

# Who are the Customers we Want?

By Cheryl Crumb

In the world of romance, a woman who expects exotic furs, vintage champagne, lavish attention and ad nauseum reminders of your undying devotion is termed "high maintenance". The walked-upon gentleman of the moment is continually chided by his companions with the question, "Is she really worth it?". Good question. In business as well as romance!

Exit love's labours and enter the world of commerce. The world has billions of potential customers. Who do we want and who don't we want? Create a continuum and label one side the "Perfect Customer" and the opposite side "High Maintenance Customer". Let's examine perfection first. This is not a flesh-and-blood entity, but rather a standard against which to measure the customers you see so that you can nurture those close to the profile and develop a strategy for those who bear no resemblance. Customers who most closely resemble your perfect model will lead to easier sales and cause fewer problems. A profile should be composed of both tangible and intangible characteristics.

*Tangible factors are business-oriented, objective and measurable. Think of them as demographically-oriented. Depending on your business they might include:*

- available income
- fit in a particular age range
- lifestyle supportive of your product/service industry
- age and condition of customer's current holdings
- access to selling location
- volume potential
- likelihood of growth
- financially solid
- brand/store loyalty
- profitability likelihood
- the fit between the products/services you sell and those the customer needs
- cross-selling opportunities
- number of end users

Too many suppliers take a short-sighted look at the Perfect Customer standard and stop here. Remember, however, that we are dealing with human beings, and personal, intangible factors play a significant role in our attitude to customers. These personal, subjective, non-measurable factors can be defined as "what it feels like" to deal with a customer. It reflects their attitudes, values, and

*Intangible characteristics might include:*

- degree of difficulty in getting business
- amount of time required to get the sale
- amount of time and effort required for after-sales service
- extent to which the customer is fun or enjoyable to work with
- ethical match
- referral possibilities
- personal hassle factor
- ability to understand and communicate easily
- openness to creativity and innovation
- importance customer places on supplier reputation
- value placed on quality
- loyalty to suppliers
- trusts me and my company
- acts with integrity

if held corporately are a description of the culture of the customer organization.

Value is the common ingredient in both lists. Customers are looking to have experiences that provide them with value. Suppliers are looking for customers who provide them with value. What is value? In practical terms, it can be defined as an equation: what you "get" divided by what it "costs" you.....or .....

$$\text{Value} = \text{Gots} / \text{Costs}$$

According to author and consultant, John Guaspari, both "Gots" and "Costs" are reflected in our tangible and intangible lists.

Think of a person who represents your perfect customer. Here's what you "get" when you do business with this person: (tangible) high likelihood that he will buy because he has a solid income; likes electronic toys so expensive purchases seem realistic; lives and works 15 minutes from your store; high degree of influence over corporate purchases; (intangible) asks intelligent questions; does homework before shopping; is fun to be with; is emotionally calm; is a person of integrity. What are the "costs"? The only one you can think of is your time in answering questions and following up to ensure the products work effectively. Therefore, high "gots", low "costs".....a win for you. And if the customer's got/cost ratio is positive, a win for him as well.

Now, think of a person who represents your worst customer, our high maintenance example. In this case the "costs" will outweigh the "gots": he constantly tries to barter you down as if you're a Mexican beach vendor;

exhausts you with his high-pitched, whining irrelevant stories; is always looking to make himself right and you wrong; calls you several times a day to see if the product is still on schedule; asks for enormous amounts of backup paperwork; believes what friends say rather than what research espouses; frequently returns goods saying that you misrepresented the product; is late in paying; and has little buying influence over others..... What are the "gots" in this situation? Very little: a sale of a clearance item. So, you ask yourself, "Is it worth it?"

Every salesperson in every industry needs to bring their positive and negative feelings about customers to this level of consciousness. It's a way to assess the long-term success of working with people. It's a strategy to determine which customers to actively pursue. It's a way to anticipate where you might have future problems.

Keep your perfect customer standard in mind.....as well as the nightmarish high-maintenance customer. Look at where your actual customers are relative to each side of your continuum. The world is not so full of customers that you should use it as a cop-out to not sell to a customer. Discuss with your business partners whether you want to exert the time and energy to attract or retain a high-maintenance customer. In the bullish times, they might not be worth it; when it's lean and mean and bearish and the wolves are prowling at the door, the potential "got" might outweigh the "costs". If the customer is far from your model of perfection, brainstorm ways that you can minimize the potential problems or reduce the likelihood of their occurrence.

The final consideration is developing a strategy when the person walking through the door is creeping over to the high maintenance side of your continuum. What causes your blood pressure to soar might be a personal challenge to a colleague. They might get a rush from negotiating with this person, the customer's irrelevancies might be personally intriguing to them, they might relish an up-front conversation about payment terms ....in other words, your "costs" might be their "gots". Figure out a way to tag-team so that the organization, the salesperson and the customer all leave with wins.

Even if you hate math, this is one model that works!