing Science Institute

### **Four tangibles from a genuine customer loyalty programme**

Increased profits  
Decreased spend on marketing  
Targeted retention of the highest quality customers  
A planned and deliberate growth strategy

Source: Fred Reichheld

### **Four typical sales objections**

'I'll think about it'  
'We don't have the budget'  
'Your competition is cheaper'  
'I need to check with someone'

Source: Kelley Robertson

### **Four features of PROSPECTS over SUSPECTS**

They...  
Need what you have to offer  
Want what you have for them  
Have a use for it,  
...and can afford it

Source: Brian Tracy

### **Four determinants of customer loyalty**

Past satisfaction with a brand  
Perceived risk associated with a purchase  
Availability of substitutes  
Costs of changing brands

Source: Javalgi and Moberg

### **The AIDA selling model**

A ttention  
I nterest  
D esire  
A ction

### **The SPIN sales model**

S ituation questions  
P roblem questions  
I mplication questions  
N eed/pay off questions

### **The four zones of customer service:**

Recommendation  
Normality  
Tolerance  
Rejection

Source: David Freemantle

### **Four questions that help establish market impact**

Do we anticipate the needs of our customers?  
Do we offer products and services which have a distinctive edge over our competitors?  
Do we meet the demands of our customers precisely and accurately?  
Do we exceed the expectations of our customers because we do all of the above so well?

Source: Steve Smith

### **Four lessons learned from customer-focused organisations**

The best future customer is usually an existing customer  
A need to really focus on the customers you really need to keep  
Both and databases need to be built  
Put competitive advantage before cost

Source: Clutterbuck and Goldsmith

### **Four specific types of disloyal customer**

Disengaged  
Disturbed  
Disenchanted  
Disruptive

### **Four types of organisation in terms of customer service**

Naturals  
Aspirants  
Followers  
Laggards

Source: Clutterbuck Clark and Armistead

### **Four factors that really build a loyal customer base**

Products that are clearly differentiated from those of the competition  
Higher-end products where price is not the primary buying factor  
Products with a high service component  
Multiple products for the same customer

Source: BusinessTown.com

### **Four ways customers judge value**

The Price of the product or service  
The Quality of the product or service  
The degree of Innovation offered by the product  
The Service provided to customers

Source: Ray Miller

### **Four strategic customer service rules**

See the 'big picture', and how customer service fits into this  
Establish an authentic connection with each customer rendering timely, accurate and thorough service  
Value and respond to unique customer needs  
Extend a hand to repair and strengthen relationships with customers who are upset or angry

Source: Darlene Russ-Eft

### **The four 'R's of customer focus**

Recruitment  
Retention  
Recovery  
Retrieval

### **Four stages in the customer experience**

Shopping  
Purchase  
Ownership  
Replacement

Source: Frederick Reichheld

### **Five levels of customer bonding**

Preferential  
Favouritism  
Commitment  
Referential  
Exclusive

Source: Butz & Goodstein

### **Five key questions**

What do your customers want?  
What would delight them?  
How are you doing at the moment?  
How does the way you operate prevent you delighting your customers?  
What are the best organisations doing?

Source: Robert Evans

### **The service-profit chain**

Profit and growth are stimulated primarily by customer loyalty  
Loyalty is a direct result of customer satisfaction  
Satisfaction is largely influenced by the value of services provided to customers  
Value is created by satisfied, loyal, and productive employees  
Employee satisfaction, in turn, results primarily from support services and policies that enable employees to deliver results to customers

Source: Jerome & Kleiner

### **Five levels of customer loyalty**

Bonding: Can anything else beat it?  
Advantage: What is it good at?  
Performance: Is it satisfactory?  
Relevance: Does it meet my needs?  
Presence: Do I know about it?

Source: Butz & Goodstein

### **Five musts for measures**

What does each of my customers want?  
How can we design systems and processes that can respond quickly to what they want?  
Measures must help understanding and performance of the system  
Measures must relate to what customers value  
Measures must be in the hands of the people doing the work

### **Five types of customer in terms of buying a product or service:**

Innovators	2.5%
Early adopters	13.5%
Early majority	34.0%
Late majority	34.0%
Laggards	16.0%

Source: Everett Rogers

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### **Five Ps of selling**

P roduct  
P ushing through  
P ersonality  
P ersistence and  
P rice

### **Five steps to get the most from net promoter score**

Calculate your score using a meaningful size and scope of survey  
Resist the temptation to unnecessarily complicate the survey beyond ‘the ultimate question’  
Compare and benchmark results with appropriate similar units to inform an action plan  
Implement the action plan and allow time enough for results  
Resurvey and embed improvements – keep monitoring

### **Five core leadership values for customer focus**

Customers	Demonstrate flexibility in responding to customer demands
Employees	Build supportive relationships with direct reports rather than remain distant and impersonal
Teamwork	Work to ensure that all team members fully understand each other’s roles
Empowerment	Delegate authority to enable direct reports to make decisions and take actions in a timely manner
Quality	Encourage people to find ways to prevent problems before they happen

Source: Allan Church

### **Five buying roles**

Initiator  
Influencer  
Decider  
Buyer  
User

### **Five major sales objections**

‘It costs too much’  
‘It won’t work’  
‘I won’t be able to make it work’  
‘I can wait’  
‘It’s too difficult’

### **Five steps to overcome sales objections**

Really listen to the objection - decide if it's true  
Qualify it as the only one  
Confirm it in a different way  
Qualify it and set it up for the agreement  
Answer the objection so it completely resolves the issue

Source: Achievers group

### **Five fundamentals of sales**

The right person at  
The right time, with  
The right solution for  
The right price, recognising  
The right time to confirm (close)

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Source: Spitzer

### **Five parts to the product life cycle**

Introduction  
Growth  
Maturity  
Saturation  
Decline

### **Six sales essentials**

Visualise your success  
Think positively  
Be proactive  
Analyse what is limiting your success  
Associate with positive people  
Take care of your physical

### **Six principles of 'buying facilitation'**

If there is no-one to buy you have nothing to sell  
Take care of the relationship first, and the task second  
Sellers ask questions, buyers answer them  
Analyse what is limiting your success  
The goal is service, the outcome is discovery, and the solution may be a sale  
People only buy when they cannot fulfil their needs themselves  
People buy according to their own buying patterns, not another person's selling pattern or sales technique

Source: Sharon Drew Morgan Vicki Gerson

### **Six critical lessons about customers - by Milliken**

The things that matter most to customers aren't what we thought they were  
Our customer's needs and demands are changing and rising  
Our competition is not standing still - they are improving  
Our customer's perceptions, however strongly felt, may not be based entirely on facts - but that doesn't matter  
If we improve something, let our customers know  
Price is never, ever the most important thing to our customers

Source: Milliken - C Jeanes

### **Six ways to counter objections**

Listen and do not interrupt  
Agree and counter without 'yes buts'  
A straight denial – use only when customer is factually wrong  
Question the objection to clarify concerns  
Anticipate and raise the objection in advance  
Trial close – use objection as opportunity to close the sale

Source: Fourash associates

### **The 6 'P's of the marketing mix**

P roduct  
P rice  
P romotion  
P lace  
P eople  
P rocesses

### **Six customer types**

Apostle  
Loyalist  
Defector  
Mercenary  
Hostage  
Terrorist

Source: Jones and Sasser

### **Six ways to keep customers loyal**

Find out what customers want and provide this for them  
Be honest, open and keep your promises  
Practice what you preach, preach what you practice  
Nurture and care for your employees  
Don't inundate with nil value customer contacts  
Focus effort on customers worth the attention

Source: Richard Hill

### **Six ways to be customer-driven**

Develop a customer-driven culture  
Create a customer-committed workforce  
Leadership by example  
Know your customers and your business  
Know and profit from your competitors  
Be distinctive

Source: P Holden

### **Six components of lifetime value**

Acquisition costs  
Base profit  
Per-customer revenue growth  
Diminishing operating costs  
Referrals  
Price premium

Source: Frederick Reichheld

### **The negative value spiral**

Standards drop  
Poorer customers cost more and yield less  
So prices rise and service is cut to save money  
Good customers then perceive less value  
Defections surge  
Earnings plummet

Source: Frederick Reichheld

### **Seven signs of a sales professional**

Clarity of objective and outcome sought  
Has a method – how to achieve success  
Is well prepared  
Has the right equipment and information  
Knows what they need to in order to impress  
Sees the right people at the right time  
Is always smartly turned out and punctual

### **Seven types of salesperson**

Hunters or farmers  
Relationship sellers  
Hard workers  
Lone wolves  
Reactive problem solver  
Challenger

### **Seven steps to customer loyalty**

Always say thank you  
Follow-up to be sure you're doing a good job and that the product is working satisfactorily  
Offer a guarantee  
Spoil your customers  
Keep in contact  
Treat them with respect  
Display integrity in all your business dealings

Source: Nan Yielding

### **Seven ways to get serious about customers**

- Roll out the red carpet for everyone
- Take time to know your customer
- Go out of your way to ensure they are happy
- Notice what the customer sees
- Be easy to do business with
- Work on everything the customer experiences
- Make service excellence the heart of the business

Source: Eric Garner

### **Seven steps to target customers**

- Review and rank your client base
- Get rid of customers that don't fit your profile
- Listen to customers, provide what they want
- Put yourself in the customer's shoes – think as they do
- Decide whether or not to offer tiered customer service
- Mobilise your entire team
- Own your problems, own your customers

Source: Robin Johnston

### **Seven steps to overcoming objections**

- Facts and proof
- Visual elements
- Remove the risk
- Credentials
- Evidence
- Positioning
- Social acceptance

### **Eight components of quality**

- Performance
- Features
- Reliability
- Conformance
- Durability
- Serviceability
- Aesthetics
- Perceived quality

Source: Ho and Cheng

### **Eight elements to branding**

Competitive context  
Target market  
Customer insight  
Features  
Benefits  
Brand personality  
Points of difference  
Essence

Source: Barrett and Simmonds

### **Eight critical steps to a customer service culture**

Customers are the reason for work, not an interruption to work  
Train, train, and train some more  
Empower your staff to serve  
Make service personal  
Say 'yes' even when you most want to say 'no'  
Offer solutions  
Recognise staff for outstanding service  
Ask your customers what they think of you

Source: Anthony Mullins

### **Eight essentials for customer retention**

Keep your promises  
Manage first impressions  
Make yourself easy to do business with  
Constantly evaluate frontline treatment of customers  
Solve problems  
Manage fine details  
Enfold customers in your business  
Follow up – maintain dialogue

Source: Zemke

## **Nine buying motives**

Ambition  
Status  
Ego  
Greed  
Security  
Fear of loss  
Prestige  
Pride of ownership  
Desire to have ahead of others

## **The nine gates to customer commitment**

Authenticity	Is this guy for real?
Believability	Am I being told the truth?
Credibility	Are you knowledgeable and competent?
Fit	Are you right for me...could we work together?
Customising	Are you really listening or just peddling?
Safety	Can I rely on you?
Comfort	Do I understand enough to make a decision?
Superiority	Is this really the best of all options?"
Value	Am I paying a fair price?

Source: Achievers Group

## **Ten principles of sales negotiation**

Aim high to get more  
Don't be a price crumbler  
Never give away concessions  
Negotiate the variables  
Reduce the value of the other's concessions  
Be miserly  
Beware of time and deadlines  
See the big picture  
Know your weaknesses

From: Richard Denny

## **Ten rules of professional selling**

- Sell yourself
- Ask questions and really listen
- Link features to benefits
- Sell results
- Don't rely on logic
- Use product knowledge selectively
- Know your USPs
- Don't catch 'priceitis'
- Don't just talk – show
- Don't knock the competition

Source: Richard Denny