

**Jim Barnes is passionately curious about customers. He has spent a career listening to customers of organizations large and small across several countries and sharing what he has learned with others.**

## **OUR 20 RULES OF CUSTOMER STRATEGY**

1. The customer is often right.
2. You can't do great marketing or build solid customer relationships unless you really understand your customers and what they are trying to get done. Most of us don't invest nearly enough time listening to customers and truly getting to know them.
3. Most of us also don't spend enough time thinking deeply about complex subjects like value, service, quality, relationships and loyalty. These are really central to effective marketing and deserve deep thought.
4. What we sell is only part of the value proposition; how we treat customers and how we make them feel is much more important.
5. Avoid cutting prices if you can. Once you start discounting, there's only one way to go and that's down. Few firms have the cost structure to sustain competing on price. The far better strategy is to add value that the customer is prepared to pay for.
6. You don't want, can't get, and shouldn't have all of the customers. Be selective and court only those that fit with your brand.
7. At the end of the day, customers are people. They're not accounts, data points, targets, or bodies — all of which are terribly depersonalizing concepts. Not surprisingly, people like to be treated as individuals. They love it when companies take the time to custom fit them with the right product or single them out for attention.
8. Little things aren't little — not in the eyes of customers; they notice everything.
9. Find out what customers dread and then help them avoid it.
10. In our estimation, half or more of human conversation is about things they've bought or companies and brands they've dealt with. Make no mistake, customers are talking about you. Make sure they have good things to say.

11. Customers don't really need what you are selling; they need a compelling reason to buy from you rather than from the guy down the street. You have to give them that reason.
12. Most customer experiences are exceedingly mundane and anything but memorable. The challenge is to create meaningful customer experiences.
13. Just because customers come back again and again to buy doesn't mean they are loyal. There's repeat buying and then there is genuine loyalty.
14. Customers think inside the box, too. Their expectations are predictable and not difficult to exceed. Simply meeting expectations does not lead to loyalty.
15. Some companies could be far more profitable if they would only pay more attention to what they are doing that drives customers away. Get rid of irritants and stupid rules.
16. Customers want firms to be proactive. One of the most damning things I hear from customers is "I never hear from them." There can be no relationship without meaningful communication.
17. Customers aren't expecting to be surprised.
18. Loyal customers want their loyalty acknowledged. Think about how many complaints begin "I've been a customer of yours for 30 years!" They know they've got a lot invested in the relationship and deserve to be treated better as a result.
19. At least 50% of what you spend on marketing research is wasted, and it is possible to tell which 50%.
20. One of the most important "marketing" decisions you will ever make is hiring.