

Building A Buying Habit

If I asked you to put down the magazine, pick up a pen and a sheet of paper, and write down the names of your Top 10 customers—in correct 1998 year-to-date sales volume order—could you do it? If you could, congratulations. I tried it myself this morning, and while I got the names right, I missed on a couple of the rankings.

I'm willing to bet, though, that even if you scored 80% or better on your list, you would have failed the real test. Because I'm willing to bet that you listed a group of 10 companies, and I don't think those companies are really your customers!

A Key Question

Please consider this question. Is the company really your customer? Or is each individual person who buys from you a customer? This is much more than a question of semantics, folks; it's a question of attitude. I think it's very important for you to understand that you only get business from a company when one or more individuals within that company decide to buy from you!

If I were you, I'd go back into my "customer" list and make sure that I could identify the individuals behind the orders, and that might require you to make some changes in your rankings. It might also open up your eyes a little bit to who's really driving your business.

Case Study

I went through this type of analysis with one of my clients recently. Her Top 10 list started out looking something like this (with company names and actual sales volume changed to ensure confidentiality):

1. Archer Manufacturing	\$51,500
2. County School System	\$38,225
3. Bolton Company	\$37,400
4. Mid Size Electric	\$35,500
5. City Cable	\$22,055
6. Regency Homes	\$22,010
7. First Investments	\$20,290
8. Cameron & Cameron	\$17,360
9. Hooper Company	\$15,980
10. Sampson's	\$14,900

After sorting through the records, we determined that the work from Archer Manufacturing was coming from three different people; the County School System orders were coming from four different people; and the Bolton Company orders were coming from five different people. Once we broke all of that out—and added the person's name to each company record—the Top 10 list looked more like this:

1. Mid Size/R Rose	\$35,500
2. Archer/M. Jones	\$27,200
3. City Cable/T Bates	\$22,055
4. Regency/A Macklin	\$22,010
5. Bolton/R Teal	\$17,100
6. County School/K Smith	\$16,400
7. First Investments/A Ray	\$20,290
8. Cameron/S Cameron	\$17,360
9. Hooper/W Steiner	\$15,980
10. Archer/K Kurcher	\$14,275

My client now has a clearer picture of where her business is really coming from, and most importantly, she understands that maintaining that business is not a matter of keeping Archer Manufacturing happy. It's really a matter of keeping Mike Jones and Kevin Kurcher happy (along with Terri Brown, even though her individual orders don't place her in the Top 10.) She also now understands that her most important single customer is Rene Rose at Mid Size Electric. And

since she couldn't remember actually having talked to Rene for 6-8 months (because she faxes orders in, and no questions or problems have been apparent), my client made it a very high priority to get face-to-face with this customer as soon as possible!

Account Penetration

I've written before about the "three levels of value" that are present in every customer relationship. The first level of value is what they're buying from you now. The second level of value is what they could be buying from you. The third level of value is the value of influence; the ways in which a current customer can help you to develop brand new customer relationships.

The key issue surrounding the first level of value is that you protect it, and you do that by maintaining contact with—and continuing to satisfy—the people who give you their business. Again, it's the people who are important, not the "company."

The key issue surrounding the second level of value is that you must constantly "educate" your customers; making it your business to tell them about any products or capabilities they're not already buying from you. Doing this effectively requires you to communicate two distinct messages: (1) We can handle printing and/or copying projects that go beyond what you're doing with us now, and (2) We want to handle printing and/or copying projects that go beyond what you're doing with us now. Don't forget that the most successful salespeople always ask for the order!

But here's a common situation, especially in larger companies...the person who's responsible for ordering one type of printing or copying may not be involved in ordering other types of printing or copying that the company does, in fact, have a requirement for. What if that situation describes your customer within that company?

This is where the third level of value comes in; the value of influence. My first question after describing an additional product or capability to a customer would be: "Is this something that would be important to you?" My next question—especially if the answer was "no"—would be: "Is there anyone else in your company who would be involved in this kind of printing or copying?" If the answer to that question was "yes," my third question would be: "Would you be willing to introduce me to that person, and tell him/her about all of the great work I've done for you?"

It's a sad fact (or maybe a happy fact for the more talented practitioners) that most salespeople don't do a very good job at this sort of customer education strategy. Most don't even push for the second level of value, and even fewer try to take advantage of the third level. I hope that you'll make a firm commitment to gaining all of the value from each one of your customers, and again, remember that we're talking about people, not companies!

Mis-Used Term

Even beyond the issue of company vs. individual, I've observed that the term "customer" is mis-used by many quick printers—and especially by many of the salespeople I work with who throw the term around indiscriminately, using it to describe people who are actually buying from them and also people who are not. "I called on this customer last week" is an accurate statement only if that person called on has placed orders with your company. "I've done a couple of quotes for this customer" is not accurate when the statement describes someone who has given the salesperson an opportunity to quote, but not placed any orders. That person is a prospect, not a customer.

Actually, that person may not even be a legitimate prospect. For years, sales trainers have been teaching that a salesperson deals with three classes of people: suspects, prospects and customers. They are suspects if you think they might have a need for your products or services. They are prospects when you establish that there truly is a need, and they show some interest in actually buying from you. And they are customers when they actually start placing orders.

With my own clients, I take that progression one step further. By my definition, no one should be considered a full-fledged customer on the strength of the first order they give you. I say they're not really customers until buying from you becomes a habit. Up until that point, they should be treated as prospects.

In other words, until you're getting a healthy share of the second level of value, you should keep on selling!

The Buying Habit

How do you establish this buying habit? The first step is to make sure that the first few orders go smoothly. The second step is to make sure the customer knows it! You might think of yourself as wearing two hats in this regard: the sales hat and the "public relations" hat.

Actually, you might think of yourself as wearing three hats: sales, PR, and quality control. Every single job that goes through your shop should be monitored carefully to ensure quality, and to insure that you meet whatever other commitments you've made, but the first few orders for a new customer should be given special attention. A full-fledged customer might be inclined to be forgiving when one job out of many they've given you goes bad. A new customer—one who's really still more prospect than customer—is a lot less likely to come back to you if an early experience is a bad one.

The PR challenge starts when the first order is delivered. It's very important to follow up on that delivery to make sure that your "provisional" customer was satisfied. It's also important to say "thank you" for the opportunity you've been given—to trade your quality, service, capabilities, etc., for some of the customer's (or his/her company's) money.

Don't shortcut the process, though, by simply saying "thanks for the opportunity and was everything all right?" I'd rather see you conduct something more like a performance review, where you take the customer step-by-step through the project.

"OK," you might say, "you told us you'd need this project delivered to you by the 15th, so here's how we made sure that was going to happen. And you told us that the quality of the picture of your product was really important, so here's how we made sure that it was going to look great." Obviously, the specifics of this conversation will be different from situation to situation; I'm just trying to get you started in understanding the process.

Proactive Steps

The next part of the process is to take a couple of proactive steps toward gaining your next order. I always like to close the "performance review" conversation by asking this question: "Is there anything about the way this job looks—or the way that we handled it—that you would change if you could?"

I know that many salespeople would be reluctant to ask a question like this. After all, the customer may give you an answer! But it's an important question, because if there was anything lacking in your performance, you want to know about it! My experience is that simply asking a question like this goes a long way toward enhancing your credibility. If you're pointed toward something that bears improvement, you might then say: "Thanks for telling me that. I'll make sure that your suggestion/concern is addressed when we handle the next order for you."

Remember, to this point, you've only handled one job for this individual. He/she has had a buying experience with you, but has not established a buying habit. The name of the game is to make that happen!

So now it's time to probe for the next opportunity. "And speaking of a next order," you might say, "when and what do you expect that might be? What sort of printing/copying requirements do you have coming up in the near future?"

When you ask this question, you have two important concerns. First, you want to make sure that the answer reflects any printing/copying need, not just projects that this individual thinks might be right for you. It's not reasonable to think that a customer with limited experience with you will have a complete understanding of your capabilities. The real essence of the request you're making is: "You tell me about any printing/copying needs, and I'll tell you if they're within our capabilities."

Your second concern is to make it clear that you're interested in an expanded relationship. This may seem like a no-brainer—and it should be!—but it never ceases to amaze me how many of the salespeople I deal with seem content to say simply: "OK, give me a call when you need something else." That's not selling, folks! Order taking, yes, but not the kind of proactive selling effort that builds a buying habit and results in gaining more business over less time!

Remember the two messages that are critical to account penetration and real customer development: 1) that you can handle printing and/or copying projects that go beyond what they're doing with you now, and (2) that you want to handle printing and/or copying projects that go beyond what they're doing with you now.

A Closing Observation

Here's an observation: Stagnant companies tend to define "customer" in one way, and growth-oriented companies define the term "customer" in a completely different way. If you want to grow, you may need to re-think both your definition of a "customer," and your strategy for developing more of them.