OBSESS OVER YOUR CUSTOMERS, NOT YOUR COMPETITORS

Have you ever noticed the performance difference between two very similar businesses? One seems to be totally on top of things and the other you can tell is struggling.

Considering the market conditions, they have the same location, product or service, sales catchment, employment options, and so on. So how is it that one business can dominate the other and achieve higher margins?

In the majority of situations, market leadership comes down to one very specific and fundamental belief and process: they obsess over their customers and not over their competitors. They put their customer at the centre of everything they do, making sure it's a finely tuned process to deliver optimal service.

The current economic outlook is challenging and the need to master customer experience is more critical than ever. When things get tight, consumers are far more selective with their spending. If you can't deliver superior service, you will lose out on sales. Right now, the smart companies are reviewing their customer journeys – they have a point of difference in the way they think about customer experience.

The key is their mindset around service innovation. These businesses approach the process differently to most. They define innovation as 'change that adds optimal customer value'; they ensure that everything they do provides value to their customer, and if it doesn't, they keep developing until they can prove it does. This approach ensures the

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customer's experience is front and centre, delivering true value beyond the price tag.

Optimising customer value is directly proportional to the standards of service you deliver. If you just deliver a standard of satisfaction, you will sell what the market needs and mimimise average sale values. If you obsess over your customers and deliver a superior service model directed to what they value, you will open the door to selling a whole range of things that they want. This opens up your ability to engage with your customers, building a reputation as a forward thinking and value-driven supplier, and this keeps you front of mind.

If you're not remarkable with your service standards, then you're not memorable and you will quickly become invisible. Marinating market relevance is essential if you want to leverage repeat business and average sale values. One hundred customers averaging $1000 per year is more profitable than 200 customers averaging $500 per year. Mastering the basics of service excellence, and then expanding, is safer than going full tilt to get a sale and not focusing on margins or future transactions.

Obsessing over customers rather than competitors has one unique benefit that provides the highest margins and shortest sales cycles. It is rarely measured or understood why it happens and is rarely on any KPIs. It's the personal referrals supplied by appreciative customers, and most importantly why they were given. Think of your own behaviour: most people are careful about how they give referrals, especially for high value products and services. The business must earn your trust before you will put your personal reputation on the line. For you to give a referral, they must have gone beyond your expectations and delivered a unique experience.

The companies that you won't risk your reputation for will be the ones that focus on themselves and their competitors, and forget about the value they should be giving to you. They have to keep spending money to get you back with special offers, rather than relying upon a respected and trusted customer relationship.

Obsessing over your customers will cause your team to think about how to improve and how to build security into the customer base. A company that has mastered customer experience doesn't need to worry about the competition, because the competition is already worrying about them. The competition is more worried about how many of their customers they are about to lose because they cannot match your service experience.

Investing in designing a unique customer journey and experience will pay massive dividends, and when done correctly can actually prove significant value on a balance sheet as well as the value of a company's brand equity. Having a road map to train your team in service excellence is one the highest paying dividends you can achieve with your team.

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Darrell Hardidge is the founder and CEO of Saguity, and the author of *The Client Revolution* and *The 10 Commandments of Client Appreciation*.

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