

CUSTOMERS BUY/BY THE DOZEN

REACHING CUSTOMERS -- WHO & HOW

Reaching Customers -- Who

Whenever sales people, sales managers and sales trainers get together, the terms “customer” or “client” often dominate the conversation. That's just a part of the business world they live in. Over the years I have been taking notes on the many different methods individuals and businesses used to categorize their customers. Reviewing my notes, I found that the methods fall into 12 categories, with each method, likely, having more variations than the following list contains:

1. The “Traditional” method. Since this is the definition most often given to the term “customer,” I place it first. as the one that most people are comfortable with. Customers are those:

- * currently on the books or who have made a recent purchase,
- * in the process of making the purchase,
- * contemplating making a purchase.

It is interesting that if people do not fit into one of these situations, they are, often, not thought of as customers

2. The “A- B- C” method. The firms using this method, commonly define these letters as:

- * “A” being the largest in size, potential or volume,
- * “B” growing towards becoming an “A” or on their way to the “C” level,
- * “C” doing the least volume of business.

Because customers are moving targets, many of today's “A” customers may be tomorrow's “C” customers or they are no longer customers. And it is likely that today's “C” customers may become tomorrow's “A” customers.

One firm I noted uses these letters to classify their customers as, “A” referring to open to new ideas, services or products; “B” as being those who are somewhat reticent to new ideas; and “C” meaning those closed to most proposals.

3. The “6 Directions” method. This format is often alluded to when people say or believe that “Everyone is in sales!” because everyone has ideas, information, policies,

procedures, changes, services or products they wish others to accept and adopt (buy or buy into). Selling, therefore, is done by and to:

- 1) Those above - owners, managers, investors, advisors
- 2) Those beside - associates
- 3) Those below - staff and suppliers (individuals and firms who supply products and services)
- 4) Those outside - who purchase products/services
- 5) Those behind - family and close friends
- 6) Those in front - acquaintances and potential customers of products/services

All people fitting into one of the 6 categories try to sell their ideas, information, skills, policies, procedures, wants/needs, changes, attitudes, services and products every day of their lives to those listed in all 6 categories . . . that is why saying “everyone is in sales” is true. Successful selling takes place when what is offered is accepted and adopted by others. What most do not take into consideration is that unsuccessful selling to someone in one direction will have a negative effect on the selling that takes place when others pass on the information.

4. The “F-F-A-A-C-C-C” method. F-F-A-A-C-C-C = Family, Friends, Associates, Acquaintances, Customers/Clients, and one's own Conscience. FFAACCCs also have FFAACCCs who also have FFAACCCS, etc. Be aware that with each transfer of information additional perceptions and opinions, right or wrong, enter into the picture and will go a long way toward facilitating additional business.

5. The “Customer vs. Client” method. Generally, “customers” and “clients” are defined as follows:

- * customers are those who buy products
- * clients are those who use/buy services

People who believe they have “clients” rather than “customers” usually resent it when their clients are referred to as customers. People who call their customers “customers” do not refer to them as “clients” because they see the terms as synonymous.

Although I don't agree with the following definition/categorization, some people and firms separate “customers” from “clients” by describing

- * customers as those who buy products and services but are not viewed as individuals,

* clients as those who buy products and services who are viewed as individuals.

6. The “P-I-P” method. Recently, I read a review of “Keeping The Edge -- Giving Customers the Service They Demand” by Dick Schaaf. (Courtesy of Dick Schaff, author of “Keeping The Edge, -- Giving Customers the Service They Demand”) The review included an interview with the author who said that he divided “customers” into three categories:

* Profit Customers - Owners/Investors

* Inside Customers - Staff

* Product Customers - Those who buy the firm's products and services

His outlook is that it's necessary to balance the needs of and sales to all three categories. If one category becomes more dominant than the other two, the business suffers, thus negatively affecting all three categories.

7. The “User Category” method. Who does or could use what one has to offer:

* “Current Users” -- those who currently use at least one of the ideas, information, policies, procedures, services, products offered.

* “Researched Leads” -- those who might possibly use the ideas, information, policies, procedures, service, products offered (but aren't currently).

* “Potential Customers” -- those one thinks/hopes would/could/should use the ideas, information, policies, procedures, service, products offered.

Current Users of one or more of the ideas, information, policies, procedures, services, products offered may be Researched Leads for additional ones. Researched Leads for one idea, information, policy, procedure, want/need, service/product may be Potential Customer for additional ones. The goal of this method is to facilitate moving Potential Customers into Researched Leads and Researched Leads into Current Users.

8. The “Forgotten Customer” method. This is a very important method of classifying customers. It can stand alone or be used with any of the other previous methods. Forgotten Customers are “Past Customers.” It is, unfortunately, a case of out-of-sight-out-of-mind. Past customers should not be forgotten. They are candidates for inclusion in your categories of customers.

9. The “Opportunity” method. Looking at customers as “New Customers” (first time and potential customers) and “Old Customers” (current and past customers) is best used as a way to look for opportunities to sell to more new customers and to sell more to current customers. It is:

- * Selling new ideas, services and/or products to new customers
- * Selling new ideas, services and/or products to old customers
- * Selling old ideas, services and/or products to new customers
- * Selling old ideas, services and/or products to old customers

When I first learned of this method, the firm employing it did so because they found that their salespeople adapted to each situation differently, some better to one than to others. Assigning them to only one method increased their sales. After seeing that it was so effective, they divided their support staff into the same categories and each unit became a profit center.

I am not suggesting firms do this by looking at customers in this way and at what they are or are not being asked to buy can affect the profit picture. Getting new customers and introducing new product and services is too costly to generate profits . . . yet one must have both to survive. Selling new products/services to old customers and selling old products/services to both new and old customers can produce additional profits.

10. The “Qualifying Customers” method. Qualifying customers is a common technique used in selling. The original meaning was used to determine if the customer was qualified to make the purchase, i.e., they have the funds or credit rating to buy what they are looking at. Unfortunately, the term, qualifying customers, is often used without this explanation, it has become a method of dividing customers into “buyers” and “lookers.”

This attitude most often exhibited at retail stores, car dealerships and trade shows results in sending many potential buyers out the door. Those who are “just looking,” and hence, not buying, are referred to as “tire kickers.” The attitude should be that anyone who is “kicking tires” is looking for something to go with what they are doing, planning to do or would like to do. A customer, by coming into or calling the seller's place of business or by allowing a potential supplier to make their presentation in the customer's environment, indicates the customer has “qualified” the potential supplier -- this customer believes the supplier may have something that might fit into the customers' personal or business life. The supplier should, therefore, treat the customer as “qualified.”

11. The “Invisible Customer” method. These fall into three categories:

- * those who wish to remain invisible by refusing to give their name or other information
- * those who say they are coming in but don't
- * those who promise to be back -- better known as members of the Will B. Back family

12. The “Paying Customer” method. Lastly, there are those who:

- * pay promptly
- * take longer than agreed upon
- * take forever to pay
- * don't pay

Where does looking at customers differently from the traditional ways lead? Hopefully, using these different methods of classifying customers, and the ways one chooses to reach them, will help increase sales by selling to more new customers and selling more to the customers you already have. That's what selling is all about!