

June 2014

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*Staying Connected*

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**YOUR FINANCIAL  
NEWS**

Let's Go **NUTS**

**About The Value We Create For Our Customers!**

*Let's focus on delivering  
irresistible value to  
customers !!!*



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by Sybil L. Welsh

- Are you positioning your business/organisation to be relevant in the future?
- Do you have a deep understanding of your customers' problems and needs?
- Are you really delivering what your customers consider to be valuable?
- How can you create value that is currently not offered by your business, your competitors or your industry?
- Which aspects of your business should be eliminated/ added in order to achieve sustained and high growth?
- Are you on the pulse of the changing values of your customers?
- Have you identified new sources of value for your customers?
- What would your business offering look like if you were to go above and beyond industry standards?
- What would your business look like if you were to start anew?
- How can you make your business offering a "must have"?

The answers to these questions provide a roadmap as to how your business/organisation can retain and increase its value within the context of a global market place, increasing competition and shrinking market share in traditional sectors, constant change and technological advancements.

Many times businesses render themselves irrelevant by designing their offering based on their needs and what they want to accomplish rather than their customers' needs and what customers want to accomplish. This disengagement with the customer can only lead to customers' disengagement with the business and ultimately declining revenues. In the fight for business survival the seemingly easiest path at times is to slash offerings and 'perks' in order to cut costs and increase margins. The problem with this conventional approach is at least twofold:

1. Often times the offerings and perks that are identified for cutting are those that are most relevant to the customer. Those that are not cut are irrelevant or of lesser relevance.

The scalpel is an instrument

that must be used with utmost care and precision. The user must be careful not to cut the main artery and kill the very lifeline that is necessary for business survival and growth. This rationale must guide cost cutting strategies.

2. To be successful in business the two sides of the business equation must be addressed - **cost efficiencies and growth**. It should be obvious that growth has more legroom than its cost efficiency counterpart and hence must be accorded equal or even greater strategic focus. **To achieve growth one must also focus on creating ongoing irresistible value for customers and operational agility that allows for responsiveness to ever changing market and customer needs.**

The aforementioned questions that underpin the growth factor are being answered by successful companies across the globe. Actor and entrepreneur Jessica Alba answered these questions when she launched her '**Honest Company**' based on a need for truly natural products in the beauty, home and baby products market space dominated by big players and characterised by intense competition.

Jessica in an interview noted, *"We never entered thinking that we were taking on the big guys we just knew that there was an opportunity to do something really cool for families."* The Honest Company found tremendous business opportunities and profits by making products that exceeded industry standards to appeal to an ever growing consumer base who placed tremendous value on **TRULY** organic, BPA free, natural products.

Her advice to business and prospective business owners: *"Be the best. Be the coolest, and deliver on something that's different from anyone else's. What need isn't being fulfilled? Because if you're not doing anything innovative or cool, someone is going to come in and slam you. You're going to get copycats, but if you're that dope, then on one can really copy you."*

Former basketball star Magic Johnson, now entrepreneur applied the same business value innovation strategy focusing on the total solutions buyers seek. He transformed the movie-going experience in U.S. inner cities (*i.e. economically distressed urban areas suffering from unemployment and poverty*) and created a new business

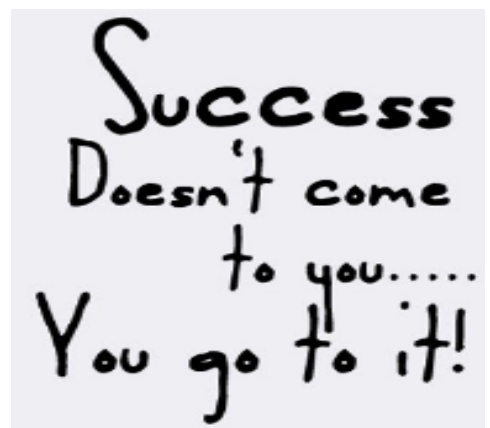
model and value chain that made his movie theatres highly profitable in a market space that was previously seen as unprofitable. By being on the pulse of the changing value needs of persons living in the inner cities and using those insights to identify new sources of value and opportunities, without being constrained or biased by conventional assessment of inner cities he created a winning strategy.

He offered movie goers, in the inner city, a package that they valued highly – megaplexes offering a range of amenities including stadium-style seating, state of the art screens and digital sound systems, more comfortable seats, brand name stores and a menu with good food choices more akin to a restaurant than the traditional movie menu. Customers were able to get a high-end entertainment, shopping and restaurant package at the movie theatre. By focusing on the total experience (irresistible value) Magic transformed the movie going experience for patrons and reaped huge financial success.

Likewise, businesses big and small: public or private; be they in retail, manufacturing, finance, education, hospitality or other services, need to

focus on what the vast majority of their customers and prospective customers really value and incorporate opportunities for ongoing value creation into their business strategies, models, practices, processes and offerings if they are to remain relevant and achieve sustainable success (profitability and high growth). The logic is simple, if businesses go beyond conventional practices and logic and identify and deliver new sources of increasing value from the perspective of their customers, the money will come and profit margins will climb not shrink.

**In this new volatile marketplace, businesses and organisations that want something they have never had before, *i.e. sustainable high growth*, have to do something that they have never done. Conventional logic and strategies will not work.**



Success  
Doesn't come  
to you.....  
You go to it!



## CONCEPTS TO UNLEARN

The telephone is an annoyance. It interrupts what you are doing. It is an intrusion. Instead think of the telephone as another job tool that enables your customers to reach out to you.

The telephone is inanimate. It doesn't require personal attention. Instead consider that when the phone rings, it is the same as a person walking into your business. Give it your fullest attention.

The telephone is as easy as face to face communication. It is really harder because you do not have your eyes, hands, or body movements to help you; you only have your voice. You have to work harder to make a good impression because of the loss of visual feedback.

# ETI UETTE

## Do

Use the business' name, followed by "Good Morning", "Good Afternoon", or "Good Evening". It establishes a friendly atmosphere and gives the right touch of alertness and cordiality.

## Do

Smile as you speak; it creates a friendly impression. Give your name when answering the phone. This adds a warm touch and lets the caller know who is on the other end of the line.

## Do

When you answer the phone ask "How may I help you?". Asking 'how' reinforces the "ready-and-wanting-to-assist" image you want to convey.

## Do

Use words like "hold the line, please."

## Do

Do show interest and concern for the caller's request.

## Don't

Do not carry on a conversation after a call has been accepted. It is bad manners to allow the caller to hear the tail end of a conversation. Break off your conversation before accepting the call.

## Don't

Do not include the word 'speaking' at the end of your greeting. Don't say, 'Carib Shipping Agency, good afternoon, Sandra speaking'. The caller knows that you are speaking. How else would you have been able to initiate the conversation?

## Don't

Do not say "May I help you". The main idea for calling is so that you can provide the customer with assistance. 'May' therefore suggests that you are not fully aware of your role as service provider.

## Don't

Do not use jargon such as "ok" and "hang on".

## Don't

Do not transfer a call unless you have established contact with the person requested by the caller.



“ We see our customers as invited guests to a party, and we are the hosts. It's our job every day to make every important aspect of the customer experience a little bit better.”

Jeff Bezos, Amazon

“ Your most unhappy customers are your greatest source of learning.” *Bill Gates*

“ A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider in our business. He is part of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so.” – *Mahatma Gandhi*

## Do

Be prepared to get and give information. Always have easy access to information callers may want from you. Think about what questions your customers might ask. If the answers are not in your head, make sure they are written down near the phone.

## Do

Say “good-bye” gracefully and thank the caller for calling. It is always best to let the caller bring the conversation to a close. Albeit, sometimes you can get hooked up with a chatterbox. When this happens try bringing the caller back to the original point of the conversation to make sure you haven't missed anything before you gently wrap up.

## Don't

Do not be the CLOG between the customer and the business by appearing uninformed about your business. Be the COG that makes business activity move!

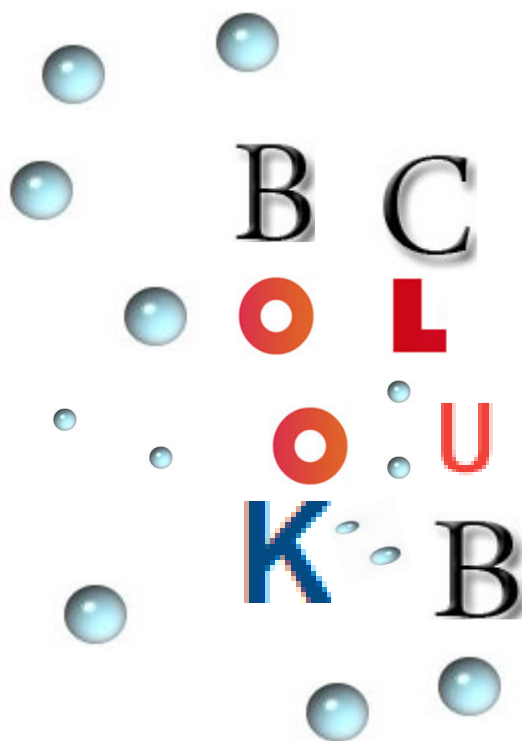
## Don't

Do not say “good-bye” before the caller has closed the conversation.

SLW

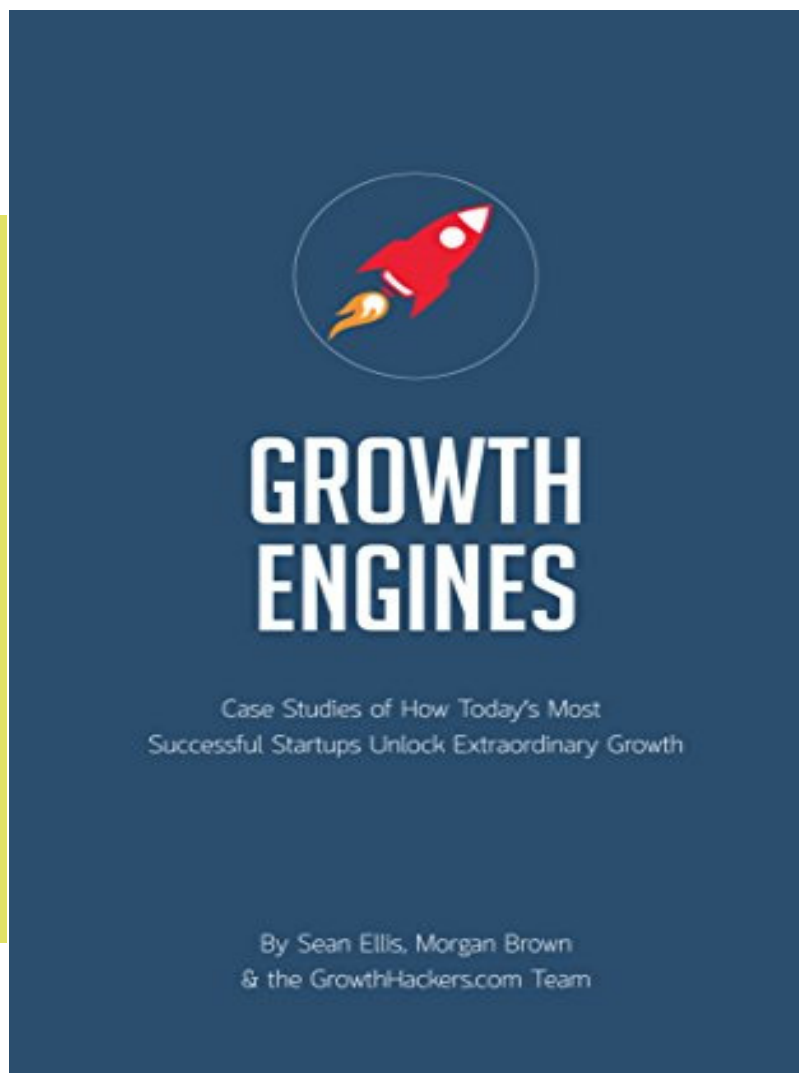
Is your automated answering service a COG or a CLOG between the customer and your business? If not properly designed to improve service to the customer, your automated answering service can turn away the customer as a result of being kept on hold for long periods listening to loud music and intermittent messages ‘Your call is important to us, please stay on line.’ without any demonstration that the customer's call is truly considered to be important.

Good telephone skills are good marketing skills. In many cases the employee who answers the phone makes the first verbal contact with the customer. Therefore it is crucial that the phone is answered promptly and correctly at all times.



“

What is the formula for growth today.”–



“

*a highly valuable product that has become essential to their customer lives. In other words, they've all built 'must-have' products or built a large network to become 'must-have'.* –

“

*virality, freemium business models, untapped acquisition channels, unique hardware and software design, and memorable experiences that when combined, create a flywheel of growth that catapults these companies past competitors who stick to traditional marketing methods.* –

“

*a deep understanding of their customer and a rigorous and analytical approach to growth that enables them to be hyper-efficient in acquiring, retaining, and monetizing their customers. .” –*