

# What Your Customers Really Want (Hint: It's Not Just Price!)

BY WALT ZEGLINSKI

Does your business have what it takes to consistently win in today's market? How about keeping your customers loyal? If you think the price of your products or services is the reason you are attracting or not attracting and maintaining customers, think again. Today's customers are savvy and want much more from their relationship with your company than just a low cost.

## You want to deliver more value than the functional benefits inherent in your product or service.



Customers are looking for relationships that deliver unique value. Yes, they want your products to solve their problems but they also seek a level of satisfaction that goes beyond the intrinsic value of what they paid for. By learning to tap into this deeper level of emotional satisfaction, your business with current customers will increase and you will uncover a steady stream of new customers.

### **Are Your Customers Loyal?**

You may have asked your customers if they were satisfied with their purchase from your company, but the true measure is whether your customers are actually coming back. In an average customer poll you may find that 8 or 9 out of 10 customers were satisfied. That sounds great. But studies show that only 4 or 5 purchase from you again. Why? Because rational satisfaction (they were not displeased, the product worked, etc.) is only part of the equation. Customers who purchase again are emotionally satisfied. Moreover, emotionally satisfied customers will also recommend your product or service to others.

The bottom line on measuring loyalty:

- How many of your customers intend to purchase again.
- How many of your customers would endorse your company to others.

### **Creating Exceptional Value**

Exceptional value is created when your customer perceives your product or service to be worth more to them than the price they

pay. There are two components in any strategy for creating exceptional value with customers.

The first is how well you communicate the unique value of your products and services as compared to alternative solutions in the marketplace. This is important and is likely to result in a high rational satisfaction. However it takes emotional satisfaction to develop a loyal customer. The second factor — building deeper, trust-based relationships — is the key to emotionally satisfied customers. This happens when your employees show your organization understands a customer's needs, delivers more than is expected, and helps them achieve their goals.

Exceptional value stems from exceptional employees. Your people are the “secret sauce” in your organization's ability to deliver on its value promise. You have to hire and retain the right people to make it work. These employees are those who do not need management mandates to engage customers and adhere to company values. These employees are your customer's problem solvers. They provide the discretionary effort and intellectual capital that can take your customers from satisfied to loyal. And, studies have shown that an increase of only 5 percent in customer loyalty can add from 25 percent to more than 100 percent to your bottom line!

### **Tapping the Emotional Fountain**

Developing emotionally satisfied customers who enjoy extrinsic value (beyond functional benefits) might seem like a pie-in-the-sky ideal, but there are many world examples. Think about a Rolex watch and what you feel when you see one worn. Any watch can give you the

time, but they aren't a Rolex. What captivates us about a Rolex isn't its function, it's the prestige. A Rolex suggests more than your need to tell the time. It says that you appreciate the finer things. It shows that you have earned enough success to purchase one. It means you are knowledgeable about the value of the craftsmanship and precision it represents.


That is the connection you should seek to develop with your customers. You want to deliver more value than the functional benefits inherent in your product or service. You want your customers to experience the extrinsic value you bring to the relationship by being emotionally engaged throughout the buying process.

### **It Pays to Be Ethical**

A recent *USA Today* poll revealed that 72 percent of people will pay more to use the services and products of a company they perceive to be ethical. An easy example of this for consumer products is the higher prices that consumers pay at eco-friendly stores like WholeFoods. For service-based businesses, think of the movement of customers away from the megabanks who charged

hidden fees and left customers navigating through a labyrinth of automated phone systems to credit unions and community banks where a real person answers the phone with a sincere interest in your situation.

These are examples of how the perception of ethical business practices can make a difference. It reflects the impact of emotionally satisfied customers. People feel better about themselves when they believe they are dealing with an organization that cares about “doing the right thing.”

By optimizing the key performance drivers of value creation, you can successfully tap the emotional bonds of your customer relationships. This takes the right people, the right process, the right leadership, and the right commitment. The investment your company makes in enabling and aligning your team with the skills, attitudes, beliefs and values that develop loyal customers will enrich your core business and provide new opportunities to gain customers and market share. Stay engaged and stay ethical in your customer relationships and you will transform your business. 



Walt Zeglinski is a frequent speaker at conference events and has been published on subjects ranging from sales effectiveness to cultural transformation. You may contact Walt at [wzeglinski@vitalfactorsinc.com](mailto:wzeglinski@vitalfactorsinc.com) or 480-255-1120.