

How to increase the **ROI potential** of every marketing dollar you spend by up to 300%

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In most organizations, the goal of marketing is to create leads that can turn into sales, but the goal should be to create leads that can turn into three sales:

The sale
The referred sale
The repeat sale

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"A good product confirms an industry, a good product with a great experience confirms a business within that industry"

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# WHEN A B BEAT AN A+

It was 1992, and there I was, in the lobby of a national company, waiting for my first interview in a day full of interviews, competing for one of the most sought-after jobs for Commerce grads. The competition was tough as well over 100 qualified applicants had applied. In one of my interviews late in the day, it was brought to my attention that I was competing with another graduate who had an A+ average (I had a B average). My response was that as a B student, you know I have had to overcome challenges to get here, can you be sure that the person with the A+ could do the same out there ... in the "real world"?

#### I got the job.

This was the first marketplace verification of a lesson that would serve me well in my career ... the lesson that a good product, in this case a B, with a great experience can beat a great product with a good experience.

This is connection, and to this day, I have seen its economic power play out and confirmed countless times.

#### Why is connection (aka the experience) such a powerful sales tool?

Because experience is personal, and personal moments greatly influence the height of a brand. Experience is also a powerful sales tool because business at its fundamental level, is two people meeting around something being sold, and because of this, winning with people is not an option if you want to win in the marketplace.

#### But what about products? Doesn't what you sell matter?

What you sell matters greatly, as products, services and companies doing what they are paid to do, is the foundational promise in the relationship between buyer and seller. But once this promise is fulfilled, experience steps in and determines the height of a brand and a company's access to its market's best sales.

#### But what if your product is great?

Experience still matters when products and services are great if they come with premium pricing. If your great product or service comes with a higher price, that higher price sets a higher minimum standard for the buyer-seller relationship, and this higher standard lowers the ability of what you sell, on its own, to elevate your brand to the place where your market's best sales are kept.

Winning at experience is important for your organization to reach its potential, and I have written this very short book to help you establish your businesses experience fundamentals so that every day, you can operate in a way that raises your potential return on marketing by 300% ... turning leads that today might become one sale into leads that tomorrow can become three sales.

### The Power of a Good Product and a Great Experience.

The following was noted in the book, **The Science of Service** by Mark Colgate, (I recommend this book):

Companies that were reliable (I call this having a good product), were rated 7/10 and had a recommend rate of 21%.

Companies that were reliable and also responsive (I call this Experience Level 1), were rated 8/10 and had a recommend rate of 68%.

Companies that were reliable, responsive and built relationship (I call this Experience Level 2), were rated 9/10 and had a recommend rate of 89%.

# HOW TO 300% YOUR MARKETING ROI POTENTIAL

When marketing can turn leads into lifetime referring customers, turn one sale into three sales, it has increased your return on marketing investment by 300%.

In most organizations, the goal of marketing is to create leads that turn into sales, but the goal should be to create leads that turn into three sales: the sale, the referred sale and the repeat sale.

Marketing can do this when it goes beyond images, logos, slogans and all things that promote a brand to include the buying formula behind every sale ... **Perceived Benefit > Cost**.

When perceived benefit is greater than cost, people will buy, and marketing can influence this formula in three ways:

- 1. Have a sale. (Price strategy).
- 2. Give away free upgrades. (Product strategy).
- 3. Deliver an unexpected level of customer experience. (People strategy).

Looking at these three sales and marketing strategies, I believe the best one and the one to focus on is delivering an unexpected level of experience. Why? Because experience protects margin, it connects market loyalty to your business and it's the hardest one for your competition to copy.

#### Makes sense right?

But if this makes sense, why do so many businesses focus on, or fall back on price and product strategies rather than experience/connection strategies to make sales? Because it's easier to deal with price and product than it is dealing with people.

While engaging price and product strategies are often necessary to influence the benefit > cost buying formula for sales to new customers, making this a go-to or fall-back strategy is a problem if you want to maximize your business ROI. If you want to maximize your business ROI, winning with people is not an option because people are your buyers, people determine your company's productivity level, people affect turnover (one of today's most important business metrics) and winning with people does not lower margin (in fact it can elevate it).

The unexpected level of experience is one focused on the person and not the product.

This is servanthood and I believe servanthood is the customer service approach that wins today.

> Customer service looks to fix a problem, servanthood looks to build a relationship while fixing a problem.

# RELATIONSHIP ECONOMY, SOCIAL MEDIA AND MASLOW

Winning at experience is more important to economic success today than at any other time in business because we are operating in the Relationship Economy.

In this time of business, people want to feel valuable or noticed in the experience ... where business gets personal. The product experience for customers (Brand Audience 1), and pay for staff (Brand Audience 2) are no longer enough to create brand engagement (aka fans). These things worked in the Product Economy but today they are not enough.

Now don't get me wrong, products and pay still matter, it's just that they are no longer enough to create brand engagement. Today the personal journey in business for customers and staff matters, and where work gets personal, is in the experience.

We know connection/experience is a driver of people today by looking at Social Media. Social Media is an entire industry built around one thing ... "like what I'm doing", and in 2021, it had a 61% world market share. (Statista.com notes that 61% of the world is on social media and 82% of the US population had a social media profile).

If this percentage continues to hold true today, it means between 61% and 82% of your customers and staff are on social media.

People want to feel connected, and businesses that deliver this in real life will become brands of choice in their marketplace, leading to maximum access to their market's referred and repeat sales, higher staff performance and lower turnover. Real life is important because people are built for real connections, and the electronic connections that are so popular today, I believe, make real connections more powerful when they are experienced.

One of the driving forces behind the power of experience and relationship today, is the time of life we have come through and are in. Life for many in first world countries has been pretty good. Easy credit. Regular restaurant visits. Great holidays. \$8 Coffees.

Abraham Maslow, an American Psychologist found that people's actions followed a hierarchy of needs. People start by being driven by lower needs, and when those needs are met, they move up and are driven by higher needs. The order of needs he identified were as follows: 1. Physical Health ... 2. Safety/Shelter ... 3. Love and Belonging ... 4. Esteem ... 5. Self Actualization. People start at 1 and then move up as needs are met.

Many people today ... or many buyers today ... are operating at the level of Love and Belonging and up. The time of experience and connection.

Now while this may seem like a problem, the power of experience is really an opportunity, because winning with people does not require more money, it just requires paying attention to experience in your daily work journey.

Want to deliver a great experience? Make people feel valuable for who they are ... a person, not what they are ... a customer or employee.

Real life connection is social media rocket fuel.

To give your marketing dollars the chance to turn one lead into three sales, the first part of your marketing budget should be allocated to experience.