

Rediscovering Your Clients and Learning Their Buying Triggers

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SATISFACTION MEANS SAYING GOOD-BYE

This article recently appeared in Ventures Magazine. It discusses the critical differences between collecting client data and understanding the issues which cause a client to buy.

The average American corporation surveys its customers annually to ensure satisfaction. So why does that same corporation continue to lose key accounts each year? Is it (a), price; (b), service; (c), location; or (d), client misperception?

Most of corporate America would choose "b." Yet the correct answer is "d," client misperception -- a perception by the client that you do not understand his or her needs. Although corporations spend billions of dollars on consumer research, most companies confuse the collection of client data with the process of understanding the client. And too many are lulled into complacency when the requisite annual survey shows that most clients are "at least satisfied."

INACTIONABLE KNOWLEDGE



The patented "The Power to Know" process provides the most honest and useful feedback in the customer satisfaction industry.

Traditional surveys are distributed to a random, global cross-section of your customer base, so there is no way to act upon the knowledge gleaned from this data. The very fact that it is broad-based and anonymous blurs any distinction between respondents, leaving you helpless in your attempt to differentiate the opinions of your most-valued clients from those who are less profitable. And lastly, since an independent survey organization typically tallies the results and delivers them to management, the resulting information

may at the very least, be misconstrued, or at the very worst, never reach the actual service provider.

Though corporations continue to be assured that the majority of their clients are in no danger of leaving, these self-reports mask a serious misdiagnosis with long-term consequences. The fact is 78 percent of the customers sales personnel think are very satisfied are merely satisfied. And the majority of defections from an organization come from the satisfied category -- clients who are willing to remain in your camp until they receive a better offer.

If you migrate clients to that higher level of "very satisfied," the results are staggering. The likelihood of getting an additional sale from a "satisfied" client is 17 percent, but the number skyrockets to 85 percent if that same client describes him or herself as "very satisfied." This issue is not satisfaction, but loyalty. Loyal clients cite specific reasons for doing business with a provider; and loyal clients stay -- not because of price or service factors -- but because they believe you understand their needs.

So, how do you start the change process and build client loyalty?

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Participants receive a summary diagnosis of their strengths and improvement opportunities, as defined by client ratings.

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Insight then becomes action, redirecting communication to a mutually-rewarding, more powerful level.

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If you migrate clients to that higher level of "very satisfied", the results are staggering. The likelihood of getting an additional sale from a "satisfied" client is 17 percent, but the number skyrockets to 85 percent if that same client describes him or herself as "very satisfied."

Using a patented, and proven, methodology called "The Power to Know," scores of national and international organizations are achieving unheard of increases in client retention and expansion. This process violates every assumption of "objective research" and incorporates key strategies from psychology and statistics. And these measurable results are realized not in years, but within 12 months of implementation -- often with 100 percent payback occurring within three months.

The Power to Know process was created after a decade of listening to clients and speaking with their customers. It can be distilled into three phases:

- *Discovery: Their Perception, Your Reality*
- *Direction: Diagnosis and Development*
- *Actualization: Insight Becomes Action*

This three-phase process provides individuals with the ability to change their perception of clients and, more importantly, the way they interact with clients. By having the good, the bad and the ugly outlined succinctly, the person directly responsible for maintaining the client relationship accomplishes a remarkable thing. He or she focuses on the things that really matter in the client relationship. Once client-defined

matters are uncovered, the likelihood of additional sales leaps by 450 percent. And because most providers waste time, energy and money performing for all clients tasks that often matter to just a few, the process enables the person to become even more proactive and to add more value.

"HOW" IS AS IMPORTANT AS "WHAT."

Participants in "The Power to Know" process are taught to develop specific strategies for accomplishing client-defined objectives. Achieving loyalty is less about fixing a problem and more about changing behavior and developing new strategies. These strategies provide a practical demonstration of your intent to deliver much more than lip service. They demonstrate that you have indeed listened, you truly understand their individual needs, and you will do whatever is necessary to meet those needs. Responding to client-defined preferences is the only way to earn credibility and ultimately, loyalty. Ignore them and perish.

People change. Needs change. Perceptions change. The fact is, no organization is capable of the one-to-one dialogue necessary to respond to a customer's ever-changing world. Only individuals are. Power to the people.

More information about The Penny Group's patented approach is available on the web at <http://www.thepennygroup.com> or by calling The Penny Group at (704)372-1400.