

Overpromise and overdeliver

The secrets of unshakable customer loyalty are well within your grasp. Aligning your brand promise with your critical touchpoints will drive your business to new heights — and keep you on top.

By Rick Barrera

Every retailer wants and needs a powerful brand: A strong identity based on a distinctive, relevant advantage. A brand is, after all, the essence of what any company offers, the core values and attributes it represents, and what sets it apart from its competitors. Your brand is therefore also shorthand for all the things your customers want in your products and services; it is a compelling ideal based on your customers' expectations and your commitment to fulfill them.

Building your brand in the post-advertising age

Retailers often assume that building a powerful brand takes time and resources that are beyond their reach. While that may have been true in the past, when companies routinely spent tens of millions of dollars trying to build their brands from the top-down through the mass media, the rules of that game have changed.

Where we used to have broadly defined target groups served by a limited range of mainstream media, today's highly diverse markets are dialed into 200 cable networks, 2,000 radio stations, 500 magazines, and 3 million websites. This makes it harder than ever for you to locate and reach your customers.

What's more, those customers are no longer very receptive to traditional advertising. Average North Americans are now

exposed to 86,500 ad messages each year. As a result, they're easily turned off and, with the click of a button, will quickly tune you out. Of those who do not, 60% will doubt your message. Advertising may therefore help more people to recognize your name, but it typically does little to convince them of your promise or to change where or how they shop.

The power of word of mouth

There's a huge difference between a recognized name and a well-differentiated brand. For example, Maxwell House is a highly recognized name, but most people will spend much more time and money to enjoy a Starbucks — even though Starbucks invests very little in traditional advertising. How did that happen?

Chances are, you learned about Starbucks through word of mouth (WOM), from someone who had been there and loved the experience. And if you then became a regular Starbucks customer, it's probably because that initial WOM was validated by your own positive, first-hand experience. What's more, you probably then talked about your experience to someone else and changed their coffee-buying habits as well. When thousands of customers do this simultaneously it creates "buzz", and the buzz in turn attracts media attention.

Every retailer can learn from this example because most of today's strongest brands are now being created from the bottom up, by companies that provide the kind of extraordinary value and experience that generates conversation. When you do things differently and consistently better than your competitors, in a way that is aligned with your brand promise, your customers talk in ways that leverage the value of your efforts exponentially, ten to one. Through the internet, a single customer experience can actually be shared *thousands* of times. Either way, the words of your customers have a real impact: Studies prove that more and more people seek out and rely on WOM before making all types of shopping choices. WOM is typically seen as being more credible than advertising because it comes from an independent source.

How to get people talking about what makes you great

Positive WOM doesn't happen — and powerful brands aren't built — by under-promising or being average. In today's marketplace, that's a one-way ticket to oblivion. Today's most successful brands overpromise. Yours should, too.

Overpromising does *not* mean promising something you can't deliver, because that's just called "lying!" Instead, it means offering an advantage that is *radically* differentiated from your competitors and *highly* relevant to your customers. And that only has value when you also overdeliver: when you provide that

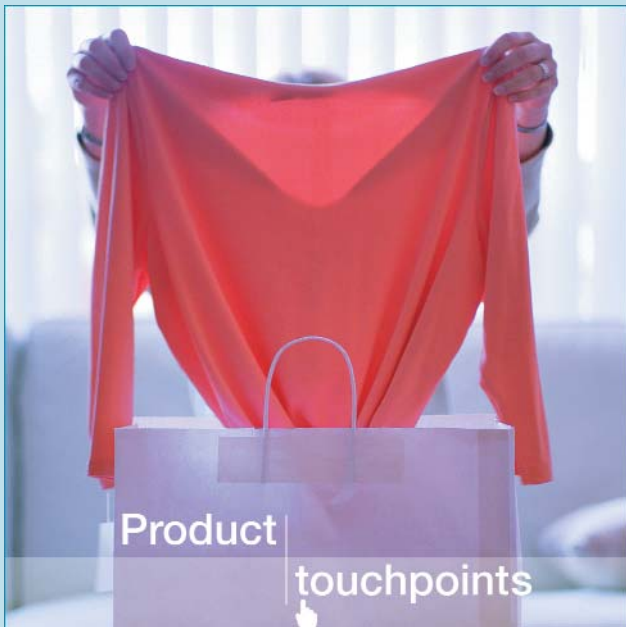
About the author

Rick Barrera is the president and founder of Overpromise Inc, a consulting firm that designs and executes differentiating marketing strategies. A dynamic presenter, he is also the author of *Overpromise and Overdeliver*, *Collaborative Selling*, and *Non-Manipulative Selling*.

As one of the keynote speakers at NSB's 2005 Client Conference, Rick explained why most people who see names such as American Express, Google, and Hummer get a clear and instant impression of what each one represents, and how retailers can use the secrets of successful branding to help them to stand out, be remembered, and keep customers coming back.



For more information, visit www.Overpromise.com.
Rick's books are available at www.amazon.com

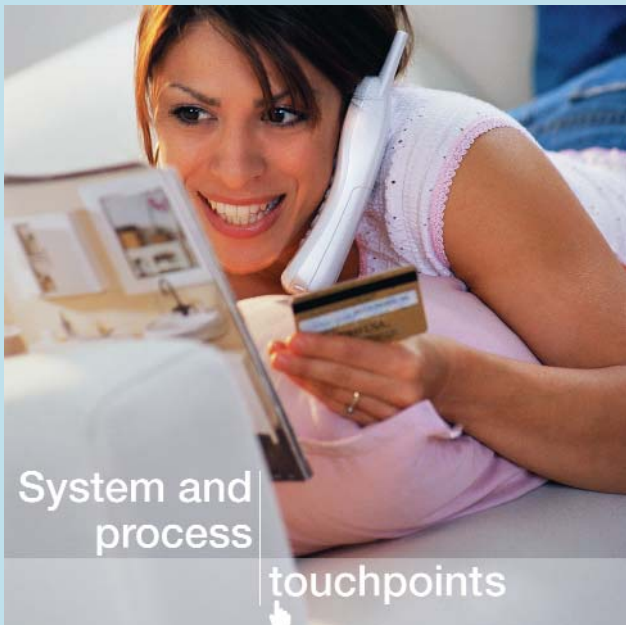


Every touchpoint is a chance to build your brand

As a retailer, you have many points of interaction with your customers and many opportunities to fulfill your brand promise — opportunities to transform ordinary experiences into *extraordinary* experiences that will get people talking and drive business to your stores.

Product touchpoints are critical. Harris Interactive has found that customers' personal experiences with a store's products had the most influence on subsequent purchase decisions. If a customer tries your product once and finds it lacking, she will find it very hard to trust you again. Consumers have more choices than ever before, so you only get one chance to make a good impression.

Your products can be differentiated through functionality (what they do and how well they work), technology (how they are made), and aesthetics (how they make the user feel). Consider the iPod: It both functions and looks like nothing else. The same can be said of the Hummer. Because these products represent something radically different, they have caused tremendous conversation in the marketplace and, in turn, tremendous sales. Look for products — and ways to refine your products — that distinguish your company in comparable ways. Even your giftwrapping or packaging can be a critical touchpoint: consider the cache of Tiffany's blue box!



System and process touchpoints are also important. As with products, these include functional elements such as store locations, hours, and your POS, CRM, in-store, and Web-based systems, as well as aesthetic elements such as your windows and displays, signage, lighting, and even the scent of your store. Your direct marketing programs, telephone greetings, customer engagement and sales methodology, and speed of delivery and store transfers are also key systems touchpoints that reflect and reinforce the quality of your brand. Align all these elements in relevant ways with your customers' interests to create a superior and more memorable shopping experience.

Equally important are all your **human touchpoints** — the ways your customers interact with your staff. Your associates may be prepared to go above and beyond to provide great service, but you shouldn't have to rely on heroics to create a great customer experience. Heroics aren't scalable; products and systems are. If you get those things right you create huge consistency, and you enable your staff to focus on being attentive, personal, and available to more of your customers, more of the time

Every employee is an ambassador for your brand. As such, it's important to hire to the brand: to be crystal clear about what your brand promise is and to hire people who will fully represent it in everything they do — from the way they approach and respond to your customers to the way they dress and speak. Toward this end, you should have a written document for employees that describes in detail the role they are to play, their style, how they should behave and, most importantly, what emotion they should try to elicit in each customer interaction and what behaviors will most likely produce that outcome.

Events, such as in-store shows (or even sponsored, external events) are another type of touchpoint that can be superb drivers of conversation.



promised advantage *consistently* through your most critical touchpoints.

How is it done? How can you identify the most distinctive and relevant advantages, then align your key touchpoints with effective fulfillment strategies? How can you spend your money in such a way that it makes people talk about your business in the best possible terms?

Confront reality: Do your research. Ask hard questions about everything your customers like and, more importantly, do not like about your company, products, and services. Accept what your customers actually tell you, instead of relying on conventional wisdom or what you might otherwise want to believe.

Define your overpromise. Based on what your customers really care about, how are you going to meet their needs differently and better than your competitors? What do you want your customers to think, feel, and tell others about your business? Deciding how you will answer these questions is essential to defining your brand and your mission.

Identify critical touchpoints. Once you have defined your differentiators – the unique and compelling things you want your customers to experience and remember – determine how and where you will deliver them. These are your critical touchpoints: the ways your customers experience your company, products, systems, and people. Retail touchpoints can include everything from the brands, styles, and sizes you carry to the various ways you enable your customers to locate, try, and purchase your products or even access your stores (inconvenient access *kills* traffic!).

Feel the pain. Focus on any touchpoints that that are a clear source of customer dissatisfaction and that you can radically improve to change your customers' experience. In particular, focus on touchpoints that people get emotional about: the aspects of your business that may generate real frustration for your customers. That way, your improvements will be more easily remembered and passed on through great word of mouth.



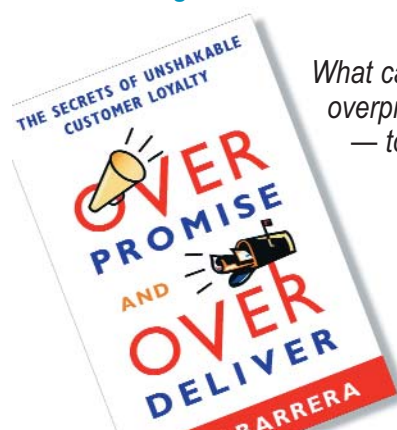
Develop a clear strategy and get everyone on board

What's an overpromise?

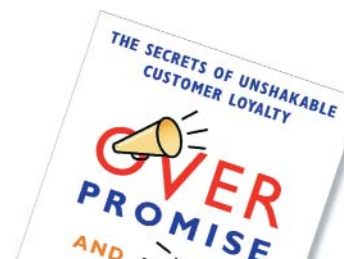
Google overpromises by offering anything you want to find on the Web... and overdelivers with an average search time of 0.2 seconds.

TiVo overpromises by saying it will totally transform the way you watch television... and overdelivers by introducing you to shows you never even considered.

Hummer overpromises a vehicle that's "like nothing else"... and overdelivers with a design that turns heads on any street.



What can your company overpromise — and overdeliver — to elevate your brand?



Develop a clear strategy. Ignore conventional boundaries. Be willing to make significant investments to win. Stay exceptionally close to your customers: learn who they are, what they buy, and what they want. Own and manage your customer relationships. Change faster than your competitors, and use technology in ways that are important to your customers to enhance their experience.

Go the distance. You can have everything in place, including the right products, systems, and staff, but if your displays aren't set up properly or there are long lines in your stores, all your investments may be wasted because people will turn away. Pay attention to the details. Follow through so there is no chance that your brand promise – and the powerful impression you want to create – will be compromised in any way.

See your business through your customers' eyes Ultimately, defining your brand and fulfilling your brand promise at all critical touchpoints is about being able to answer one critical question: Why should your customers drive past your competitors to shop at your store?

Walt Disney had the answer to this question when he said: "Do what you do so well that people will come back to see you do it again, and they will bring others with them." In other words, overpromise, and overdeliver.