

Be Disruptive, Build Loyalty and Consistently Beat your Competition – 5 Steps to Succeeding in Difficult Times

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Let's face it, more and more people are worried about the current economic conditions and how they will be impacted. Comments such as, *"Our inquiries have really dropped off," "People are sure taking a long time to make buying decisions," "Our customers are demanding more from us or leaving," "Pricing pressures are becoming the norm," "Far more "shoppers" than buyers," "It costs a lot more to find new customers these days," "Customers are defecting at all time high rates,"* along with many other similar and related comments.

Now, more than ever, is your time to **Be Disruptive, Build Loyalty** and **Change the Game** so you not only survive, but thrive in the future! This is NOT the time to hunker down and hope the storm blows over quickly – it is here for the foreseeable future. What are you going to do to **Take Advantage** of it and come out stronger when the growth cycle kicks in again? What are you going to change from what you are doing today to give you different results? Most look for ways to cut the fat out of the organization and improve

processes to squeeze every dime out of operations – certainly something to consider. However, while this cost-cutting effort is going on, what are you doing to focus on the group that actually **pays you money** – the **CUSTOMER**? How are you capturing more revenue so you can **increase profitability** and **dominate** your competition?

We recently conducted our own informal research to find out what companies are doing to attack this situation and move themselves to the head of the pack – or why they weren't. We began by asking a number of business owners and executives in a variety of organizations to give us their thoughts on these same questions. We hoped to learn some new ideas in addition to validating or modifying our own hypothesis about what we were seeing. The comments and discussions were very interesting and confirmed one thing – we were "dead on target" with our hypothesis. However, one question kept coming up in almost every conversation we had, **"How can we beat our competitors and win more share of wallet from our customers?"** Stay tuned...

There is no question we are experiencing some economic challenges today – most indicators are telling this story. And even though no one wants to talk about the "R" word, it may very well be here or looming in the near future. Many businesses are seeing decreases in sales and getting more pressure to cut their prices to compete for the same customers. One executive we talked with asked, *"How can you build loyalty during these times when customers are looking for more services than they did before and at a lower price?"* Great question. The answer I gave him wasn't the one I think he expected

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to hear. I said to him, ***"Be Disruptive and Build Loyalty when everyone else is hunkering down. There are great opportunities in these times if you act 'proactively' instead of 'reactively.' If you haven't built a following of LOYAL CUSTOMERS before now, begin immediately and be blatant about it. This will move you ahead of your competitors today and help ensure you have them when times get better. Customers (and employees) still want and organization to deliver a consistent, repeatable experience and to keep their promises – that still reigns above price."*** He agreed.

The other word we kept hearing in our discussions was the "C" word – **"commodity."** As businesses are being squeezed on price, their customer base is defecting to their competitors. If they hadn't already built an experience that created loyalty, along with the products and services to differentiate themselves, they ended up drifting toward the commodity space. This is where customers see little, if any, differentiation between businesses and begin to move toward the lowest price point – resulting in no distinction or value for the experience. Once customers believe you are a commodity, the only way to compete is to lower your prices – creating a downward cycle turning your product or service into a commodity. This is absolutely not where you want to head unless you have a model that always wins on price.

For example, one of our clients, a software development firm, was seeing exactly the same picture – pressure on price and no clear differentiation. Upon further investigation, we found the reasons were lack of consistency in the experience and focusing on the "wrong" promises. The customer told us many times, *"If they could just keep two or three of their promises all the time we would give them*

more exclusivity and more opportunities." To find more Case Study information, visit us at ["Best Practices in Managing Customer Behavior using Customer Experience Mapping."](#)

Our research shows that companies have the best chance of surviving, and even flourishing during tougher economic times, when they have more **Loyal Customers** than their competition. While this may seem intuitive, it is amazing how few have really actively focused on this effort. The best companies have invested the time and resources to build **Trusted, Loyal Relationships** with their customers. As the economy slows, customers gravitate to these companies because they know they will receive a consistent and repeatable experience. These companies don't sit back and relax, they continue to build from the powerful vantage point they already have over their competitors. They are in the enviable position of being on top and controlling the experience while their competitors spend extra dollars and resources to try and win these customers away. A case in point is Southwest Airlines. They were still very successful, even during the attacks of 9-11 when air travel dropped off sharply, and remained profitable (unlike the other airlines). Why? Because they had done what was necessary to build a loyal customer base and capitalized on supporting them during this difficult time.

With what we have seen and heard, we wanted to share a **5 Step process** we believe can help businesses thrive in the current economy and well into the future. These Steps are a compilation of both the responses we received from our research and our own experience. There is no "magic pill," but what we can give you is a specific recipe of proven Steps you can take to build Loyalty quickly and rise to the top of the list with your customers. These Steps aren't difficult to grasp but will take some effort to execute so you can **Consistently deliver a Truly**

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Awesome Customer Experience each and every day and create your own list of LOYAL customers.

Here are the 5 Steps...

1. Start by truly understanding your client base. Get some analytics about your customer so you can truly understand the revenue and profitability of your customers. Analyze where the revenue is coming from, by segment and by category. See which customers, products and services drive the majority of sales. Find out who is most profitable for you today, even if it is only at the gross margin level. Truly "understand" where your revenue and profits are coming from in your customer base. This will help feed the other Steps going forward.
2. Now ask some tough questions. Are we in alignment between what we are doing operationally and how this supports our most profitable customers? Are we focused on different customer segments because of economics or some other reason? Are these the markets we should be in both short term and longer term? What do the competitors look like in each of these segments? Should we focus on a different segment due to lack of competition and opportunity? Ask tough questions of your management team, based on analytics, to truly understand where opportunities exist. This Step is all about understanding your customer and the competitive landscape. Time spent here will help you focus for Step 3.
3. Now find out what is going on externally with your customers – the experience you deliver. Go out and get some good information directly from your customer so you know what experience would differentiate you from your competitors. This can't be wimpy information either. It has to be fresh, unfiltered and from their own voice to give you what you need. You can waste a lot of time and money on meaningless survey's and research. Resist doing what you have always done in the past and go get the "good stuff" directly from your customer. You are looking for what they believe are the "**loyalty factors**" and "**promises**" that will differentiate you. Use an outside firm since there isn't time to waste and the customer usually gives deeper information to someone not associated with your organization. This can happen quicker than you might think. Another example, when we worked with a law firm (case study is also on our website) they realized they were not focusing on anything that differentiated them. They needed this input to turn the ship around.
4. Now focus on implementation and retention. Since you now know which customers have the greatest profitability and what it would take to move them to becoming "Loyalists," you are ready to build and implement the "truly awesome" customer experience. Identify changes you can, and need, to make in the processes of your organization to ensure the consistent and repetitive delivery of the experience - systematic and throughout the organization. In our book, "**Creating and Delivering Totally Awesome Customer Experiences**," we stated, "*Eliminate the Random Acts of Excellence and Chaos and you can deliver a consistent and repeatable experience.*" This means providing everyone in your organization the information and tools to understand exactly **how** to deliver this experience the same way every day. Customers thrive on consistency.
5. Start delivering the new experience, communicate it and then measure the results. Communicate to your customer

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what you are doing. They will appreciate you focusing on them and **Changing the Game** in the experience. Build your messaging around the changes you are making and what you are delivering. Build your "**Brand Promise**" around the "loyalty factors" and "promises" your customer wants. Integrate this into everything you do and say and do it over and over and over again. This demonstrates consistency and avoids the impression of "flavor of the month." This is who you are and what you stand for and believe in. Repeating the message and keeping your promises builds **Trust**, which leads to **Loyalty** and **Retention**.

Now you have a proven 5 Step recipe for taking your organization into a leading position. Even if you are, or have been,

trending downward because of the economic times it is not too late to start. Focus on understanding and building the Promises and Loyalty Drivers into the customer experience immediately and you can turn things around faster than you might think.

Even if you only begin to build some loyalty to survive today, when the economy turns upward you will reap more benefits than ever before with a base of loyal customers to build upon. Remember, **Loyalty is an "earned" state and not a given**. If you want to build loyalty now, and in the future, don't just window dress it. Rally around it and make lasting changes – your customer will notice. Start today. **Be Disruptive, Bold** and take control and you will find yourself ahead of your competitors and beating them today and tomorrow.

About the Author

Blaine Millet is the President and Chief Advocate for of [WOM¹⁰ Word-of-Mouth on Steroids](#)., an organization focused on helping organizations to be [Customer Obsessed](#) so they can become ["REMARK"able](#). He is also the co-author of the leading edge book, "[Creating and Delivering Totally Awesome Customer Experiences](#)." WOM¹⁰ is all about Execution and is focused on the relentless pursuit of helping others achieve unsurpassed levels of Profitability, Customer Advocacy, Employee Loyalty, and Differentiation.

Blaine is a nationally recognized Key-note Speaker, Author, and Advisor/Consultant/Coach. Blaine has worked with companies from start-ups, SMB (Small-Medium Businesses) and the Fortune 100, including the Big 5 and IBM. He has held various roles in leadership, and management. He also holds an MBA in marketing and finance.

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