

## Don't Assume Your Customers Know...

**Many businesses make an assumption that potential customers know who they are, what they do, how they do it, why they are better to deal with than competitors, and more.**

Further, they also assume customers know and understand everything offered by that business.

In most cases, this simply is NOT true. Because of that, this assumption can literally be a 'curse' on sales for that business.

Many business owners complain that people purchase on price. By working through this issue for your business, you can make sure you're properly educating your customers.

If customers are educated and because of that, better understand the benefits your business offers, price and other issues become far, far less important. Quality and value, experience, and other benefits become *more* important.

You also give the impression that you know what you're doing, care about the customer, and want them to have the right information on hand, instead of showing arrogance by assuming they know how good you are!

You have to sell & 'educate' your way to business success or out of

**'Quality and value, experience, and other benefits become more important.'**

a business problem—you can't just cut the price.

Your customers and prospects won't understand or appreciate the value, your products or services, a bargain, the way you do business, or the benefits unless and until you first educate them to appreciate it.

Merely offering a product or service at a specific price (even the best price) doesn't compel excitement or a response until you tell people what they're getting, its value compared to other products and services, and why or how you can offer such value.

That's because customers buy the differences they perceive about your business.

Given that, it's critical customers understand the differences between you and your competitors—specifically, why what you offer is better than your competitors.

In fact, it's pivotal to tell every potential customer, in a benefit-oriented way, what your business does AND explain the way your business does it, so customers can spot those differences.

**Otherwise they just won't know why they should buy from you!**

## Beware of "Couldn't Be Us"

**Robert Hanssen's bosses at the FBI repeatedly ignored his security breaches and refused to consider that one of its own could be a traitor.**

Instead, FBI leaders blamed the CIA as they searched for a mole, nearly charging an innocent CIA officer.

So bad was the FBI's sense of denial that, in the 25 years Hanssen worked there, he never took a lie-detector test and had

only one background check.

When Hanssen's brother-in-law, an FBI agent in Chicago, reported in 1990 that the spy had an unexplained stash of \$5,000 in his dresser drawer, Hanssen's supervisor refused to act.

In 1997, convicted spy Earl Pitts told agents that Hanssen was involved in suspicious activity. Three years later, FBI finally investigated.

Hanssen is now serving a life sentence for identifying U.S. agents to Russia and for revealing technological and nuclear secrets.

**Lesson:** Never assume your problem is coming from outside the organization or department. Look internally first, at your systems, your policies and your people.

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## Spartan Management- Be Prepared to Sacrifice!

**Vince Lombardi, coach of the champion NFL team the Green Bay Packers is widely considered to be one of the world's greatest coaches.**

He said "I think you've got to pay a price for anything that's worthwhile, and success is worth paying the price. You've got to pay the price to win, you've got to pay the price to stay on top, and you've got to pay the price to get there."

Lombardi often talked approvingly about the "Spartan" qualities of football. "When I speak of 'Spartanism,'" he explained, "I'm speaking not so much of leaving the weak to die, but I'm speaking of the Spartan quality of sacrifice, and the Spartan quality of self-denial."

Football distills and clarifies the choices that lie behind sacrifice.

As Lombardi readily admitted, it's a violent game, which has to be played violently. It makes demands on players that aren't made in any other sport. It imposes pain and injury, and fear of pain and injury.

But pain and the fear of pain is no excuse to avoid sacrifice.

When Lombardi first got to Green Bay, he found a lackadaisical attitude among the players.

After the first day of practice, he was completely discouraged. What could he do to turn this team around?

When he walked into the training room the next morning, he found it full of players getting treatment for a variety of minor ailments.

He snapped.

"Get this straight!" he barked. "When you're hurt, you have every right to be in here. You'll get the best medical treatment we can provide. We've got too much money invested in you to think otherwise. But this has to stop. You're going to have to learn how to live with small hurts and play with small hurts, if you're going to play for me. Now I don't want to see this again!"

For the most part, he didn't.

Too often, we seek to protect and shield people from the pain and frustration of mistakes and failure. We say "Don't bite off more than you can chew," and "Be happy with what you have." What a disservice we do to these

people!

**Teach** your people to reach for the stars. They may not come down with any, but they will come away with a whole lot more than had they not even tried.

And they'll learn a valuable lesson: without pain, turmoil, commotion, anxiety, stress and tension, there is no growth, no change. **You must pay the price!**

Here are 3 ways to think about sacrifice:

**Sacrifice leads to success:** It's sacrifice, during all those hours of training, that equips you to hang in there against all odds. Sacrifice and self denial lie behind every success.

**Use failures as stepping stones:** It hurts to fall short of a goal. However, when you use a failure to your advantage, it can become merely a stepping stone on the road to victory.

**Pay the price:** Greatness is worth the cost. Great achievements require courage, determination, drive and a willingness to pay the price.

**"People acting together can achieve things which no individual acting alone could ever hope to bring about."**

**Franklin Delano Roosevelt**

## Manage Your Time Wisely

**Time is our most valuable resource. By analyzing time usage on a regular basis, it is possible to understand the most efficient ways to use time, both in and out of the workplace. Here are 5 ways you can better manage your time:**

1. **Analyze Use of Time:** Few of us will readily admit that large parts of our working day are wasted. The only way for you to make better use of your time is to analyze how you use it now and then to consider ways in which you can reallocate it in a more effective way.

2. **Analyzing Your Goals:** Long term personal and professional goals are essential when it comes to setting overall targets. But in the short term a personal goal may take temporary precedence over long-term aims such as running a business.

3. **Working out Priorities:** Once you have listed your long and short term professional goals, you need to arrange them in priority order. Each goal will involve the successful completion of a number of tasks. Decide which tasks are the most important and need urgent

attention.

4. **Assessing Work Patterns:** Everybody has a natural daily rhythm to their energy patterns, rising to peaks of mental and physical performance, then experiencing troughs of low energy. Become familiar with your own rhythm so that you can work with it rather than against it.

5. **Using Time Planners:** Keeping a reliable and precise record of forthcoming events, appointments, and obligations is crucial for efficient time management.

**What you can measure you can manage. It's a simple concept but you'd be surprised at how few businesses actually measure what's happening on a day-to-day or even a week to week basis.**

Recently firms have turned to benchmarking as created by Xerox, together with the GE version of this technique, known as best practices, to identify potential problems. In benchmarking a firm compares its practices with those of the firm that is considered the best in its industry.

In best practices, a firm compares itself with a the firm that is considered the best at certain practices, regardless of the industry in which it operates.

The results of these comparisons are used to motivate change and as goals for improvement.

When he was head of the Bonneville Power Administration, Peter T. Johnson created a fictitious super competitor with which to compare his organization.

Other firms create a composite

super competitor, taking the best practices in different areas and combining them. The most successful businesses carefully measure and monitor their critical success factors and key performance indicators.

Talk with us today about how we can help you benchmark, develop best practices and be the best you can be.

## Delivering "WOW" Service

**Tom Peters said it best in his book *In Search of Excellence*: "The best kept secret in the global economy is this: When your service is awesome, you get so stinking rich that you have to keep buying new bags to carry all the money home."**

Notice he didn't say that your service should be good, or great, or mediocre. Or that your customers should be satisfied. He said, "When your service is AWESOME." The kind of service that makes people sit up and take notice. The kind of service that makes people talk about you.

Look at the businesses and companies that have achieved truly great things. Businesses like Disneyland, McDonald's and Vir-

gin have made big names for themselves by delivering the type of service that qualifies as awesome.

That's easy for them, you say? Well, it's easy for you too.

Many small businesses have carved a niche for themselves by delivering more than expected to their customers and delighting them in the process.

Notice again we didn't say "satisfy them" - we said delight. Why? Because delighted customers talk. Oftentimes about your business.

If you doubt the value of delivering awesome service, think about how much business is obtained through word of mouth.

Many business owners, when asked where their business comes from, answer with "word of mouth." If that's the case, how can you capitalize on that to get more people referring business to you?

The easiest way, by far, is to impress your customers so much that they become advocates for you.

The way to do this? Give them WOW service!

Service that gets your business talked about. It's a way to create absolutely free publicity for you—and the good news is that it doesn't cost you a penny more to give 'wow' service than it costs to give 'satisfactory' service.

## Doubling Your Prospect Base Through Endorsements

**Think about this. The last time you needed a product or service, for which you had no particular supplier in mind, what did you do? You might have looked in the Yellow Pages, but if you're like most, you probably asked a friend or colleague if they know of somebody who could supply you with what you needed.**

In fact, an incredible amount of business happens this way. People endorse businesses every day,

giving their friends and colleagues names and phone numbers of companies they have found to be reliable, reputable and able to supply.

More often than not, the businesses that get referred are ones which the customer has enjoyed dealing with.

You see, when people are referred to a business, they're often not in "shopping around" mode. If they trust the source of

the referral, they will probably buy from the business recommended without even looking to see what a competitor is offering.

If so much business comes from this avenue, what can you do to capture more of it? For starters, make sure you nurture the relationships you have with other businesses and with your customers.



### Why Do People Buy From You?

#### ***It's an interesting question, isn't it?***

Why do people buy your product or service from you? "We give great service" is the usual answer. And you're probably right. I'm sure you do give great service. The problem is, so do many of your competitors.

"We have great prices" is another good answer. But we all know that it's a price war out there. No sooner do you lower your prices than your competitors do the same. You can't possibly always have the best price. So, if you don't always have the best price and you give as good a service as your competitors, why do people buy from you?

The reason people choose to buy from one supplier over another

may have nothing to do with price per se. What it does have to do with is difference. Take the following example:

Supplier A and Supplier B are competitors. The products they have a certain price and a cer-

#### ***'It's a price war out there.'***

tain quality. Both have a range of products and both deliver a service to their customers.

So, what would make you choose to buy from one supplier over the other? The answer is fairly clear. Better price, better range, better service, better quality? Yes, obviously, you choose one over another because one provides

something better than the other. In other words, there is a perceivable difference between them—and that difference is the reason that you choose who you will purchase from.

Once you understand it's as simple as this, you can really set your business apart from your competitors.

If your service is the same as your competitors, and the price is as low, then are potential customers going to choose you? People choose to buy from suppliers because of the differences they perceive in one supplier over another.

So work on ways to differentiate your business from your competitors and plan on bringing in new business!

### About our consulting services

#### ***We're not your average advisory firm. Far from it.***

Our membership in the Principa Alliance means you have access to the collective knowledge and expertise of an international network made up of hundreds of professionals who specialize in consulting to small and medium-sized businesses, just like yours.

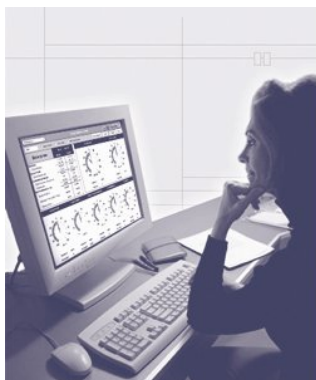
When you add to that our experience, support and

guidance, you can be confident you'll have all the help you need to make your business truly extraordinary.

*We can and will do so much more for you than just 'keep the score'.*

Our goal is to help you build a stronger, more profitable business, so you can enjoy greater financial freedom and a higher quality of life as a result.

Contact us today to discuss how we can help you build a business that delivers on its promise—to you, your team, and your customers.



## The Business DashBoard™

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