



May 2021

THE BUSINESS NEWSLETTER FROM AUSWILD & CO
PO Box 527 Kogarah NSW 1485
Chartered Accountants and Business Consultants

Website: www.auswild.com.au
Telephone: (02) 9588 0100
Facsimile: (02) 9588 7865

IT SHOULD BE ABOUT THE CUSTOMER EXPERIENCE

As a business owner, do you think more about sales or more about the customer experience? Do you subscribe to the "ABC" principle? "Always Be Closing" or "ABC" is a popular phrase in sales circles and salespeople who can bring in new business are put on pedestals and prized by their employers. After all, sales generate revenue and revenue is what is required to stay in business.

However, the all-consuming goal of the close may not be as on point today as it was a decade ago. It is acknowledged that the customer experience is more important today than ever before, and businesses that fail to think about the entire process may miss out on initial or repeat sales.

What's so special about the customer experience?

Consumers today can get the item or service they are looking for from just about anywhere – a local shop, a department store or an online giant. And with online, that purchase can be made from halfway across the country or across the world.

Given the resulting increase in competition, businesses should be looking for alternative ways to distinguish their brands. The sales experts say that focusing on the customer experience is one way to do that.

When people make purchases today, they want that purchase to make them feel a certain way. They will choose one grocery store over the other because the people there are "always so helpful and so kind." They will go to a particular fast-food restaurant instead of its competitor because the counter people are happier, friendlier and don't look miserable in their jobs.

It's not the product that influences these individuals' decisions; the product may be roughly the same whatever the label. Instead, it's the experience that makes the difference. Consumers may want to purchase a product, but they want to do it in an atmosphere, online or in-store, that makes them feel something positive.

And that's something that's relatively new: There was a time, after all, when experience was a luxury. People went to high-end boutiques – and dropped a lot of cash – because they were paying a premium for both the product and the boutiques' exceptional, rarified service. Today, people expect that same rarified service from every purchasing experience, whether the product is the latest fashion attire – or stationery.

Word-of-mouth marketing is still the most valuable tool

In today's world, business does not necessarily come from a sales pitch or an advertisement. Word of mouth marketing is still considered the best, most valuable marketing tool that a business can have or use. After all, who are you more likely to trust when it comes to buying a new coffee maker or air-fryer: the salesperson who earns a commission or your best friend who has been using the product and has been raving about it on social media? Almost half of the millennial segment – and one in three consumers overall – say they are influenced by social media and use it to make purchasing decisions.

Businesses that ignore these statistics, and still rely on the same tired old sales tactics, are operating in a time warp and digging a hole for themselves. There is an old saying – “if you keep on doing the same old thing, you will end up with the same old result.” It is like repeating the same process over and over again and expecting different results.

The only word-of-mouth strategy you need starts with a good customer experience

Any business that focuses on providing the best experience to each potential customer and existing customer has an opportunity to earn free marketing. Contented customers, and sometimes even contented prospects, can and will share their experiences with their communities. In our digital world, with uber-savvy digital consumers, all a business needs to earn the curiosity of 100 or more friends and followers is one heartfelt post on social media.

It costs more to bring on a new customer than to keep one you already have, making that focus on customer experience an effective strategy on many fronts.

Not only will businesses keep down the costs associated with acquisition, they will save on marketing. When organic “brand ambassadors” start talking about the brand experience online, all a business needs to do is continue to provide that same level of excellent customer experience to any prospect or existing customer who subsequently materialises.

Shifting the focus more to the customer experience does not eradicate the sales function, but it does change a salesperson's priorities. Instead of working hard to earn a sale, the salesperson may be able to use his or her product knowledge to answer questions about the product and provide the customer with a more personable, friendly experience.

The product and the overall experience are the deciding factors in the customer's decision, and chances are good that he or she has already made a choice by the time of that phone call or chat with a salesperson in store. By focusing on the customer experience, your business can make sure that the customer's choice is to purchase from you.