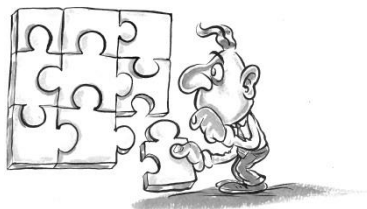


Searching FOR Customers

The art of finding, obtaining and retaining customers

A strategy framework for small businesses



“In our constant search for knowledge and understanding we need to rationally sift through and remove the complexities of the influences that surround us, to enable us to reveal the answers that will naturally prevail through the simplicity of our own self-induced wisdom.”

Iain Johnston

[Searching FOR Customers](#) is a series of programmes designed to help business owners and managers to effectively

- Put together a strategic plan or intervention
- Develop and follow an implementation and action plan to find, obtain and retain customers
- Measure and understand the attitudes, mind-sets and engagement of people within their organisations
- Understand the crucial role of junior and middle management in managing the three key influences that impacts all businesses
- Assist you through both on-line and off-line Consulting and Coaching of the [Searching FOR Customers](#) programmes

This strategic framework module and the follow on implementation framework modules are by no means a complete solution, they are, like everything else in your business, building blocks of ideas and processes that can and will be enhanced with additional and specific skills development, to improve your overall business effectiveness.

The term customer in context of the [Searching FOR Customers](#) series is : a person or persons who are both external to your business,(the convention understanding of a customer), as well as internal to your business (the people or employees in your business). Your business does not consist of a series of individuals who work independently of one another, but rather individuals who work together in teams, areas or divisions towards achieving the businesses common goals or objectives.

This team work and co-operation means that interdependence (the we as opposed to I) is the key to successfully achieving your goals and this interdependence and reliance on each other is what creates your 'internal' customer who need to be treated in the same way as you would an external customer, which is to obtain and then retain them.

It is important for you to understand the function and the goals of your business.

The function of your business is to obtain and retain customers, and the goal of your business is to make a profit.

The series of programmes of [Searching FOR Customers](#) (finding, obtaining and retaining) is designed to meet the desired effect of the function of your business as well as sustainable growth, through an expanding base of retained loyal customers. The two main programmes are the strategic framework, which is followed by the implementation framework.

[Background information](#)

This process is designed to be simple, yet effective. Very often planning is made too complicated and far too many actions are determined. Day to day activities and demands overshadow the strategy or planning document and things just never get done. The foundation and principle of the programmes is best explained in this quote from the Greek Philosopher Socrates who said;

"I cannot teach anybody anything – I can only make them think"

Socrates believed as a philosopher, his task was to provoke people into becoming aware of what they already knew, instead of teaching people new things. He was an arguer and questioner who went about challenging peoples pretensions to expertise and challenging their beliefs. Through this method he believed that understanding ourselves, the true intelligence within us lay.

Alongside this he also believed that the approach of philosophical inquiry, involving questioning people in the positions they asserted, and working them through further questions into seemingly inevitable contradictions, proved to them that their original assertion had inconsistencies. This 'Socratic method' gave rise to dialect, the idea that truth needs to be approached by modifying ones position through questioning and exposures to contrary ideas.

The answers, he believed, are inherently in our minds, which will be unlocked through the mechanism of constantly questioning and exploring our own creativity as you go through the [Searching FOR Customers](#) methodology and use your talents and mental ability to present the answers that already exist within.

Business development, be it a strategy of some kind, or the execution or implementation of a plan of action, it does not have to be complicated, in fact the "Keep it simple" or what we refer to as "Keeping in step" is more effective. The objective of any strategy is to deliver an action plan of activities and initiatives that are effective in delivering the objectives or goals you have set. Effectiveness is achieved when you ensure that everything you do is measurable and you are consistent in the way you think and the actions you take. Thus the equation that underpins this business strategy programme, is your constant guide throughout the process which is:

$$E = MC^2$$

$$\text{EFFECTIVENESS} = \text{MEASUREMENT} \times \text{CONSISTENCY}^2$$

Measurement is the mechanism by which you compare where you are, against the direction or destination that has been defined in your strategy and planning process.

Consistency is exemplified by what we call the 1% rule, “doing the small things extraordinary well all the time”. This you will see in the business methodology, is the ability to take each process, action or step in the journey and look to improve it by 1% through better focus, measurement, awareness and understanding of the desired end effect.

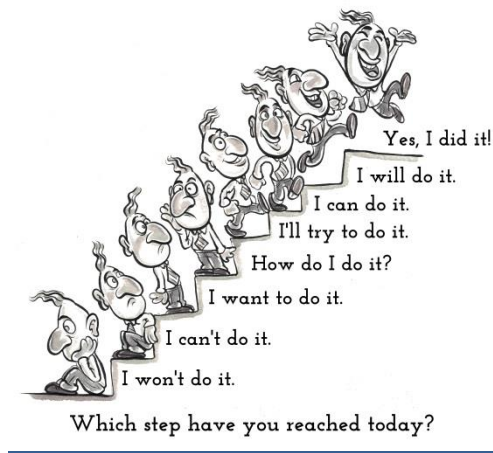
A principle that is referred to in this programme is the law of cause and effect. It is the inevitable process that is the thread throughout this strategic framework methodology, each step being a cause, step or action that results in the ultimate effect or desired result.

The universal law of *cause and effect* states that for every **effect** there is a definite **cause**. So if you decide on a desired effect, such as to run a marathon, the causes or actions required are regular and specific training and personal development that will allow you to achieve your desired effect, which is to run the marathon.

The law of cause and effect relates to your thoughts as well. Your thoughts express themselves through your behaviors and actions which create specific **effects** that in turn manifest and create your life. Negative thoughts will create negative behaviors; similarly, positive thoughts will create positive behaviors.

If you are not happy with the **effects or the results you are getting in your business**, then you must change the **causes or actions** that created them in the first place... which is the essence of what “The Fixer” program is about, offering guide lines, rules, ideas and processes to assist you in managing the causes.

The desired effect of this programme is for you to have a final action list of three or four things that you can begin to work on. The essence of this process is to do the small things extraordinary well all the time and remember that consistency is the key to achieving your objectives.



The attitude steps

The attitude steps is a diagram from my book “The Fixer – Managing in the middle”, which refers to four questions we need to ask ourselves each day. These questions become your measurement and the answers you give become your guidance and direction.

The questions are

- What have I learnt today?
- What have I taught someone today?
- In terms of my attitude and approach to my business what step (in the diagram above) am I on? (and your team if applicable)
- To “Keep in touch” what do I need to do to get to the next step?

Effectiveness, measurement and management are part of this process and are discussed as part of the eight step framework.

This programme is a structured business strategic methodology, with practice, rules and entrepreneurial lessons to help small business owners to improve revenue, profitability and effectiveness. The Strategic framework takes you through a systematic “*keeping in step*” process flow to assist you in developing your own business strategy and implementation or execution plan. This [Searching FOR Customers](#) eight step strategic framework is an example of the process of the law of cause and effect.

The eight step framework

The first step

Your **location** which is the foundation and starting point which **sets up**

The second step

Your **destination**, the direction of where you want your business to go which is **guided by**

The third step

The **duration**, the time frame you set to reach your destination and goals this is **influenced by**

The fourth step

Your **passengers**, the customers who decide to buy from you that in turn are **motivated by**

The fifth step

Their **behaviour**, the attitude and perceptions of your business, which you must understand in order to **affect**

The sixth step

To change their **mind-set** to embrace the perceived value you can add to their business that will ensure that you **effectively manage**

The seventh step

The **journey**, the execution of the activities that is necessary for you to achieve your desired effects which will be made possible through correct **measurement of**

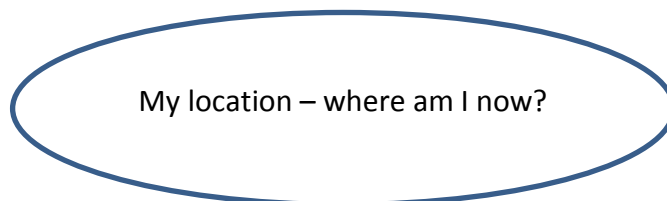
The eighth step

The **milestones** which are the stepping stones that measure your activities in your journey of **"Searching FOR Customers"**

FIRST STEP

Your location – foundation and starting point

TIP: An effective way to record your thoughts is by using a simple mind map. Get an A3 piece of paper and write the words “My Location” in the centre of the page and let your ideas flow from there.



Before you decide where it is you would like to go, or what it is you want to achieve or become in your business, you need to understand and question a few things regarding where your business is at this particular moment. The objective in this first stage in the process is to take a moment to think about your business. Like your financial balance sheet that records the financial status of your business at a particular (your financial year end) point of time, this first step in building a plan or a strategic framework that is designed to enable you to put down the facts of the present situation of your business. It is important to commit to paper as much factual information as possible.

Tip: Please do not look for solutions and new ideas in this first step, just record information.

To assist you in beginning your thought process, look at the following chart.

The table below shows five business scenarios. Which **one of the following areas of your business do you think is the possible reason why you either have not reached your full business potential OR is the area of your business you need/like to focus on in order to achieve your objectives**. (The explanations of which are listed below the table). There may be more than one that applies to you at this time, but just focus on the one you think is most important and you wish to focus on at this stage.

Chart 1

Business Scenario	Action and solution focus areas		
A Decline in sales Revenue			
B There is a decline in your Organisational effectiveness			
C Decline in customer retention, as a business you are not retaining your customers			
D Not focusing on the right business target markets			
E Not focused on your correct products or services			

Explanation of the five business scenarios

- A. **Decline in revenue.** You are experiencing a decline in business revenue and or profits. The reasons you have not achieved your budgets is due to the fact that you are experiencing a decline in sales, or they are very erratic every month, you don't have enough customers, or you need to increase revenue and profits as part of your new growth objectives.
- B. **Decline in organisational effectiveness.** You are experiencing a decline (in general or in specific areas of your business) of performance and productivity which you believe may be the reason why your business is not doing as well as you would like, or could be the reason preventing new and sustainable growth development. It could be sales performance, customer service delivery, logistics or operational areas within your business.
- C. **Decline in customer retention.** As a business you may find that you constantly have to find new customers as you are not able to retain customers, or customer retention may be part of your new strategy for your business. There are four types of customer. Prospective customer (someone you would like to do business with), a customer (someone who has bought your products or services), a loyal customer (a customer who continues to buy your products or services) and a former customer (a customer who, for whatever reason, no longer buys your products or services)
- D. **Not focusing on the right business direction or prospective customer target market.** You feel that the reason why you are not being as successful in your business as you would want is because you believe that you have or may not be focusing on the right customer target areas.
- E. **Not focusing on the right product, service and value offerings.** You may have a number of products or services and you perhaps feel you don't have a clear plan and direction for these products and services, or you don't have the right focus for each particular customer type or category. It may also be that your customers don't see the perceived value of your services. (This is dealt with in more detail in step 5)

Using the business scenario you have chosen as your reference, begin by writing down what is NOT working in each area of your business.

For example if you chose "A decline in customer retention" as the reason your business is not where you would like it to be, you need to write down all the things you believe are not working in your business that may be the cause or influence as to why you have this decline in customer retention. The reasons could be:

Ineffective sales team

Staff productivity

Ineffective sales processes

No relationship management programme in place

The perceived value of your products and services by your customers

No planning or preparation

Etc.

Summary and key points

In this step the key information you want to record are;

1. Where are you now in your business?
2. What scenario A, B, C, D or E more accurately describes where you are right now?
Example: You are experiencing a decline in customer retention
3. What do you believe the reasons are?
 - a. What do you believe is not working?
 - b. What is working, what are you doing well?
4. Which of the 4 key business drivers is the most important at this time?
5. Record as much information in point form, or a few sentences about the state of your business at this stage. This could include

- a. Financial situation
- b. Supplier issues
- c. Logistics, operational, IT issues or challenges
- d. Employee concerns
- e. Any general business issues or challenges – just write it on your mind map, the order is not important at this time, just commit your thoughts to paper.

Keep it simple, be as specific as you can, and be honest with yourself. Its only when you start to commit your thoughts to paper that things start to take shape. Remember **DO NOT** look for solutions or ideas at this stage, as tempting as it may seem. THE SOLUTIONS AND ACTIONS WILL FORM PART OF STEPS SEVEN AND EIGHT

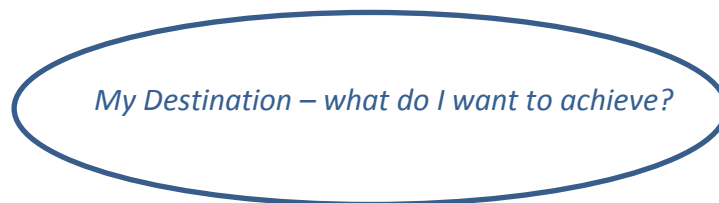
Your location is the foundation and starting point which determines the next step.

SECOND STEP

Your destination – the direction you want your business to go

You need to clearly define and articulate what it is you want to achieve, what is your desired effect? There will be more than one, begin with the big ones, your big hairy audacious goals and work from there. You want to list all the things you want to achieve. Describe in business terms what this landscape is that you want for your business. What revenue turnover and profit you want, new products or services you want to launch? Think of every aspect of your business and write down the things you would like to see in place.

Begin a separate mind map, the centre of the page being



From there your diagram now expands to include;

- a. The business situation you are presently in, that you feel best fits your present business scenario that you choose in the first step.
- b. From the first step, what were the things that were **not** working in your business? Recap by making a note of them on your mind map document. For each of these business issues that were not working, change them into a positive statement to now reflect something you would like to achieve. In addition make a note of any other things you would like to achieve for your business that may not have been included in your "not working" list.

Let's continue with the example from the first step. One of the things you felt was not working was that you were not retaining customers and felt that you were not paying enough attention to customers after the sale, you had no relationship management system in place to measure and manage the expectations of your customers. So reverse this into a positive statement by saying..... *"One of the things we want to achieve is to put in place a simple relationship management programme and to find a supporting relationship management training programme to educate and develop people's customer service skills."*

- c. Repeat this process with each of the statements you wrote down that were not working in your business

Remember: DO NOT look for solutions at this stage. Select what you want to focus on given your present business situation NOT on actions you want to take.

TIP: Remember it's important to concentrate on one business scenario only and not to try and dilute your energy by trying to do a few of them. You can always come back and address any one of the others at any time using this process.

Summary and key points

1. You have confirmed the business scenario that your business is at this stage.
2. You have made a list of the things (from the first step) that are not working in your business and have made a positive statement from them of what it is you want to achieve from these business areas.
3. List any other desired effects you want to achieve for your business.
4. Prioritise the list and focus on the specific areas that relate to the selected business scenario.
5. The intention is to have 4 things that will become your focus. This process can be repeated at any time to address other business concerns and challenges.

Your destination, the direction of where you want your business to go is

Controlled by

THE THIRD STEP

The duration – the time frame to achieve your goals and objectives
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Ralph Waldo Emerson once said “Very little is achieved without enthusiasm” and in setting goals and objectives as you have done in the second step, the enthusiasm and sense of urgency is created when you commit to time lines in which to achieve these objectives.

Eckhart Tolle in his book “A New Earth” says “Enthusiasm means there is a deep enjoyment in what you are doing PLUS the added element of a goal or vision that you work towards. He goes on to say that when you want to arrive at the your goal more than you want to be doing what you are doing, you become stressed”

As far as time it concerned, do not become so engrossed and impatient of achieving each of your objectives or desired effect, that you lose sight of the individual actions or causes that are critical to achieving your success. These causes are like stepping stones across a river, you have to take them one at a time and not try and leap over two of them in your single minded effort to reach the other side.

Through measurement you are always able to review and re assess these timelines but have the discipline to question yourself on why you have not kept to your deadlines or milestones (which we discuss in more detail in the eighth step)

Following on from the example used in the first two steps

You are experiencing a decline in customer retention

“One of the things we want to achieve is to put in place a simple relationship management programme and to find a supporting relationship management training programme to educate and develop people’s customer service skills.”

I would like to have this relationship management programme in place by the end of

Summary and key points

The key to successfully achieving your goals and objectives is in focusing on the action steps and do the small things extraordinary well all the time. As an entrepreneur, your role is to understand the strategy that is going to take you to your destination, and then set up the systems and the people who are the experts in their field to help you.

For each goal or objective you have set in the second step, what reasonable time frame can you set to reach this destination? As you begin the journey, there will be obstacles and challenges to overcome, which may adjust the timeframes, but at this stage in the process, given the information you have now, set yourself a timeframe as a target.

Through your diligent measurement you will be able to make the necessary adjustments.

The duration, the time frame you set to reach your destination and goals, which in turn is influenced by

FOURTH STEP

Your passengers – the customers who you wish buys your products and services
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The measure of the success of your business will be determined by your ability to find, obtain and retain customers, your passengers that become part of your journey.

The most critical driver of sustainable growth in your business is an expanding base of **loyal customers** – achieved only when your company brand (self-image) experience exceeds your brand promise – delivered through your people.

During the life cycle of your business you will experience four types of customers.

- Prospective customers - which is the subject of this chapter
- Customers – once that have bought your products or services they move from prospective to being a customer
- A loyal customer – which is the function of your business, to obtain and retain customers
- Former customer – when you are no longer able to sustain the value to your customers in either service excellence or from your products or services, your customers will leave you, and a former customer is very difficult to bring back.

So when deciding on who you would like to do business with, you must think of this customer cycle and ask yourself two questions

- What would it take for a prospective customer to leave their present service provider and come to your business?
- Once the prospective customer buys your products or services, what will ensure that they will continue to buy from you and become a loyal customer?

In this chapter, it's all about identifying who it is you would like to do business with. It is not enough to say, I want to do business in a particular industry, for example the financial institutions, it requires you to be more specific.

So it cascades down as follows:

- Geographical area
- Industry
- Organisation name
- Department or division within the organisation you want to do business with
- Person who you will need to engage with
- Their telephone or E mail address

People deal with people, and until you have all this information you cannot do business with this organisation. You need to be very clear as to who you want to do business with. The moment this is clear in your mind, you will automatically begin the process of what I call 'tracking' these prospective customers.

Remember the law of cause and effect? The effect is the specific prospective customer you want to do business with, the causes or actions are the steps explained above. You see at some point the first action will be to pick up the phone, send an E mail or engage in some form of marketing or social media activity to begin the cycle of customer engagement, what we refer to as *Searching FOR Customers*.

DO NOT look at how you are going to contact them, what sales initiatives you need, or any marketing ideas to attract these prospective customers. That will be dealt with in the seventh step.

So begin to put your lists together

- Where are your prospective customers (Geographical location)?
- Why have you decided on them specifically? Why do you think they are a prospective customer?
 - Industry?
 - Organisation name?
 - Department or division within the organisation you want to do business with?
 - Person who you will need to engage with? (The responsible person or decision maker) If you don't know this you will need to do some research to get this information
 - Their telephone or E mail address?

The example from the first three steps

You are experiencing a decline in customer retention

"One of the things we want to achieve is to put in place a simple relationship management programme and to find a supporting relationship management training programme to educate and develop people's customer service skills."

I would like to have this relationship management programme in place by the end of

I want to have this relationship management programme in place with the following existing customers to ensure we have a good retention plan in place to ensure that they continue to purchase from us. These customers are.....

Summary and key points

This may seem a very mundane and obvious step, but by writing down this detail and understanding that the success of your business depends on your ability to follow the process, the law of cause and effect, be clear as to which of the three areas you want to grow your business, and in which part of the cycle do they fall: finding, obtaining or retaining?

Your passengers, the customers who's decision to buy your products and services is affected by

FIFTH STEP

Behaviour – the attitude and perceptions they presently have of your business

In this fifth step, what we are trying to understand is what attitudes prevail in the minds of the prospective or existing customers. In other words what do they think and feel about you, your products or services and your company?

You may not know this, or you may have some inclination or idea based on your experiences, discussions or understanding through third party sources.

So in order to do business with the customers you have identified in the fourth step, you need to try and understand and write down an attitude statement for any person, including this prospective customer, of any person or group of people who can impact in any way on this journey you are about to embark on.

For instance the customer may not know of all the services or products you sell, and does not think your customer service is very good, so the attitude statement of this prospective customer might be:

“We buy from John Smith but I don’t really know all the products or services he has and so I am not sure what additional value he can add, and therefore don’t see the need to continue to buy from him”

Now in writing this short attitude statement, there are some key factors that are important.

You and your business are known to this prospective customer but not necessarily all the products and services you supply. As a consequence, the most important thing to this prospective customer is recognizing the value your products or services can add to their business. The final piece of the attitude statement is the feeling that there is, therefore no need to continue to do business with you, which impacts your ability to now get this customer to purchase more frequently from you and to be able to develop a good relationship management programme with their business.

NOTE; do not look for a solutions or ideas as to what you have to do to address this attitude statement. This will be discussed in the seventh step. For now think of any person, or persons, who would be involved or may have influence over your journey with this prospective customer. They could be your supplier, the prospective customers HR, IT or Finance department, a third party or even people within your own business who you will rely on to either sell, install, deliver customer service, or manage the customer process.

If you only have this one attitude statement, that’s fine it allows you to begin the process and move to the next and important sixth step. You can develop and build these attitude statements as you go along in your engagement with these customers.

The steps thus far:

Your location – where you are now

You are experiencing a decline in customer retention

Your destination – what you want to achieve

“One of the things we want to achieve is to put in place a simple relationship management programme and to find a supporting relationship management training programme to educate and develop people’s customer service skills.”

Your duration – the time to achieve this objective

I would like to have this relationship management programme in place by the end of

The passengers – who do you do business with, want to do the business with, who are the customers you want to buy your products and services?

I want to have this relationship management programme in place with the following existing customers to ensure we have a good retention plan in place to ensure that they continue to purchase from us. These customers are.....

The behaviour – what do they think and feel about you?

“We buy from John Smith but I don’t really know all the products or services he has and so I am not sure what additional value he can add, and therefore don’t see the need to continue to buy from him”

Their behaviour, the attitude and perceptions they presently have of your business, which in response to your actions, will change their.....

SIXTH STEP

Mind-set – to embrace the perceived value you can add to their business

In the fifth step, you wrote down attitude statements of what you thought, or know of your prospective customers, your existing customers, as well as any people who you felt could or would influence your ability to do business.

Knowing how people think and feel is the first step in understanding the journey to obtaining and retaining customers. From the fifth step, this is the example we use

“We buy from John Smith but I don’t really know all the products or services he has and so I am not sure what additional value he can add, and therefore don’t see the need to continue to buy from him”

As we know the function of your business is to obtain and retain customers and clearly from the attitude of this customer, retaining them as a customer will be difficult given this present attitude or perhaps perception he has.

So the question is what will you need to do for them to become loyal customers in your business? What will you need them to think and feel in order for this to happen? This will define what it is that will make them become a loyal customer.

In order to understand this you need to write an attitude statement of what you WOULD LIKE them to think and feel. Imagine that you have been to see this prospective customer and after leaving their office, what would you now like them to think and feel?

“Having met with John Smith, I did not realise the extent of the products and services and think he has a very interesting range of products, some of which I believe could add value to my business, because John seems to understand the needs in my business very well”

Quite a contrasting statement from his initial attitude statement and highlights that he now realises that you have an interesting range of products, which could add value to him and a very important statement regarding your understanding of his needs.

The important point here is that by writing down these two ‘before and after’ attitude statements, the question now remains is what do you need to do to move this prospective customer from his initial attitude to this one?

NOTE: Each piece of the attitude statement will translate into an action, a thing to do, or a process you need to adopt when going to see the client i.e., understand needs, value not benefits, building trust, putting relationship (function) before goals (profit)

The steps continued.....

Your location – where you are now

You are experiencing a decline in customer retention

Your destination – what you want to achieve

“One of the things we want to achieve is to put in place a simple relationship management programme and to find a supporting relationship management training programme to educate and develop people’s customer service skills.”

Your duration – the time to achieve this objective

I would like to have this relationship management programme in place by the end of

The passengers – who do you want to do the business with?

I want to have this relationship management programme in place with the following existing customers to ensure we have a good retention plan in place to ensure that they continue to purchase from us. These customers are.....

The behaviour – what do they think and feel about you?

“We buy from John Smith but I don’t really know all the products or services he has and so I am not sure what additional value he can add, and therefore don’t see the need to continue to buy from him”

The mind-set – what you really want the customer to think and feel

“Having met with John Smith, I did not realise the extent of the products and services and think he has a very interesting range of products, some of which I believe could add value to my business, because John seems to understand the needs in my business very well”

Their mind-set to embrace the perceived value you can add to their business that will ensure you effectively manage.....

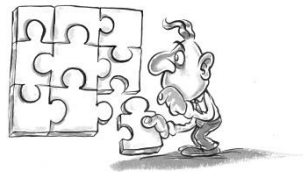
SEVENTH STEP

The journey – the activities required for you to arrive at your destination

The Journey: the actions and steps you need to take to achieve the objective that you set, within the time frames you have determined, from the customers whom you want to buy your products and to overcome the present behaviour and ensure the mind-set of these customers changes, which will result in long term business relationships and increase in the frequency of the purchasing by these customers.

In step one you identified the business scenario that best depicted your present situation. Listed below there are six focus areas that, when combined into the respective business scenarios, will address each scenario.

Structure – The execution:



In order to achieve your objectives you need to have a clear execution plan and to be able to prioritize what has to be done and the order in which things need to be done. Each piece is part of the picture, the priority to build the framework that defines the picture.

Direction



What is your target audience or market? This critical process is the foundation to achieving your objectives within the framework of the key business drivers. Depending on whether you are looking for new customers, building value with existing customers or developing relationship management initiatives with loyal customers, you need to be focusing on the right audience. Direction deals with the detail of whom, what and where

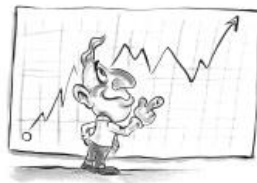
Service offering



What product and or service do you offer and more importantly what value do you give in context with the key business drivers? The WHY, HOW & WHAT. This link take you to Simon Sinik video clip that puts into context the concept of value and the importance of positioning why you do what you do, how you do it and what it is you do. This is quite different from the traditional way we do things, which is normally the reverse of this by telling people what we do, how we do it and then the why, which is the benefits of the services and products we offer <https://www.youtube.com/watch?v=sioZd3AxmE>

Are you focusing on the right products or services, if you have more than one service offering, which ones are the right ones to focus on? This may be linked to profitability, market conditions, competitor activity, customer demands, seasonal changes etc.

Sales/business formula – The law of cause and effect



Business revenue generation is an equation. The right hand side of the equation is the result (the effect) or revenue you require for your business to be successful, and the left side of the equation are the things (causes or actions) you need to do in order achieve the desired effect. This formula is an important process to follow. Much like a sales pipeline process, understanding this formula will allow you to identify possible areas within your business processes that are preventing or restricting progress. As we have discussed in this methodology, the effect or desired outcome you have selected in the second step needs to have corresponding actions or causes on the left hand side of the equation.

Effectiveness:



How effective are you and/or your team in getting things done, how productive are they in doing the things they need to do to produce the desired results. Getting this right will determine your ability to obtain customers.

Engagement:



With regards to engagement, if you have a small business with a few employees, engagement may not be a key focus area for you. However remember that the greatest source of inefficiency for most organizations, whether it is with your own employees or your customers, lies in working relationships. So your engagement with your customers is just as important, and the same principles of employee engagement apply.

When processes are not working, everyone sits up and takes notice but when relationships are not working, they are somehow seen as interfering with work. Relationships are every bit as much a part of work as processes are, and also needs to be engineered and tweaked. Engaged staff leads to better productivity and effectiveness.






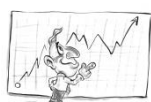









We spend lots of money supporting IT, preventing computer breakdowns and under-performance. How much is spent supporting people, preventing their under-performance? Good leadership and engaged employees positively affects your bottom line.

What is the level of engagement of you and your people? Who is performing and who is not? This is critical in determining your ability to retain customers.

As discussed in the fifth step, knowing what people think and feel provides you with a clear understanding of what needs to be done to change their mind-set in terms of what you want them to think and feel.

THE BUSINESS MATRIX.

The matrix of solutions, actions or focus areas that correspond to the five business scenarios of why you have not either reached your full business potential OR the area of your business you need/like to focus on in order to influence one of the four business drivers.

Business scenario	Searching FOR Customers focus areas		
Decline in sales Revenue	Customer structure - Focus on the right mix of customers 	Effectiveness - your productivity Doing the right things 	Business direction - The target audience 
Decline in organisational effectiveness	Engagement -Your performance and people engagement 	Effectiveness - Your productivity, Doing the right things 	Sales formula equation of the effect versus the causes or actions 
Decline in customer retention You have a growing number of former customers	Customer structure - Focus on the right mix of customers 	Service offering - The value you add 	Effectiveness – Your productivity doing the right things 
Not focusing in the right business target market	Business direction - The right target market 	Service offering - The value you add 	Engagement - Your performance and people engagement 
Not focused on the correct product or services	Service offering - The value you add 	Business direction 'The target audience' 	Engagement –Your performance and people engagement 

In the example we have used you will see that corresponding to a decline, in customer retention, the three actions or solutions to addressing this business scenario are:

Structure – The execution. This means you need to prioritise and focus on key specific activities, specifically prioritise on developing a relationship management programme that you can implement with your customers.

Service offering - The value you add. You need to understand where the value lies in the services and or products you sell and which ones to focus on with each specific customer, taking into consideration their needs and expectations.

Effectiveness – Doing the right thing. This means that with every customer activity you need to manage and improve productivity. Are you or the people responsible for the customer interactions or management of operations or logistical being productive in what they are doing?

So what are the three things you can do, what actions you can take in each of these three areas.

1. *Structure – the execution* – Each customer will be different so the first thing you need to do is evaluate each customer you have identified in the fourth step. Then rate your relationship with them on a scale of 1 to 10. 1 being poor and 10 being excellent. What do you need to do to improve this score? Is it
 - a. Better understanding of their business and their needs?
 - b. More structured approach to your business development using a relationship management structured programme?
2. *Service offering* – the value you add. The why, how and what of your business. Understand the customers' business from a point of value your product adds to his or her business from their perspective.
3. *Effectiveness* – Evaluate you and your team's productivity and effectiveness, do a short assessment of your activities and see where you are able to improve, where and how you are spending your time. Apply the 1% rule. Map out the process you presently have with your customer engagement. How do you interact with each of these customers and which of these areas can you improve?

In summary the strategy methodology example is thus.....

Your location – where you are now

You are experiencing a decline in customer retention

Your destination – what you want to achieve

“One of the things we want to achieve is to put in place a simple relationship management programme and to find a supporting relationship management training programme to educate and develop people's customer service skills.”

Your duration – the time to achieve this objective

I would like to have this relationship management programme in place by the end of

The passengers – who do you want to do the business with?

I want to have this relationship management programme in place with the following existing customers to ensure we have a good retention plan in place to ensure that they continue to purchase from us. These customers are.....

The behaviour – what do they think and feel about you?

“We buy from John Smith but I don’t really know all the products or services he has and so I am not sure what additional value he can add, and therefore don’t see the need to continue to buy from him”

The mind-set – what you really want the customer to think and feel?

“Having met with John Smith, I did not realise the extent of the products and services and think he has a very interesting range of products, some of which I believe could add value to my business, because John seems to understand the needs in my business very well”

The Journey – what actions to take

Rate the relationship of each customer, identify and understand their needs, assess the value we add to each customer, prioritise our key focus areas and develop a relationship management programme that we can implement with each customer which will let us understand the value we can add to each customer as well as to enable us to evaluate productivity within my business.

The journey which is a series of activities, events and processes that are necessary for you to arrive at your destination and achieve your desired effects which will be possible through correct measurement of.....

EIGHTH STEP

The milestones – the stepping stones that measure your activities on your journey

In this final step, the importance of measuring your progress cannot be over emphasised. If you don't measure it you can't manage it. Lack of measurement is one of the key failures of executing or implementing a business strategy or plan.

The four measurement questions are:

What do you WANT to measure? What information is this measurement going to give you?

WHY do you want to measure this? Check list of what your present situation is, what is it you want to achieve? What time lines have you set? What are the actions that will ensure you achieve the objective?

What do you NEED to measure? What is going to be the most important information you need, or is what you are measuring just nice to have?

What are you GOING TO DO with the information? Remember with measurement comes management, if you don't do anything with the information you have received, you may be efficient in the way you measure but not effective (productive) by doing the right things.

So with each action, activity, initiative or process, ask yourself the four questions and if you cannot come to clear understanding of the measurement criteria, don't measure it.

The eighth step is the milestones that mark out your activities in your journey of [Searching FOR Customers](#)

Summary of the business strategy methodology

Remember the success is doing the small things extraordinary well all the time.

$$E = MC^2$$

$$\text{Effectiveness} = \text{Measurement} \times \text{Consistency}$$

Think.

Don't make thinks over complicated – decide on four things to focus on from your lists of actions

Feel.

Don't be overwhelmed by the feeling of having too much to do or worrying about your business situation. The best way to manage anything is by applying the 1% rule. Take each action or activity and break it up into small pieces and then look to improving each piece by 1%

Do.

Make sure you measure. By measuring each step you can keep moving in the right direction.

Your summary lists:

The first step

- List the 4 things that are not working in your business
- What business scenario did you choose?

The second step

- List 4 things (your destination) you want to achieve and where do they fit in with regards to;
- How you want to grow your business, what option have you chosen
 - Increase number of customers
 - Increase the value of the purchase
 - Increase the frequency of the purchase

The third step

- What time frame have you set for the achievement of these objectives?

The fourth step

- Who are your prospective passengers, the customers from whom you want to get the business from?
- List 5 prospective passengers, names, companies, positions, locations, industry etc.

The fifth step

- In summary what are the present attitudes or behaviours of these prospective customers, the passengers who are going to be on this journey with you?
- Write a statement that reflects their attitude (or you perception of their attitude)

The sixth step

- Their mind-set – what does it need to be in order for them to want to buy your products and services and to keep them as customers?
- Write down a positive statement you would want one of these prospective customers to say about you, your products and your business

The seventh step

- What are the 4 things you need to do to reach your destination? What are the 4 things you need to do to change a mind-set and get the passenger to buy your product or service?

The eighth step

- What do you need to measure, what milestones are there going to be to mark out your progress. Measurement allows you to check your direction and alter course if you have strayed off line
- List the 4 things you need and have to measure to ensure you stay on track

For example.....

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The Journey – what actions to take

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The milestones – the measurement of the action steps you have taken

“The first thing we are going to measure is the process of rating our customers and listing our understanding of their needs which needs to be completed by..... (Date) and then to have identified key focus areas by customer to address by (Date) and finally based on this information decide on a relationship management programme by (Date)”

The four areas covered in the eight steps are

Preparation + Planning which determines where you are now and where it is you wish to go (*The first to fourth steps*)

Understanding, what people think and feel – the ability to understand behaviour and your business environment (*The fifth and sixth steps*)

Execution + Implementation, the ability to transfer thoughts and theory into action (*The seventh step*)

Measurement + Management – The key ingredient to managing execution without unnecessary and undisciplined deviation (*The eighth step*)

Remember that the success of your business will depend on your understanding of the four key business drivers around which your and everyone's business revolves around

These areas are;

Key business drivers
Increase revenue. Every business or organisation needs to grow revenue
Increase profitability. Increasing revenue needs to be supported by increased profitability
Improve organisational effectiveness. All businesses or organisations need to continually improve their effectiveness, efficiencies and/or productivity
Decrease or manage expenses. Growth and profits need to be balanced with managed expenses and the drive to decrease any unnecessary costs and expenses. If you don't control the expenses in your business, then it will not matter how much profit you make, at some point in your businesses cycle, this lack of discipline and management will adversely affect you, especially if you are faced with uncertainty and challenging economic times.

Thank you for your business, it is most sincerely appreciated

Iain Johnston

For more detailed implementation techniques and systems refer to

Searching FOR Customers – implementation framework

www.searchingforcustomers.com or contact iain@ijc.co.za for more in-depth information, assistance and consultation on the eight strategic steps to developing your strategy or plan