

DON'T JUST RELATE - ADVOCATE

A Blueprint For Profit in the Era of Customer Power

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The Web site for this book is at www.dontjustrelate-advocate.com.

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MAIN IDEA

The best way to grow your business today is not to become better at marketing. Instead, learn how to become an advocate for your customers. If you can earn and then retain your customers' trust, they will do more business with you in the future and will feel comfortable about encouraging their friends and associates to do likewise.

To genuinely act as an advocate, don't just try and sell customers your own products and services. Instead, find out their actual needs and then sell them whatever is most appropriate, even if that means they end up buying the products or services offered by one of your direct competitors. The fact that you may not be able to sell them anything this time around will be more than offset by the amount of trust generated by acting in your customer's best interests. That trust will then translate into increased amounts of business in the future, as well as sales to related parties.

Customer power is growing exponentially - thanks to the unprecedented rise of the Internet - and you have to decide what to do about it. As customers get more data with which to make informed decisions, you can either build trust by embracing advocacy strategies or you can follow other firms who do this. If you don't take the plunge and use advocacy advantageously, you will end up being an imitator as more and more markets become dominated by customer advocacy.

Acting as your customer's advocate is the new imperative of the business world.

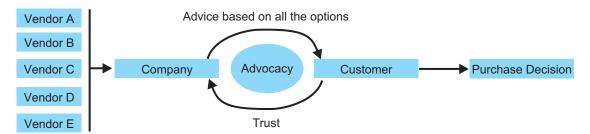
"Evidence is building that the paradigm of marketing is changing from the push strategies suited to the last 50 years of mass media to relationship marketing and now to advocacy-based strategies. The new age of customer power drives this shift. Managers need to decide where their firm should be in the spectrum from push/pull to advocacy. There are advantages to being a first mover in this strategy space because when customers develop trust based on advocacy with a particular firm, they are not likely to quickly switch to a competitor. I predict advocacy will increasingly become the norm of behavior in the next ten years as the new paradigm becomes established and firms meet the threat (and opportunity) of growing customer power. Pioneers will gain advantages but all firms will have to learn to compete in a world of trust. Innovate and advocate for your customers! This is a blueprint to profits in the era of customer power."

Glen Urban

1. The advocacy concept

Pages 2 - 3

Advocacy means you faithfully represent your customer's interests and provide them with honest information, even if that means they end up buying products from someone else. It requires that you have complete transparency and engage in a dialogue with customers. Advocacy also demands you invest more in product development and less in promotion and advertising.



Pages 3 - 4

The increased customer power which underpins customer advocacy strategies is now being felt in a number of industries. A number of new ideas are being tried to respond to the decreasing effectiveness of the traditional push marketing tactics. You need to take on board the lessons already learned in the marketplace and move forward rather than attempting to retain the status quo.

With the ongoing increases in customer power now occurring, its time to decide how you will respond. What's needed is a profiling tool which measures where you are at present on delivering the components that build trust. Once you know where you are currently positioned on the trust dimension, you can then plan where you need to be in the future in order to respond effectively to the ongoing growth in consumer

Pages 7 - 8

Once you become convinced the paradigm of marketing is shifting from the push strategies of the mass production era to the advocacy-based strategies which will flourish in an era of growing customer power you'll need new tools and business tactics. Smart companies are currently in the process of building their own advocacy tool kits. There is a clear first-mover advantage when it comes to advocacy because once customers establish a genuine and deep relationship of trust with a firm, they are not at all likely to switch to a competitor. Later entrants will always have an inferior position. This is one area where the early adopters have an opportunity to create a sustainable competitive advantage.

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