

PASSIONATE AND PROFITABLE

WHY CUSTOMER STRATEGIES FAIL
AND TEN STEPS TO DO THEM RIGHT

Lior Arussy



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*To All My Clients for Being
My Best Teachers*

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INTRODUCTION: THE TOP TEN CRUCIAL MISTAKES IN CUSTOMER STRATEGIES

Succeeding in business is a straightforward matter: focus on the customers and amaze them with experiences that exceed their expectations. They will respond with repeat business and longer loyalty.

This would seem to be a simple, common-sense guideline; nevertheless, it appears to be more difficult than ever to convince customers to be loyal and deliver greater business.

The reason is that we don't always *do* what we *know*, or do not know how to do what we want. After years of research and consulting, I discovered that most companies don't really know *how* to do what they *think* they know. "We are committed to our customers" or "Customers are the reason for our existence" are common slogans hanging on many corporate walls. But what does it mean from an operational viewpoint? How do we put these lofty statements into practice?

Many organizations say "the customer is king"—but do we really love customers and strive to delight them? Or are they merely a way to make money? Are we passionately obsessed with making people happy every day, or are customers the burden we bear because we weren't born rich or didn't win the lottery? Ask yourself: if you had all the money you needed and then some, would you still be energized every day by a mission to help people solve their problems?

This book is about making the choice for the customer, making a choice beyond the superficial slogans and choosing an operational, actionable strategy. Our experience has shown that although companies focus their customer programs on cross-selling and loyalty initiatives, the issue is much more fundamental. They fail in their value proposition—their total customer experience. One of the critical rules discussed in this book is: *whoever collects and completes the value proposition gets to keep most of the money*. A few companies deliver a complete, clear, and compelling value proposition to their customers, so they collect premium prices. However, most companies leave their customers to unravel the value of products and services on their own, so they reap a poor return. The real money—in any game—is not in the old four "Ps": Product, Pricing, Placement, and Promotion. The glitz and glamour of the product does not *really* cause people to beat a path