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# Gleanings

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## Who Is Your Customer?



A plant engineer called an industrial salesman to examine a problem with some material handling equipment. The salesman adroitly analyzed the problem and proposed a solution. The engineer thanked the salesman and proceeded to take the salesman's proposal to other vendors for pricing. He found a vendor whose bid was cheaper than the salesman's price and bought the required products and services to solve the problem from the low bidder. The salesman was not paid for his work in developing the solution to the problem. Was the salesman treated fairly? Was the plant engineer his customer?

This is an all too common scenario. The engineer needed help solving a problem and the salesman was able to provide a solution. The engineer had a new problem, he needed to find the cheapest price—or so he thought. Clearly, good stewardship suggests that the engineer should find the cheapest efficacious solution. On the other hand, applying the principle that the laborer is worthy of his hire means that the salesman should be compensated for his services in developing the solution. If the engineer had factored-in an appropriate fee for the salesman's problem-solving services, then the engineer's decision concerning to whom to award the business may have been different.

If one applies the principle of the golden rule, which states that we are to treat others the way that we want to be treated, then it seems clear that the salesman was not treated fairly. No one wants to render a service and then be treated as the engineer treated the salesman. In my experience, I have observed this practice in a wide variety of industries and locations; hence, I would characterize it as ubiquitous practice. In many industries, it is called "bid shopping," and in my experience, those who are in positions like the salesman's universally disdain it. Bid shopping is not a root issue; it is a symptom of a deeper issue. The root issue is the question, what do you worship? If a person worships money, then everything is subordinated to money. Bid shopping can be evidence of the worship of money in a person or organization. On the other hand, if you worship the God of the Bible, who requires that we worship Him alone and that we demonstrate that reality by living righteously, then practicing the golden rule will trump money. Hence, people who really worship God are not bid shoppers. This is a sobering thought.

So what does bid shopping have to do with qualifying one's customers? Bid shoppers reveal that money is the primary driver in their buying decisions; hence, values and relationships are secondary. Therefore it is difficult to serve bid shoppers except on the basis of price. In my experience, seeking to serve customers based solely on price is a very difficult proposition. Hence, developing relationships with customers based on value-added service is the preferred approach.

So how does one qualify customers? I suggest a threefold approach for developing customers who put values and relationships ahead of price.

1. Trust. The first step in qualifying your customers is to establish a relationship of trust. Without trust, there is no basis for conducting business. Trust is the foundation for the requisite communication that facilitates serving the customer. Trust is earned through service. That is, establishing with the potential customer that you have his interest in mind, and you have knowledge that will benefit him.

2. Features. Whatever you sell has features. Features are characteristics of your product or service, such as, color, function, styling, ease of use, etc. A key step in determining if a potential customer can indeed become a customer is to evaluate how the features of your product/service would benefit the person or organization. This should be determined by an honest, open analysis and dialogue with the potential customer. Remember that no product will solve every problem. If the features of your product/service sufficiently benefit the potential customer, then you have passed this step in identifying or qualifying your customer.

3. Successfully explain the benefits. The last step in identifying your customer is the ability to cogently and credibly articulate to the potential customer how the features of your product/service would be beneficial to them and/or their organization. This step may require considerable patience and adept communication skills. Often, customers have to experience the features of your product/service before they are convinced of the benefits.

If you qualify your customers using the above three-step process, you will be much more successful at strategically using your time. You will be positioned to avoid situations like the industrial salesman experienced in the opening example. You will be clearer as to whom you can really serve and therefore where you should focus your time and attention. If in applying this process there is a breakdown at any point, then the potential customer will probably never become your customer.

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