

Part VI

The Part of Tens

The 5th Wave

By Rich Tennant



"How about this—'It's not just CRAP, it's Mel's CRAP'? Shoot! That's no good. I hate writing copy for this client."

In this part . . .

In this part, I share ten tips on how to enhance your customer satisfaction with communication. These tips require little time, but they carry a big impact. I also show you ten super tips regarding business-to-business consumer behavior. It's much different from business-to-consumer behavior, so I explain how you should treat it differently.

Chapter 20

Ten Easy Ways to Enhance Customer Satisfaction

In This Chapter

- ▶ Improving your relationship with customers
 - ▶ Communicating with your customers so they remember you
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Consumers are affected by external and internal influences that can sometimes determine how they receive you, but you can also provide a marketing influence by communicating with them. They must feel as if you have a genuine interest in them when you communicate with them. Reception can depend a lot on your approach as well as on the manner in which you do it. You won't always understand the influences that affect every consumer, but by understanding the reasons consumers behave the way they do, you can take measures to communicate with them in ways that foster a positive consumer-supplier relationship.

As you can see, long-term success in business is about developing and maintaining good customer relationships and loyalty, but who has the time? Don't worry! In this chapter, I show you ten easy ways that you can better communicate with your customers.

Acknowledge Customers Right Away

You'd be amazed at the number of businesses you can walk into without being acknowledged. No one says hello. Your presence goes unnoticed. Don't be one of those businesses; acknowledge everyone who steps foot into your business. Greet them and move from behind the desk or counter to shake their hands. Create that first impression, because you only get one chance to do it.

Conduct Customer Surveys

The most important tasks that customer surveys assist with are finding out what your customers want and discovering how they feel about the service they've received from you. Customer surveys also help you

- ✓ Stay innovative in product development.
- ✓ Receive external feedback about the customer service you provide.
- ✓ Increase customer retention by showing customers that you care what they think.
- ✓ Recover customers you've lost by finding out why they left and encouraging them to return by showing that you've fixed the problem.
- ✓ Obtain an advanced warning by identifying upcoming trends, performance issues, or marketing opportunities that you may be missing.

Follow Up to Inquire about Satisfaction

When was the last time you called a customer to find out about his experience with your business? I'm not talking about telemarketing to sell something. I'm talking about a genuine telephone call that has no motive other than to talk to the customer and find out how he felt about his experience with your business. Or, if he purchased a big-ticket item, you find out how the item is working. This tip is as easy as picking up the phone. Just remember that it isn't a sales call; it's a courtesy call that carries with it a genuine interest in the satisfaction of a customer.

Listen Intently

Talk to your customers, but don't stop there. Also be sure to listen to them. Listen intently — hear what they have to say. Your customers' opinions are valuable. By listening to them, you often can find out what they're looking for and what type of services they enjoy. You can even get to know them personally. It's important to remember that customer loyalty is created by the emotional experience they have with your business, and if you aren't listening, the emotional connection will never transpire. Strive for customer loyalty, not just customer satisfaction.

Build an Online Presence

If you aren't online, your customers will have trouble finding you. And I'm not just talking about new customers. Your current customers need information too. You would be surprised at how many consumers use the Internet to find addresses, telephone numbers, or special items they'd like to purchase. With today's technology, it isn't enough to be in the phone book — most folks aren't using those anymore.



It's best to have a Web site that will provide consumers with information about you and the services and products that you offer. If this approach isn't feasible, at least make sure you're listed in online directories so consumers can find you when browsing the Internet.

Keep in Touch with E-Newsletters

More than 70 percent of individuals have e-mail addresses. Are you collecting these valuable gems? If not, it's a good time to start. When you ask customers for their e-mail addresses, tell them you're collecting the addresses so you can inform them of upcoming events, specials, or new item introductions. You'd be surprised how many customers are willing to share their e-mail addresses with you.



Don't bombard customers with daily e-mail messages. If you become a nuisance, your customers may lose trust in you and your products and services.

Instead, send out quarterly or monthly updates letting customers know what's going on at your business. Keep your promise and use the newsletters to keep them informed. You may even want to include a special coupon every once in a while as a thank you.

Make the Purchasing Process an Experience

Go out of your way to create an experience for your customers. Too many businesses today feel that they deserve to have customers served up on a silver platter. The truth is that you must earn those customers by creating an extraordinary experience for them every time.

The experience comes from the atmosphere and the friendliness of your business. You want your consumers to notice that your business is willing to go out of the way to help without making them feel as if they're a burden. Test your place of business by walking through it and experiencing what your customers experience. Make sure you're creating an experience that keeps them coming back.

Offer Birthday Specials

Everyone loves birthday gifts, right? Of course. Consider starting a birthday program that you can use to send that special birthday offer to your customers. The offer needs to be worth their visit to your business, so make sure it has value to them. Consider offering them a discount or a free gift when they visit your business location.

Birthday programs, which are a great way to stay in touch with your customers, show that you're thinking of them on their special day. This is the kind of program that creates loyalty with your customer base, so get started today.

Hold Special Events

If you want customers to continue coming to your business, consider holding special events; perhaps an open house, a special sale night, or a premiere of a new product. Customers love events that are designed around specific celebrations. It gives them a reason to visit your place of business and experience what you have to offer. Besides, who doesn't enjoy a celebration? Consider your target market and then develop a calendar of special events that will keep your customers coming back over and over again.

Volunteer for a Good Cause

Besides seeing you when purchasing a product from you, customers want to see you doing good within the community. So get out there and volunteer for causes that you support. By doing so you reflect that you not only care about your business, but you care about the surrounding community. You'd be surprised how many new customers you can gain by reaching out. People love to support the businesses that support the causes that they do. You'll not only feel great about volunteering, but you can grow your business by doing it. Consider this growth an added benefit.

Chapter 21

Ten Special Considerations for Business-to-Business Marketing

In This Chapter

- ▶ Understanding the core differences between marketing to businesses and to consumers
 - ▶ Marketing successfully to businesses
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People often ask how business-to-business (B2B) marketing is different than business-to-consumer (B2C) marketing. After all, as most people would say, you're still selling a product to a person. That's a valid perspective, and one that's shared by many, but experience shows that the differences between these two types of marketing run deep. And those differences are important.



In the B2B market, businesses try to streamline the purchasing process in order to not only save time but also save money. So when you're dealing with businesses, you must take certain steps to move the decision-making process in your favor. By understanding what they're looking for, you can create a plan to do this.

Value of a Sale

The cost of a sale when it comes to the business-to-business market is typically higher than with the business-to-customer market. Why? A business-to-business transaction often requires more consideration. The cost pushes the business-to-business consumer to evaluate more options in order to evaluate price and value thoroughly.

An average sales call now costs \$350 to \$400 when you factor in all expenses. A complex transaction may require eight to ten calls to close a sale. Plus you have to add in the advertising and marketing expenses needed to generate inquiries and qualify leads. The initial transaction value is measured in hundreds or thousands of dollars, and the likelihood of ongoing sales is quite high. As a result, the lifetime value of a B2B customer can span many years and add up to hundreds of thousands of dollars — if not millions.



Use this information to compute the true profitability of each of your B2B accounts. Doing so will assist you in determining the true profitability when all selling costs are factored in.

Size of Your Target Market

In a B2C market, you typically have a larger target market than you do when dealing with a B2B market. Your B2B target market is small and focused. You have less wiggle room, and you're typically required to stay within that focused target market. Consumer markets are measured in the millions, but only a few B2B firms have customer bases in the thousands.



However, with that being said, don't confuse potential revenue with the number of potential customers. B2B markets may be smaller and more concentrated in terms of number of prospective customers, but not necessarily in sales potential. Your marketing can be more condensed and better targeted, but your message needs to really appeal to the markets in order to gain their business. In other words, you'll have less opportunity for trial and error of your marketing message.

Complexity of the Buying Process

With a business-to-consumer market, you're typically dealing with a single-step buying process. You're trying to convince an individual — the same individual who considers the options, makes the decision, and pays the bill. The same isn't true with most business-to-business transactions. You're often dealing with multiple individuals and sometimes even large committees, which could mean that you have to deal with different personalities. B2B sales organizations are characterized by well-paid field sales people, distributors, and business partners or independent representatives who aren't engaged only in the selling but in the fulfillment of the product or service.

As a result, B2B companies use marketing to educate various players in the target audience because the decision to purchase is usually a multistep process involving more than one person. Marketing activities are usually the first step in a longer, integrated touch campaign that may include direct mail, telemarketing, webcasts, newsletters, and follow-up by sales representatives who will discuss the business's requirements in more detail and move the prospect through the sales cycle.

Challenge of Identifying the Decision Maker

Ultimately, your goal is to get to the decision maker. If you don't follow the chain of command within the business, you could lose the sale for not considering the proper people. Each person has a specific role in the decision-making process and a duty to judiciously compare all the options. The selling proposition is complex and the risk of a wrong decision is high and long lasting. As the marketer you have the added responsibility of correctly identifying the roles within that buying committee in order to identify the decision maker — and this is sometimes difficult to do.

Duration of the Sales Cycle

The sales cycle for a B2B transaction typically takes much longer than a B2C sale. It's not unusual to have a six-to-nine month buying cycle involving five to ten people as both decision makers and influencers. A long sales cycle can cost you money, time, and effort before a sales is ever closed. It can sometimes cause frustration in the process as well. If a company isn't prepared from a revenue standpoint, its success may be affected.

Importance of Reason in Decision Making

Purchase decisions within a business-to-business market are made rationally rather than emotionally. A business must evaluate the business value and make a determination on the purchase. So it's rare to have an impulse purchase within a B2B marketplace. On the other hand, emotions play a huge role in purchasing patterns during business-to-consumer transactions.

Take the decision-making process for example. Sure, most families consult on houses and cars, but no one ever gets fired for making an impulse buy while in the line at the grocery store. In fact, creating the interest that drives an impulse sale is one of the core tenants of B2C marketing. This isn't the case in B2B marketing.

Motivation to Purchase

Fundamentally, B2B motivations to purchase are about addressing a point of pain and economic impact that will increase revenue or decrease costs. The consumer, on the other hand, is motivated to purchase by an emotion that's triggered as a result of identifying a need.



The business buyer makes a logical decision to purchase; there's little to no personal emotion involved. The organizational buying process is often driven by systematic procedures and purchasing systems that must be followed. The business buyer wants or needs to buy products or services to help her company stay profitable, competitive, and successful. As a marketer, you must understand that organizational buyers have to operate within the confines of their organizational procedures, so it's your job to fully understand these procedures.

Distribution of Products

Consumers demand a variety of distribution channels for convenience. However, it's unlikely that you'll find business-to-business offerings in the local market. Convenience is of less importance in B2B transactions. In fact, most B2B products must be preordered and sometimes even produced specifically for a company. This process takes time, which means that the order must be preplanned. If you're marketing to the B2B market, you must ensure that you're getting the proper materials to businesses. This way, when they order your product, they know that you're a supplier. After all, the chances of business owners browsing the local market are pretty slim.

Thirst for Knowledge

Consumers don't like to be handed five-page pamphlets on your products, but B2B buyers are different in this respect. They have a thirst for knowledge. They're information seekers who are constantly looking for information or advice that will help them increase profitability and enhance their careers. So, obviously, when you're creating your marketing collateral for B2B markets, you can be more in depth. If you provide them with information that's helpful, interesting, and relevant to their concerns and needs, they'll read it. Consumers are the exact opposite, however; they don't want to work to understand your benefits. Instead, the benefits must be clearly pointed out.

Frequency of Negotiation

You can sell a consumer with little to no negotiation; as long as he feels like he's getting value, you're set. Consumers simply don't like to haggle. When it comes to the B2B market, however, be prepared. You will negotiate on cost, service plans, and delivery of your product. The buyer in the B2B market isn't the only one who needs to feel as if he has received the higher end of value from the deal; he also must prove it to the others in the chain of command. So be sure to go into a B2B market transaction prepared to negotiate. If you don't, it's very likely that you'll lose the sale.

Appendix

Glossary

Marketing terms can seem confusing since so many look and sound alike but carry different meanings. So to help you get everything straight, in this glossary I combine some common terms used in consumer behavior and marketing. I also include some not-so-common terms that you're likely to come across.

This glossary gives you a great reference as you read through the discussions in this book. And even when you finish this book, I think you'll find this to be a resource you refer to often.

actual self: Pertains to the self-concept that's reflective of how an individual actually is today.

ad copy: The printed text or spoken words in an advertisement.

advertising allowance: Money provided by a manufacturer to a distributor for the purpose of advertising a specific product or brand.

advertising budget: Money set aside by the advertiser to pay for advertising. A variety of methods are available for determining the most desirable size of an advertising budget.

advertising plan: An outline of the goals an advertising campaign should achieve. The plan also summarizes how to accomplish those goals and how to determine whether the campaign was successful in obtaining the goals.

advertising research: Research conducted to improve the efficacy of advertising. It may focus on a specific ad or campaign, or it may be directed at a more general understanding of how advertising works or how consumers use the information in advertising.

affiliate: The publisher or salesperson in an associate or affiliate marketing relationship. The affiliate gives wider distribution to the affiliate merchant's products in return for compensation based on performance.

affiliate marketing: Revenue sharing between advertisers/merchants and publishers/salespeople, whereby compensation is based on performance measures, typically in the form of sales, clicks, registrations, or a combination of any of these.

attitude: The lasting general evaluation of something a consumer experiences, including how he feels about it and what he believes.

banner ad: A graphical Web advertising unit, typically a large headline or title extending across the full page width, which often measures 468 pixels wide and 60 pixels tall.

brand: A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. A brand, which is also known in legal terms as a trademark, may identify one item, a family of items, or all items of that seller.

business-to-business marketing: Marketing that's directed to other businesses rather than to consumers. Also known as B2B marketing.

business-to-consumer marketing: Marketing that's directed to consumers rather than to businesses. Also known as B2C marketing.

channel of distribution: An organized network of agencies and intermediaries that, in combination, perform all the marketing functions required to move goods and services from producer to end customers. Channels of distribution are also known as marketing channels.

cognitive dissonance: The regret a consumer faces after a purchase. Also commonly known as buyer's remorse.

consumer behavior: The study of individuals and the activities they participate in to satisfy their realized needs. The satisfaction comes from the processes used in selecting, securing, and using products or services.

consumer misbehavior: Consumer behavior that violates laws or generally accepted norms of conduct in today's society.

core market: The largest market that your product or service appeals to.

cost efficiency: For a media schedule, the relative balance of effectively meeting reach and frequency goals at the lowest price.

cost per inquiry: The cost of getting one person to inquire about your product or service. This is a standard used in direct response advertising.

cost per rating point (CPP): The cost, per 1 percent of a specified audience, of buying advertising space in a given media vehicle.

cost per thousand (CPM): The cost, per 1,000 people reached, of buying advertising space in a given media vehicle.

creative strategy: An outline of an advertisement, showing what message should be conveyed, to whom it should be directed, and with what tone. This strategy provides the guiding principles for the copywriters and art directors who are assigned to develop the advertisement.

culture: The all-encompassing force that helps to form an individual's personality, which in turn is the key determinant of consumer behavior.

DAGMAR: A process of establishing goals for an ad campaign so it's possible to determine whether the goals have been met. The acronym stands for Defining Advertising Goals for Measured Advertising Results.

deceptive advertising: The Federal Trade Commission (FTC) defines this as being a representation, omission, act, or practice that's likely to mislead consumers who are acting reasonably under the circumstances. To be regulated, however, a deceptive claim must also be material. *See materiality.*

demographics: Basic objective and descriptive classifications of consumers, such as their age, sex, income, education, size of household, and ownership of home. This doesn't include classification by subjective attitudes or opinions of consumers.

direct mail: Marketing communications delivered directly to a prospective purchaser via the U.S. Postal Service or a private delivery company.

direct marketing: Sending a promotional message directly to consumers rather than through a mass medium, such as radio, television, newspapers, and billboards. This type of marketing includes methods such as direct mail and telemarketing.

emotions: Temporary state of consumers that reflects current changes in motivation, often triggering a change in behavior.

Federal Communications Commission (FCC): The federal agency responsible for regulating broadcast and electronic communications.

Federal Trade Commission (FTC): The federal agency that's primarily responsible for regulating national advertising, promotion, and competitive business practices, among other things.

fixed-sum-per-unit method: A method of determining an advertising budget, which is based directly on the number of units sold.

flat rate: A media rate that allows for no discounts.

focus group interview: A research method that brings together a small group of consumers to discuss a product or advertisement under the guidance of a trained interviewer.

four Ps: The four main components of marketing strategy, which include product, price, place (distribution), and promotion.

groups: Represents two or more individuals that share a set of norms, values, or beliefs. The members of a group have a collective identity, interact with one another, and share a common goal or interest.

high-involvement purchase: A purchase that involves a high-priced product or service and carries a great deal of personal risk.

ideal self: Pertains to the self-concept that represents how an individual would like to be.

integrated marketing communication (IMC): A management concept that's designed to make all aspects of marketing communication — such as advertising, sales promotion, public relations, and direct marketing — work together as a unified force instead of each working in isolation.

key success factors: The factors that are a necessary condition for success in a given market.

lifestyle: Individual function of the motivations, knowledge, attitudes, behaviors, beliefs, opinions, demographic factors, and personality of an individual.

low-involvement purchase: A purchase that involves a lower-priced product or service and that carries less personal risk.

marginal analysis: The technique of setting the advertising budget by assuming the point at which an additional dollar spent on advertising equals additional profit.

market segmentation: The division of a market using a strategy that's directed at gaining a major portion of sales within a subgroup in a category rather than gaining a more limited share of purchases by all category users.

market share: The percentage of a product category's sales in relation to the entire market — in terms of dollars or units — that's obtained by a brand, line, or company.

marketing mix: The interaction of the elements of a product's or service's marketing efforts, including product features, pricing, packaging, advertising, merchandising, distribution, and marketing budget.

market research: The systematic gathering, recording, analyzing, and use of data relating to the transfer and sale of goods and services from producer to consumer.

materiality: The importance of an advertisement to consumers. The Federal Trade Commission theoretically won't regulate a deceptive advertisement unless the deceptive claim is also material, or important, rather than trivial.

media strategy: A plan of action by an advertiser for bringing advertising messages to the attention of consumers through the use of appropriate media.

motivation: Represents the persistent need that stirs up and stimulates long-term goals within a consumer.

motivation research: Research used to investigate the psychological reasons that individuals buy specific types of merchandise or why they respond to specific advertising. This research helps you determine the base of brand choices and product preferences.

National Advertising Division (NAD) of the Council of Better Business Bureaus: The organization that serves as a major self-regulatory mechanism for advertising.

national brand: A nationally distributed product brand name. The product draws a distinction with regional brands and local brands.

nonprofit marketing: The marketing of a product or service in which the offer itself isn't intended to make a monetary profit for the marketer.

norms: The rules of behavior that are part of the ideology of a group. Norms tend to reflect the values of a group and categorize actions as proper or inappropriate. They also set forth rewards for adherence and punishment for nonconformity.

objective: A desired or needed result to be achieved by a specific time. An objective is broader than a goal, and one objective can be broken down into a number of specific goals.

penetrated market: The actual set of users actually consuming the product or service.

per inquiry: An agreement between a media representative and an advertiser in which all advertising fees are paid based on a percentage of all money received from an advertiser's sales or inquiries.

perceived risk: A functional, psychosocial, physical, or financial risk a consumer feels that she's taking when purchasing a product.

percent-of-sales method: The method of determining an advertising budget based on an analysis of past sales as well as a forecast for future sales.

perception: Represents how a consumer processes and interprets information. It's the way consumers see the world around them.

persuasion process: The process used by advertising to influence audience or prospect attitudes, especially purchase intent and product perception by appealing to reason or emotion.

potential market: A set of consumers who profess some level of interest in a designed market offer.

primary research: Research that's conducted directly from your own consumers or potential consumers.

private self: Represents the self-concept that an individual intentionally keeps hidden from the public.

product differentiation: The development of a unique product difference with the intent to influence demand by gaining a competitive advantage based upon this difference.

product life cycle: A marketing theory suggesting that the sales revenue and profit curves of all products or brands tend to follow a predictable pattern and sequence of stages, including introduction, growth, maturity, and sales decline.

product positioning: The consumer perception of a product or service as compared to its competition.

promotion: All forms of communication that call attention to products and services by adding extra values toward the purchase. Includes temporary discounts, allowances, premium offers, coupons, contests, and sweepstakes.

promotional mix: The use of several different types of communication to support marketing goals, including advertising, personal selling, publicity, and sales promotions.

psychographics: A term that describes consumers or audience members on the basis of psychological characteristics initially determined by standardized tests or criteria.

psychological segmentation: The separation of consumers into psychological characteristic categories on the basis of standardized tests or criteria.

public self: Represents the self-concept that an individual puts forth to the public.

publicity: A type of public relations in the form of a news item or story that conveys information about a product, service, or idea in the media. Publicity is a form of nonpaid promotion.

qualitative research: A method of advertising research that emphasizes the quality of meaning in consumer perceptions and attitudes. Examples of this research include in-depth interviews and focus groups.

quality control: An ongoing analysis of operations to verify goods or services, to meet specified standards, or to better answer customer or user complaints.

quantitative research: A method of advertising research that emphasizes measurement of incidence of consumer trends within a population.

questionnaire: A document that's used to show the questions (and order of the questions) that a researcher should ask a consumer about a product or service. It sometimes lists the alternative responses that are acceptable.

reference group: A group of people or an organization that an individual respects, identifies with, or aspires to join. Examples of these groups include membership or associative groups.

secondary research: Research that a company collects indirectly from various outside sources.

self-concepts: The mental image or perception that one has of oneself. A person can have four self-concepts: ideal self, actual self, public self, and private self.

sociocultural: Relating to both social and cultural matters.

strategic market planning: The planning process that yields decisions regarding how a business unit can best compete in the markets it elects to serve.

subculture: A group of people that shares specific values within a culture.

subliminal perception: An advertising message presented below a consumer's threshold of consciousness. A visual or auditory message that's allegedly perceived psychologically but not consciously.

target audience: A specified audience or demographic group for which an advertising message is designed.

target market: A group of individuals whom collectively are intended recipients of an advertiser's message.

target market identification: The process of using income, demographic, and life style characteristics of a market and census information for small areas to identify the most favorable locations to market a product or service.

unique selling proposition: The unique product benefit that a competitor's product or service can't claim when offered to the prospective customer in an exchange transaction.

values and lifestyles (VALS) research: A research method that psychologically groups consumers based on certain characteristics, such as their values, lifestyles, and demographics.

vehicle: A specific channel or publication for carrying an advertising message to a target audience. For example, a medium may be magazines; the vehicle for that medium would be *Time Magazine*.

word-of-mouth advertising: Advertising that occurs when customers share information about products or promotions with friends.