



“Searching FOR Customers”

Implementation framework for finding, obtaining and retaining customers.

Introduction

The following short verse is an extract from my book “The Fixer” and is called “The tale of the African Salesman” it is a simple message that I feel best depicts the essence of searching for customers.

The Lion and the Gazelle

Every morning in Africa.....

A Gazelle wakes up and knows that today it must run faster than the Lion or it will be killed...

Every morning in Africa.....

A Lion wakes up and knows he must run faster than the Gazelle or he will go hungry and too may die....

So as the sun sets in Africa...

It does not matter whether you are a Gazelle or a Lion, because.....

When the sun comes up tomorrow

YOU HAD BETTER BE RUNNING!



This framework is by no means a final or complete solution, it is a framework and in each area of finding, obtaining and retaining, there is an infinite number of skills and development programmes available to further enhance and improve your all round proficiencies. I sincerely hope that you can identify with a few key words, phrases or ideas in this implementation framework that will lead to you researching and finding these additional resources. Please check our website www.searchingforcustomers.com for more information on our extensive range of sales development programmes.

The function of your business is to obtain and retain customers, and the goal of your business is to make a profit. The process of finding, obtaining and retaining customers is designed to meet the desired effect of sustainable growth in your business, through an expanding base of retained loyal customers.

The successful development of a base of loyal customers is achieved when the value experience that you add to your customer, exceeds their expectation, all of which is ultimately delivered by you and the people who work with you.

The value you add to your customer is measured with each step and level of engagement that your customer has with you and your business.

Framework components

The components of building business relationships:

The cycle of finding customers, obtaining customers and retaining customers is governed by a number of general business principles, rules and influencing factors which become your guide and reference to building your business. The first of which are four components to develop business relationships. They are;

- Building confidence or trust in you and your services, what you say and do is what they experience. Building confidence is a large part of the process of the customer engagement cycle of finding, obtaining and retaining customers.
- Understanding their needs is your ability to understand their business, their needs and expectations. This is the next important part of the process which sets the foundation for you to deliver service excellence. One of the keys to understanding needs and building trust is to just “listen”.
- Providing a solution that matches their needs and meets their expectations, NOT to satisfy your own personal financial objectives. If you have built confidence, understood their needs and matched it with your solution, it remains for you to manage the relationship cycle through...
- Correct measurement to ensure your ability to monitor the delivery of the solution, manage each step and confirm the customer’s expectations are being met.

If you fail to build confidence, understand needs, develop the correct solution and of course measure your actions and customers' expectations, your emphasis will not be in the right customer engagement areas and without a solid foundation your process of developing a base of loyal customers will be unstable.

Key business drivers

Following on from these relationship management components are the four key business drivers around which your customers and your business revolve.

Understanding these four key business drivers is the key to you being able to position your products and services offering against these business drivers. They are;

- *Increasing revenue.* Every business or organisation needs to grow revenue.
- *Increasing profitability.* Increasing revenue needs to be supported by increased profitability.
- *Improving organisational effectiveness.* All businesses or organisations need to continually improve their effectiveness, efficiencies and productivity.
- *Decreasing or managing 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.

Before you approach a prospective or existing customer, take time to review the value your products and services can offer customers in one or more of these business areas. Think about your business for a moment to understand the importance of these four areas. If someone knocked on your door to sell you their products or services and it did not address one of these areas, would you be interested?

The three ways you can grow your business [Searching FOR customers](#) are:

- By increasing your number of customers (Finding)
- By increasing the value of the purchase, commonly called up-selling (Obtaining)
- By increasing the frequency of the purchase, instead of buying once from you, get the customer to buy more regularly (Relationship management - Retaining)

Not all of these options may be applicable to your business at this point in time. Select one of these options and focus on improving this area of your business. Once you have succeeded in this, you can then focus on another one of the areas. It is important to choose one and focus your time and energy in that area.

[Searching FOR Customers](#) is a constant cycle, a revolving wheel of repetition in the process of finding customers, having them purchase your products and services, thus obtaining

customers, and through great relationship management, retaining them and building a base of loyal customers.

Law of Cause and Effect

The Socratic law of causality, attributed to the Greek Philosopher Socrates, the Law of Cause and Effect is the "Iron Law" of human destiny. It explains virtually everything that happens to you.

In essence the Law of Cause and Effect states that for every effect in your life, for any given desire or objective you wish to achieve, there are specific and definite causes, actions or steps that needs to be taken in order to achieve this effect.

From this simple process of making a cup of tea to the steps necessary to find a new customer, you have to follow a number of steps in order for you to finally get to drink the tea, or have the customer make the purchase.

So whatever you decide to choose in developing your business, you need to map out the steps you need to take to get from where you are now to where it is you have chosen to go.

Conversely, 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.

I have mentioned the importance of taking one particular business growth direction option and concentrating on that. The reason I think this is obvious, is because it gives you focus and lets you manage one area at a time. Now irrespective as to whether you choose to increase the number of customers, or to increase the value of the purchases, there will be a number of actions or steps you will be required to do, to achieve this goal of new customers or increased value.

Now take each of these steps that make up this journey you have decided to make, and apply the following two rules. These two key rules are from my book "The Fixer" Managing in the middle. They are;

The 1% Rule.

The 1% rule applies to the ability to take each of these steps and processes and improve it by 1% through better focus, measurement, awareness and understanding of the desired end effect.

Einstein once said "Problems are seldom solved with the same degree of intelligence that created them". Often when faced with finding a solution to a perceived insurmountable problem, we become so engrossed in the magnitude of the problem that we remain in the same "problem" mind-set. The 1% rule lets you move into a "solution" mind-set to allow you to now focus on the little things that may be causing your problem.

Equally so, as in the case of the law of cause and effect, when a desired effect has been identified we tend to stumble and procrastinate on the specific actions or causes that needs

to be engaged in order to achieve it, so by applying the 1% rule, you can address and focus each cause or action separately to solve the problem.

In both situations the 1% rule provides a valuable tool using a logical, simple and effective process for finding solutions and managing issues and challenges. The 1% rule simply says; Take the problem, issue or identified cause and break it into as many components as you possibly can and then focus on each component in turn with the intent of improving it by 1%.

This rule was used by the ancient Greeks when trying to solve mathematical problems, by breaking the sum or equation down into manageable parts and then solving each, thereby reaching the answer.

In your business, what is not working? What process in finding new customers, or if you are losing customers, do you think is not working. Take one of these processes and break it down into smaller processes or actions and just look to improve each step by 1%.

The simplicity of the 1% rule is often overlooked, why? Well perhaps because we think it is too simple for such a complex world such as ours and sometimes it's good to go back to the basics and keep it simple.

The 2° (degree) rule



This is a very simple rule which resulted from an experience I had when learning to fly an airplane.

While on a cross country training flight, I found myself off course due to the fact that I had set my compass incorrectly (by 2°) and had not correctly and consistently checked my position against my plotted direction marked on my map.

The result was that the initial 2° error initially set on my compass, resulted in me being off course after 30 minutes of flying. The lines marking the 360° of a compass, project outwards from the centre of the compass and at this point the angle between each of these degree lines is very small, but as the lines extend to the outer perimeter of the compass at the point, the angle is wider and more distinct.

If I had consistently checked my progress, I would have been able to detect that I was off course and simply correct it. That is the essence of the 2° rule. Constant measurement along your journey will allow you to make the small corrections needed to stay on course.

So what is it you need to measure? Well these four questions will guide you and to which you can always cross reference to what your objective is and where you are in relation to the implementation of these objectives.

[What do you want to measure?](#) What information is this measurement going to give you?

[Why do you want to measure this?](#) Answering this question will define for you why this information is necessary and is aligned to your objective and implementation plan.

[What do you need to measure?](#) What you want to measure and what you need to measure may be quite different. If you have planned the action steps for your implementation, and used the 1% rule to improve each step, what you need to measure will be clearer.

[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.

Now the equation that cements these rules and principles is my [Searching FOR Customers](#) version of Einstein's famous $E = MC^2$. This is;

$E = MC^2$ (Effectiveness = Measurement X Consistency²) where.....

Effectiveness means doing the right things (your productivity).

Measurement as mentioned above (and as discussed in the eighth step of the implementation framework programme) is a critical factor in constantly checking where you are against where you intended to go and,

Consistency refers to the way you behave which emanates from the way you think.

Effectiveness in the way you run your business, finding new business, obtaining customers and retaining your customers, will be largely determined by the way you measure each step of your journey, and your ability to be consistent in everything you do.

Consistency in the way we behave means "Doing the small things extraordinary well all the time", and consistency in the way that we think each day, will determine the attitudes we form and our resultant behaviour. Our ability to find, obtain and retain customers begins with the thoughts and mind-set we create each day. This is best illustrated in this quotation from Shakespeare's 'Hamlet' who said;

"There is nothing either good or bad, but thinking makes it so"

Our thoughts are formulated from our perception of good or bad, right or wrong and this becomes the seed from which our behaviour grows. Negative thoughts will create negative behaviors similarly; positive thoughts will create positive behaviors. Change the way you think and it will change the way you behave.

This is best illustrated by Dr Maxwell Maltz, author of the book Psycho Cybernetics, a plastic surgeon, author and researcher who spent many years developing an understanding of how the brain operates and why people reacted the way they did, what triggered their reactions and thoughts and what were the defining factors influencing how we behave.

He popularised a phrase ***self-image*** for certain processes within our subconscious mind and was the first researcher and author to explain how our self-image has complete control over our ability to achieve, or fail to achieve, any goal, or desired effect. Self-image he describes as a '*premise*' a base or a foundation upon which your entire personality, behaviour and even your circumstances are built.

The power of the mind and its ability to direct, guide and control any process is managed and dependent on two things;






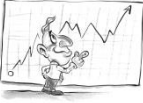









- A need to plant a clear goal or objective in your mind and,
- The alignment of this goal or objective to our own self-image.

Where is your business now?

In your business there will be two perspectives in which to look at where your business is at this stage of its development.




The first is from a perspective that your business is not doing very well, and the other is from a perspective that your business is doing well, but in order to continue to grow and develop, you will perhaps need to focus on a specific area of business development to take it to the next level.

The chart below shows the five business scenarios of these two perspectives (left hand column) each of which has three corresponding areas that your business needs to focus on in order to address these particular business scenarios.

| 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 As a business you are not retaining your 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  |

Let's look at each of these scenarios and their corresponding actions

Scenario 1



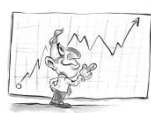
| Business scenario | Searching FOR Customers focus areas | | |
|--|---|---|--|
| Decline in sales Revenue (Finding) | Customer structure - Focus on the right mix of customers  | Effectiveness - Your productivity, doing the right things  | Business direction - The target audience  |

A decline in sales revenue: In this scenario, you may either have a decline in sales revenue, or it is a focus area for you in taking your business to the next level.

Whatever the reason, the area of the **Searching FOR Customers** cycle you will concentrate on is FINDING. The three specific things you need to focus on are:

- Customer structure – Focus on the right mix of customers. The market place in which you operate will consist of a wide range of industries, a diversity of companies, and a wide range of businesses over an extensive geographical area. So for this reason you will need to prioritise by having a very clear and definitive implementation plan for your business, be specific and detailed with regards to the type and mix of customers you want to concentrate on.
- Effectiveness – The productivity of the people in your business. Because you are defining very clearly the right mix of customers you want to deal with, you need to therefore ensure that you or the people in your business are very effective or productive. Apply the 1% and the 2° rules and measure time and effort against your results.
- Your business direction – The target audience for your products and services, will differ from the customer structure in that, with business direction you want to ensure you are focusing on the right market segments. Where are you likely to be most effective? What market segment is better suited to your products and services? Which market segment will derive the most value (in the areas of key business drivers) from your products or services? In other words is it government, retail, transport, logistics, information technology etc.? Give some thought to where you will be most effective and which market segment is the best option for your business.

Scenario 2

| | | | |
|---|--|---|--|
| <p>Decline in Organisational effectiveness</p> <p>(Obtaining)</p> | <p>Engagement - Your performance and people engagement</p>  | <p>Effectiveness - Your productivity, doing the right things</p>  | <p>Sales formula - Equation of the effect versus the causes or actions</p>  |
|---|--|---|--|

A decline in organisational effectiveness: Simply means that you are experiencing a decline in performance of individuals, groups, or teams in your business or it may even be your individual performance as the manager or owner of your business. The effect of this declining performance will have an impact on productivity and results. Should you experience this business scenario, or just want to improve this area of your business, you can concentrate on the “[Searching FOR Customers](#)” cycle, which is OBTAINING. The three specific actions are:

- Engagement – You and your people’s performance and engagement. It is important to be able to recognise why people are not performing and what specifically is affecting their performance. The same applies to the person or people who are performing well. Do you know why they are performing well? What are their circumstances or attitude that results in their better performance? On a scale of 1 to 10, how engaged (motivated) are you and your people?

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 your own employees or your customers, lies in working relationships. Your engagement with your customers is just as important as it is with your employees.

When processes aren’t working, everyone sits up and takes notice but when relationships aren’t working, they are somehow seen as interfering with work. Relationships are every bit as much a part of work as processes are and also need 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 on supporting people and preventing their

underperformance? 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. 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.

- Effectiveness – The productivity of the people in your business. Because you are defining very clearly the right mix of customers you want to deal with, you need to therefore ensure that you or the people in your business are very effective or productive. Apply the 1% and 2° rules and measure time and effort against your results.
- The sales 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 to 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. List each activity or action in the sales process that you need to do in order to achieve the sale

Scenario 3

| | | | |
|--|---|---|--|
| <p>Decline in customer retention</p> <p>You have a growing number of former customers</p> <p>(Retaining)</p> | <p>Customer structure - Focus on the right mix of customers</p>  | <p>Service offering - The value you add</p>  | <p>Effectiveness - Your productivity, doing the right things</p>  |
|--|---|---|--|

A decline in customer retention:




There are 4 types of customers

- 1st - Prospective Customer: Someone you would like to do business with
- 2nd – Customer: Someone who has now bought your products or services
- 3rd - Loyal Customer: Someone who continues to buy your products or services
- 4th - Former Customer: This is a customer who has stopped buying from you for whatever reason.

If you are experiencing a growing number of customers who have stopped buying your products or services, the three action areas you need to focus on are;

- Customer structure – Focus on the right mix of customers. The market place in which you operate will consist of a wide range of industries, a diversity of companies, and a wide range of businesses over an extensive geographical area. For this reason you will need to prioritise by having a very clear and definitive implementation plan for your business, with a mix of customers you want to concentrate on.
- Service offering – The value you add. What products and or services do you offer and more importantly what value do you give in context with the key business drivers? 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.
- Effectiveness – The productivity of the people in your business. Because you are defining very clearly the right mix of customers you want to deal with, you need to therefore ensure that you and the people in your business are very effective or productive. Apply the 1% and the 2° rules and measure time and effort against your results.

Scenario 4

| | | | |
|--|---|---|--|
| <p style="text-align: center;">Not Focusing in the right business target market</p> <p style="text-align: center;">(Finding)</p> | <p style="text-align: center;">Business direction - The right target market</p>  | <p style="text-align: center;">Service offering - The value you add</p>  | <p style="text-align: center;">Engagement - Your performance and people engagement</p>  |
|--|---|---|--|

Not focusing on the right target market: We are all in business to find, obtain and retain customers and of course make a profit. But we need to have the discipline to plan, prepare and understand the market place and define very clearly who we want to do business with. Do you sometimes feel that you are very busy but not seeing the results of your efforts? Are you traversing your market place and feel you are sometimes looking in the wrong place? If you think this might be the reason why you are not being as successful as you would like, here are the three action areas you need to focus on. This business scenario is part of the FINDING section of [Search FOR customers](#).

- Your business direction – The target audience for your products and services are different from customer structure , in which business direction you want to ensure you are focusing on the right market segments. Where are you likely to be most effective? What market segment is better suited to your products and services? Which market segment will derive the most value? (In the areas of key business drivers) from your products and services? In other words is it government, retail, transport, logistics, information technology etc.? Give some thought to where you will be most effective and which market segment is the best option for your business.
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- Engagement – You and your people’s performance and engagement. It is important to be able to recognise why people are not performing and what specifically is affecting their performance. The same applies to the people who are performing well. Do you know why they are performing well? What are their circumstances or attitude that results in their better performance? On a scale of 1 to 10, 1 being poor and 10 being the best, how engaged (motivated) are you and your people?

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 lies in working relationships. This could be either with your own employees or your customers. Your engagement with your customers is just as important, as with your own employees.

When processes aren't working, everyone sits up and takes notice but when relationships aren't working, they are somehow seen as interfering with work. Relationships are every bit as much a part of work as processes are and also need 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 and 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. 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 do you want them to think and feel.

Scenario 5

| | | | |
|--|---|--|--|
| <p>Not Focused on the correct product or services</p> <p>(Obtaining)</p> | <p>Service offering - The value you add</p>  | <p>Business direction - 'The target audience'</p>  | <p>Engagement - Your performance and people engagement</p>  |
|--|---|--|--|

Not focusing on the correct products or services

- Service offering – The value you add. What product and or service do you offer and more importantly what value do you give in context with the key business drivers? 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.
- Your business direction – The target audience for your products and services are different from customer structure in that, with business direction you want to ensure you are focusing on the right market segments. Where are you likely to be most effective? What market segment is better suited to your products and services? Which market segment will derive the most value (in the areas of key business drivers) from your products and services? In other words is it government, retail, transport, logistics, information technology etc. Give some thought to where you will be most effective and which market segment is the best option for your business.
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FINDING

To recap, the business scenarios and the applicable actions under finding new customers where the focus is on increasing the number of customers as the growth strategy.

| 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  |

| | | | |
|--|--|--|--|
| 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  |
|--|--|--|--|

Finding new customers embraces a number of activities and processes. The law of cause and effect is an important underlying principle. Each action or cause are the 'steps' that need to be in place and done correctly for you to achieve your desired effect. This initial engagement with prospective customers is the starting point of building trust.

Remember to be authentic – People today very quickly see through people who want to push their products and services in front the need to build the relationship. If you are selling ice cream at a market, that's fine, sell it and move onto the next customer, but most of us want our customers to keep coming back to buy more and therefore managing that relationship becomes critically important

Be knowledgeable on your products and services, which may seem to be a very obvious statement to make, but one that is very often the cause of frustration from the customer and does not build trust.

Research and market intelligence is necessary for you to understand as much as possible about this prospective customer as you can. For instance it is very likely that they are using another service provider to purchase similar or related products and services to yours. If this is the case then you need to answer two questions:

- What will get these prospective customers to leave their present service provider and buy your products and services?
- When they do purchase your products and services, what will ensure that they continue to buy from you?

The research that you need to do is to understand your competitive environment, obtain as much information as you can as to this prospective customer's state of mind, the reasons they buy and what they buy. What are the pricing, quality, and value of these competitive products and understand as much as you can about the prospective customers business, their business environment and their possible needs and expectations for your products and services.

There is obviously some of this information you may not know, the question is where can you look to find it? Can you make a phone call to this prospective customer and make a general enquiry as to their use of products and services such as yours?

The more you understand about this prospective customer, the better you are able to prepare and plan your engagement methodology and approach.

To assist you to understand the importance of this approach, here is the three methods of what I call '*tracking*' this prospective customer.

This methodology is based on the same technique used by the hunter gatherers from around the world, all who became masters of survival due to:

- Their understanding of the behaviour of the animals they live with
- Their understanding of their environment in which they live
- Their ability to track and hunt these animals, often through difficult terrain. The signs and tracks of the animals they hunted were not always easy to see, which meant they needed to use a selection of techniques, in order to understand where the animals were heading and where they were most likely to be.

These same principles apply to finding customers. You need to be resourceful, creative and perceptive at times depending on the circumstances and situation you are faced with.

In order to move your business forward from the respective business scenarios you may find yourself in, you will need to do things differently more creatively and with more skill.

The three '*tracking*' styles used in the cycle of finding, obtaining and retaining customers are:

The Basic approach – The evidence is there, where your prospective customers are is clear and you understand where they are heading. What is required to just follow the directions and signs that are obvious as to where the prospective customer is? Einstein once said that the definition of insanity was to “Keep on doing the same things but expect different results”. This basic approach technique to finding new customers is fine as long as the signs and directions are very clearly marked and obvious. But if the signs as to what direction they are heading are not that easy to identify, you will need more information, and therefore need to change your technique to a more collective approach.

Collective approach – Where you need to gather evidence, information and analysis is required in order to determine where the customer is located. A methodical and systematic approach is required. This style requires additional effort and energy. You will find that even this information you have gathered is not enough to give you the detail you require. If this is the case, you need to look to attain a better understanding of this prospective customer using the deductive approach.

Deductive approach – Where an additional understanding of the customer's behaviour and mind-set allows you to determine where the customer is, so you need to speculate as to the direction they may be heading. You need to understand how people think and feel and what thoughts will trigger possible behaviours. There are a number of ways in which you can do this. To begin with read their newsletters, newspaper articles, their marketing material, financial reports (listed companies) and enquire in business network groups as to who may

know the company. Googling the company or the individuals you have identified also provides some useful information. Google yourself and see what comes up.

What is your present tracking technique? You may need to adopt a new approach to finding new customers.

Please refer to our website www.searchingforcustomers.com for details on our sales programmes that will assist you with additional sales skills.

Once you have done the research and gathered the information, the next activity you need to focus on is to develop a clear plan.

The basic needs of a customer are:

To be respected, appreciated, understood and their self-interests addressed. The challenge for you is to establish what their self-interest is. It may be customer service, price, convenience, appreciation or any other factor that is important to them and will ensure that their need and expectation is met.



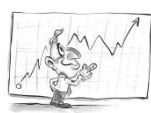
“Success comes from doing the small things very well all the time”

Obtaining

The function of your business is to obtain and retain customers, and the goal of your business is to make a profit. The process of finding, obtaining and retaining customers is designed to meet the desired effect of sustainable growth in your business, through an expanding base of retained loyal customers.

The focus moves from finding a new customer to obtaining the customer by getting them to purchase your products or services.

These are the two business scenarios and the actions for obtaining customers, where the focus is on increasing the value of the purchase as the growth strategy.




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| 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  |
|---|--|---|--|

| | | | |
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| 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  |
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Retaining

Retaining customers is about developing a relationship management programme with the objective of building a base of loyal customers, who continue to buy your products or services and thus increase the frequency of their purchase from you.

The business scenario and the applicable actions under retaining customers is

| | | | |
|--|---|---|---|
| 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  |
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The key principles of relationship management are;

1. The principle of multiplication. The principle simply means that it is not necessarily the business you will do with an individual customer but rather the business you can get from that customers circle of influence (people they know and in turn do business with) and Visa Versa. I am sure you could write the names of 30 people you know, each of those 30 people in turn will also each know 30 people, that's potentially 900 people that are within reach for you to do business with. Successful networking and engaging with people can potentially give you the opportunity to connect to a wide range of people using this multiplication principle.
2. The principle of classification. As the hunter gatherers developed their skill in understanding animal behaviour, so too do you need to develop your understanding of the customers you have. This begins by listing all your customers and then classifying them in terms of the relationship you have with them.

Start by listing those customers that you believe are committed and loyal customers of yours and who would, when asked by you, be happy to recommend you or your products and services. Next to each name put an 'A'

Now move to those customers who you have a business relationship with, but feel the relationship is not particularly strong and even a bit weak with some of the management or staff. Next to their names put a 'B'

The next category of customers on your list will be customers you have no relationship developed, they may be people you have just met or new prospective customers you have identified. Next to their names put a "C"

The remaining customers left on your list, we call the "D" customers who you do not do business with at this time, but they may in the future present an opportunity. You would like to keep them on the system so that you can make contact with at a later stage.

On average the 'A' customers will make up about 20% of your total list, the 'B' customers about 40%, the 'C' customers 30% and the balance of 10% your 'D' customers.

Once you have list of all your customers, go through the list, Starting with the top 20% and on a scale of 1 to 10, or a scale of poor to outstanding, ask yourself these questions to reaffirm your decision to place them in the A,B,C categories:

- a. What is my relationship like with this customer?
- b. Have I established trust with this customer?
- c. Do I understand how they think and feel regarding myself, my company and my products or services?

- d. If I were to approach them and ask them for recommendation of other individuals or companies to whom I could approach, would they be comfortable in giving me some?
 - e. Do I really understand their needs and expectations?
 - f. What is my ability or capability to deliver to these needs and expectations?
- 3. The principle of education. Don't make the mistake of assuming that people understand your business and the products and services you offer. Go back to your school days, or the book and other resources you read and were taught that gave you the knowledge you now have. Educate people of how you do business, educate them on WHY, HOW and WHAT you do.
- 4. The principle of communication. In Steven Covey book "The seven habits of highly successful people" habit # 5 says, 'Seek first to understand, and then be understood'. Spend the time understanding and appreciating other self-interests as opposed to presenting yours first.

There are four levels of customer expectations that satisfy most industries they are;

People want to know that *what you say is what they get (authentic)*, they want you to *be available to attend their needs (available)*, they want to *feel as though you are on the same side (a partner)* and they want to *be able to get advice and learn (advice and educate)*, all are great instruments to affect a strong bond.

www.searchingforcustomers.com

For more detailed information on how to implement this framework please contact

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