

Rise Performance Group

Loyalty Isn't Luck

Intentional Plans Create Die-Hard Fans



Introduction

Loyalty Isn't Luck

"Die-hard fan customers" are those who are so loyal they will recommend you, defend you, and even walk past a potentially better product at a potentially better price before they will allow the relationship to end.

"Die-hard fan employees" are those who are so loyal they will recommend you, defend you, and even turn down a potentially better position with a potentially higher salary before they will allow the relationship to end.

Aren't these the type of relationships you'd like to build for your organization? They don't just happen. It takes intentional plans to create die-hard fans. Organizations that consistently produce die-hard fan clients, customers, and employees practice certain key principles, which are addressed in the accompanying eBook.

If you'd like more information or have questions about how you can create die-hard fan clients and a die-hard fan culture for your organization, please contact me at info@risepg.com.

Lead with Passion,

A handwritten signature in blue ink, appearing to read 'M Fenner', with a long horizontal stroke extending to the right.

Mark Fenner, President and Founder

Rise Performance Group

Loyalty Principles

Love Your Customers

If you truly want to create die-hard fan clients, you have to fall in love with them.

Develop and Deliver on Your Promise

Organizations that consistently create die-hard fan clients develop a brand promise and then deliver on that brand promise.

Intentionally Create Wow Experiences

WOW experiences solidify die-hard fan clients.

Turn Challenges into Die-Hard Fan Opportunities

Take the opportunity to do what others don't and your customer will notice the difference.

Under Promise and Over Deliver

Trust is the foundation for creating die-hard fan clients.

Purpose Before Products

Die-hard fans are created when they can connect with your purpose.



Love Your Customers

If you truly want to create die-hard fan clients, you have to learn to love your clients more than you love your products, services, business model or your past success.

A friend of mine, Steve, recently told me about his nephew, Michael, who lives in New York and was visiting Texas for spring break. As Michael was making his way through DFW airport, he dropped his iPad and cracked the screen. Steve and Michael went to a nearby Apple Store to see about getting it fixed. The Apple associate looked at the iPad, then looked at Steve, then at Michael. He said, "Same thing could have happened to me. We will just replace this iPad with a new one."

If Michael wasn't already a loyal, die-hard fan customer, he is now. Why? Because Apple loves their customers.

Compare that experience to former video rental giant Blockbuster. If you ever rented a movie from Blockbuster, you'll remember their infamous late fees. If you walked into a Blockbuster store with a movie you forgot about for a week, their response was to hit you with a \$20 late fee. This was their business model.

Apple loves its customers, but Blockbuster loved their business model. It was actually a late fee that inspired Netflix founder Reed Hastings to start the company that eventually put Blockbuster out of business.

In 2002, Blockbuster had a chance to purchase Netflix, but they passed on the opportunity. Shortsightedly, they chose their business model over their customers.

A few years later Blockbuster realized they needed to compete with Netflix and rolled out a competitive subscription model. Unfortunately, it was too late. Their customers were fleeting and their inability to cultivate die-hard fans made it impossible for them to survive.

The biggest mistake most organizations make is that they fall in love with their products, services, and business model. Organizations that consistently create die-hard fan clients instead love their clients. They are obsessed with understanding and anticipating their clients' deepest needs and they are willing to move heaven and earth to meet those needs.

Action Items

- Make a list of the things you do that demonstrate you are putting your clients' needs ahead of yours.
- Make a list of the things you do that put your needs before your clients' needs.
- Now think about your clients' future needs, including things that your client may not even realize they need, and make a list of those.
- Commit to falling in love with your clients and falling out of love with your company, your products, and your business model.

Develop and Deliver on Your Brand Promise

Organizations that consistently create die-hard fans develop a brand promise (or personal promise) and then deliver on that promise.

A “brand promise” is a statement describing what you commit to deliver and what makes you unique.

In the book, *Nuts! Southwest Airlines’ Crazy Recipe for Business and Personal Success*, there is a story about a woman who sent Southwest a complaint letter after every flight she took. She would complain about the lack of assigned seating, the lack of a first-class section, the lack of meals, the flight attendants’ uniforms, or the casual atmosphere. One of those letters finally made it to the desk of legendary CEO Herb Kelleher. It took him 60 seconds to write back the following note: “Dear Mrs. Crabapple, we will miss you. Love, Herb.”

Southwest Airlines created a brand promise, one that has changed very little over the years. They commit to being:

- Cheap (no frills)
- Reliable (on time)
- Fun

And then they deliver on that brand promise. The clear understanding of that brand promise made it quite simple for Kelleher to respond to the unhappy customer. Her expectations didn’t fall within their brand promise, but that’s not the case for millions of happy (and very loyal) die-hard fans.

Action Items

Review and analyze your brand promise. If you don't have one, start by answering these three questions:

- What are your target clients' functional, emotional, and altruistic needs?
- What do you do best?
- What fulfills your organization's mission?



In the answers to those three questions, you should find your brand promise. Consistently delivering on that brand promise will build your base of die-hard fan clients.

To be successful, intentionally attract and serve those clients who value your brand promise. But do not be afraid to politely walk away from clients who do not.

Intentionally Create Wow Experiences

Companies and individuals that consistently create die-hard fans have a mindset of delivering more than anyone would expect from them. Apple has consistently wowed us with almost every new product release. Amazon wows us with faster and more efficient ways of delivering goods to us.

In December 2007 I took a sales job with a company after a long, exhaustive interview process. On the first day my new boss told me, "We forgot to mention during the interview process that you will also be receiving a \$500 per month car allowance." I was in shock. Often, during the first week of a new job you find out the position is not quite what you thought it was. But here I was, finding out that it was materially better than I expected. You can imagine my excitement at working for this organization.

Wow experiences do not always have to cost money.

I believe that Apple associates love their customers because Apple loves their associates. I was in an Apple store when I witnessed them celebrate an employee who was leaving. It was the end of the employee's last day and he walked out to what Apple calls the "clap out." The manager of the store asks everyone to stop for a moment. Then they take a few to celebrate the employee as he or she leaves. I watched as several employees, including the one leaving, were in tears. In that moment I thought to myself that if this is how they treat employees who are leaving, how do they treat those that stay?

By the way, what type of positive energy do you think those former employees radiate about Apple? How many companies do you know that can create die-hard fan customers from employees who leave?

Another example. There is a restaurant in Irving, Texas, called Via Real. Owner Fran Mathers makes it a priority for her and her staff to remember everyone's name. When I mention Via Real at one of my workshops, someone almost always has a story about how the staff remembered their name even though they had eaten there only once before, many weeks earlier.

Zappos, the company that Tony Hsieh took from startup to a \$1 billion operation in less than 10 years is very intentional about creating wow. Zappos promises free shipping on every order and on any returns. That alone is unique in the retail industry. But Zappos creates wow by surprising customers with free upgrades to overnight shipping (which they do randomly to returning customers). Combine this with a 24x7 warehouse located just 15 minutes from a major UPS hub, and a customer can order shoes at midnight and be wowed when the order shows up on their door step eight hours later.

In his book *Delivering Happiness: A path to Profits, Passion and Purpose* Hsieh noted that this kind of treatment “creates a Wow Experience, which our customers remember for a very long time and tell their friends and family about.”

What are you doing to wow your clients? Maybe it's as simple as recognizing customer anniversaries. Or a special discount offered to customers on their birthday. Or maybe simply using and remembering their names.

Wow experiences generate emotions that solidify die-hard fan enthusiasm and loyalty.

Action Items

- Write out three areas where you can intentionally create wow for your clients.
- Put a reminder system in place to help you develop the habit of consistently creating wow.

Turn Challenges into Die-Hard Fan Opportunities

My first non-book purchase from Amazon was a webcam. I planned to use it to facilitate a series of webinars for a client. The webcam arrived in a timely manner, but I began to question my decision when I couldn't get it to work with my computer. I started thinking about the hassle of returning items to brick and mortar stores and was certain it would be even worse in the online world.

I was completely blown away, however, when I signed into Amazon's site, went to the returns section, and found a list of all my orders. With a click, up popped a nearly complete return authorization form complete with UPS shipping information. I finished the process and my assistant left to drop off the package. I was pleasantly surprised when I received an email from Amazon notifying me they had credited my account, within 10 minutes. They hadn't even received the returned item yet. From that day forward I was hooked and I have been a die-hard fan of Amazon since.. They turned my dissatisfaction with my purchase into an opportunity to create a die-hard fan.

Try these best practices for dealing with challenges:

- Fix problems quickly by removing all the burdens for the client or customer. Make it easy for them.
- Follow up a week later to make sure the client is happy. A simple phone call or email is all it takes.
- Follow up a month later to make sure the client is still happy. This can make a tremendous positive impression.

Clients don't expect perfection. Especially in the technology industry, the process of implementing new solutions for clients can be filled with challenges and the potential for mistakes. You certainly do not want to tolerate unnecessary mistakes, but don't be afraid of them when they happen. Turning a challenge into an opportunity builds die-hard fans. Go beyond what your competitors do and your employees and customers will notice the difference.

Action Items

- What are common challenges in your clients' experiences?
- What process can you implement to reduce or eliminate these challenges?
Design and implement a process that turns these challenges into die-hard fan creation opportunities.

Under Promise and Over Deliver

Unfortunately, many organizations have the formula backwards. They over-promise and then under-deliver. Such organizations will never create the type of loyalty that comes from die-hard fans unless they turn it around. Trust only takes root and establishes itself when an organization under-promises and over-delivers. Your promise creates hope, and your delivery on that promise creates trust. Trust is the foundation for creating die-hard fans.

Trust is like a bank account. Deliver on your commitments and you make a deposit; fall short, and you make a withdrawal. Clients, especially loyal clients, may not expect perfection, but they do expect you to honor your commitments. If you repeatedly come up short of the expectation you have set, you lose trust and ultimately the client.

Just meeting expectations is not enough today. You must exceed the clients' expectations. Your goal should be to deliver two to three times as much value as someone would expect from your partnership.

When we design customer acquisition strategies for clients, we intentionally look for ways to set the delivery team up for success. The way to do that is to find that something extra the client will get that was never discussed during the client acquisition process.

Action Items

- Because die-hard fan creation happens when people receive more value than they expect, determine what you can over-deliver on to your customers.
- Make a list of the promises you make when setting expectations or acquiring a customer. Commit to paring this list back. Find ways to win the client without making the promise, while still delivering the value.

Purpose Before Products

According to the Deloitte 2016 Millennial Survey, 87 percent of millennials believe that a company should have a purpose beyond making a profit. With millennials now the largest segment in the workplace, it may make sense to listen to them.

But regardless of what millennials want, most great companies began with a higher purpose, for the greater good. In most cases, their founder was crystal clear about why they did what they did. And they designed their products and services to fulfill that purpose. Look at these respected companies and their stated purposes:

- Microsoft – To enable people and businesses throughout the world to realize their full potential
- Chick-Fil-A – To glorify God by being a faithful steward of all that is entrusted to us; to have a positive influence on all who come in contact with Chick-Fil-A
- Mary Kay – Unlimited Opportunity for Women
- Nike – To experience the emotion of competition, winning, and crushing competitors
- Wal-Mart – To give ordinary folks the chance to buy the same things as rich people
- Walt Disney – To create happiness

Let's look at Apple one more time: When Steve Jobs came back to Apple in 1997, they were teetering on the edge of bankruptcy. The company had lost its way. It was losing clients and was burdened with underperforming products. Most executives would have focused on the company's products and how to sell more of them. Instead, Jobs started by looking at Apple's most loyal clients and going back to the company's "why."

Soon after his return, in an early meeting with his advertising group, he said: "We are not about what computers can do, rather we are about what creative people can do with computers." His focus was on their die-hard fans and Apple's purpose, to change the world by challenging the status quo.

Peter Drucker, the father of modern management, famously asked, "What business are you *really* in?" Disney realized years ago it was in the entertainment business. Apple realized it was not in the computer business, but in the business of challenging the status quo and disrupting industries. Contrast that with Blockbuster, which thought it was only in the video rental business.

Action Items

What is your organization's purpose? If you can't immediately answer that question, think about the questions below. There is a reason for the repetition.

- Why does your organization do what you do?
- Why does the world need you?
- Why does that matter?
- And why does that matter?
- And why does that matter?
- And why does that matter?

For most people, it takes question 5 or 6 for their true purpose to emerge. Once you have that purpose, spend more time sharing that than you do discussing product features and benefits. It is your purpose that die-hard fans will connect with.

Remember, people don't buy what you do, they buy why you do it.

When your why is understood, your clients, your customers, and your employees will be more inspired to become die-hard fans.

Take a minute and write out your purpose. Consider where you need to be more intentional about communicating that purpose. Commit to sharing your purpose with everyone you meet among your clients, customers, investors, and colleagues.

Conclusion

In today's world of likes, reviews and retweets, creating die-hard fans isn't a luxury. It's a necessity. It will not happen overnight and it takes more than just a program, more than just training. Consistently creating die-hard fans takes an intentional focus. It requires a culture with a singular focus on understanding, anticipating, and empathizing with the needs of clients.

Let's review the key principles one more time:

Learn to fall in love with your customers

Develop and deliver on your promise

Intentionally create wow experiences

Turn challenges into die-hard fan opportunities

Under-promise and over-deliver

Purpose before products

These six Loyalty Principles will build your die-hard fan base, internally and externally. At Rise Performance Group, we are passionate about helping our clients create a culture that consistently creates their own die-hard fans. Find out more at www.loyaltyisntluck.com.

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