

ANDREW SOBEL

Building Your Clients For Life

Evolving from a Commodity Expert-for-Hire to an Indispensable Client Advisor



Interview with Andrew Sobel & Lahat Tzvi



Andrew - First of all, I want to say BIG Thanks for your willingness to take part in this interview. I am convinced beyond any doubt that anyone who reading this interview right now receives ideas and tools for better work with him customers.

Before we start, Can you tell us about yourself, your background and the work you do with organizations over the world?



I work with companies around the world to help them develop deeper, broader client relationships and grow their revenue faster. These include financial institutions, professional service firms, technology and IT services companies, and other organizations that are trying to build senior level, consultative relationships with their clients.



You have a particularly interesting internship; You are considered an authority leader in the field of client relationship strategy. Why did you choose this field?



When I left my old consulting firm nearly 20 years ago to start my own consulting firm, I was fascinated with the differences between the narrow “expert for hire” and the professional who was who was a trusted advisor. The former was a commodity, the - truly part of their client’s inner circle latter an invaluable and unique resource for the client.

This led to my first book, *Clients for Life*, which quickly became a bestseller. In that book I identified 7 skills or attributes that you need to develop in order to be seen as an advisor rather than just an expert. I’ve continued to write about different aspects of client loyalty and trusted client relationships-eight books in total for 15 years now.

In my training, consulting, and coaching, I help clients look at the whole client development lifecycle, not just the moment of the sale. These are (1) Building a brand for yourself and creating a network; (2) Turning contacts into clients; (3) Growing your existing relationships; and (4) Multiplying your relationships. When you take a complete view of this lifecycle, and apply the right strategies and skills, you really can build clients for life. I have a client right now, a financial institution that has had a client in South America for over 200 years! In my book *All for One*, I talk about Booz Allen Hamilton and the US Navy, which has been a client of theirs since 1940. It’s possible.



How really the relationship with the customer is important? Dose it has an impact on the bottom line?



It’s very expensive to win new clients. When you lose a client, you not only lose that revenue but you are then burdened with the cost of replacing it. Businesses with high customer loyalty-assuming they have good, profitable customers - do very well. The great management authority Peter Drucker wrote that the primary purpose of a business is to get and keep customers. Not to beat the competition, not run itself efficiently, but to build and keep its customers.



Some would say: “Relationship with the customer is important, but what really matters in the bottom line is the price”. Is it really true?



It's different when you are trying to win a new prospect or in an existing relationship. In new sales, studies show that price is typically third or fourth or fifth as a decision criteria.

Of course, it's a problem if you are 50% more expensive and the prospect doesn't perceive that you offer 50% more benefits. But within a range, other factors are more important: quality, service, a perception that you understand the client's problems, industry knowledge, and so on. When you have a good existing relationship with a client, it means you know more about the executives as people and about their business than your competition. You understand their problems and opportunities better. You reduce risk for them - and that is a fundamental function of a trusted relationship: Risk reduction. And that's worth a lot to a client—much more than getting an extra 5 or 10% discount. The deeper your relationship, the higher the switching costs, and the more innovation you can offer your client. It should be a virtuous circle.

Of course, in many markets there is intense competition and even overcapacity. Your challenge there is to differentiate your offering. It's a fundamental law of economics: The more perceived substitutes, the more downward price pressure. So you can't just be good at what you do - you want to be perceived as the only one who does it. That's why it's so important to build your brand and your market reputation, and to continually deepen your relationships with current clients.

In service businesses it's critical to align with your client's agenda of critical priorities and goals and define yourself as helping to achieve those goals. Are you an accountant or someone who helps clients reduce taxes and avoid getting audited? I don't define my own business by saying I do training, for example - I say I help companies and individuals build their clients for life. That's much more powerful and interesting to a company. When you can align directly with a client's key priority, then you are relevant. It's the difference between your plumber and your personal doctor. If your plumber called you up and said, “I'd like to come by, have lunch, and discuss the latest welding techniques” you'd probably pass. But if your doctor called and said, “I just reviewed your latest tests and wanted to speak to you about some lifestyle changes you need to make” you'd be racing to see them!

Let's be clear: A “relationship” is a lot more than schmoozing - than taking your client out to dinner or to a sporting event. Today, a relationship has two parts: Your personal relationship with the client, and the ongoing value you add to them and to their business. A great personal relationship plus great value equals high loyalty.



Andrew - Can you tell us a little about the program that you Have developed? Why organizations invest time and money in the program?



My firm offers clients a total solution to build clients for life and grow revenue faster. We build skills to improve all four stages of client development - not just a single sales transaction. We also integrate training, coaching, and eLearning. This produces powerful skill and behavior change. Remember, getting better at client relationships takes time—it's not like learning negotiation skills. You must change mindsets, build skills, develop new behaviors, and adopt best practices.

That takes time, concentration, effort, and continual reinforcement.



Is the program suitable for every organization and company? For example a bank? (Most of the bank customers do not see the bank as a partner..), or organization that do not allude to advise the customer? Or monopoly organization?...



Different organizations have different types of relationships based on the breadth of their offerings and the importance of those offerings to the client's overall business. But any business-to-business relationship requires trust, communication, a strong knowledge of the client's business, and so on. In other words, anyone that has business customers (as opposed to retail customers) can use our techniques to improve client retention, grow their relationships faster, and get more referrals. Remember, your most loyal and enthusiastic clients are your best salespeople.



Let's talk about customers Loyalty.

Why customers choose to leave the company / sales Rep ? What are the main reasons?



A client might leave for many reasons. Here's a quick list:

1. A reorganization or executive turnover. Your client might leave or get fired, and you lose your contract.
2. A one-off or temporary need for your services. You might sell something that clients only need every couple of years.
3. A financial crisis or profit squeeze and a lack of budget for you. This, of course, just means you have not been able to demonstrate the value of what you sell!
4. The impact and benefits of your work is not compelling.
5. There are quality or delivery issues
6. There is poor personal chemistry between you and your immediate client.
7. There is a decline in trust. Often this is a result of other items on this list, like having quality or delivery issues, or poor chemistry.
8. Complacency on your part. Often, companies get complacent and take their clients for granted. They no longer make them feel special. (By the way, that's often what happens before a married couple gets a divorce! So the secret is—treat your spouse or partner like a newlywed...)

Lahat - here is the main point:

Many of these factors are in your control or at least things you can influence. The writer Oscar Wilde once said, "A gentleman is someone who is never unintentionally rude." Well, you never want a relationship to end unintentionally!



What managers and sales people need to know more? What customers more appreciate?



Sales people today need to act like consultants to their client's business, not order takers.

They need to shift from the "product expert" mindset to the client advisor mindset.

Here are the main shifts:

- From being "for hire" by anyone who can pay to having independence-to being able to say "no" to a client
- From telling to asking great questions and listening
- From being a narrow product specialist to being a "deep generalist" who does have expert knowledge but also develops a strong understanding of the client as a person, of the client's business, and of the client's industry.
- From building professional credibility to building deep personal trust
- From bring good analysis to your client to bringing synthesis or big picture thinking
- From taking orders to being a proactive agenda setter
- From selling to creating a buyer



Five years from now - How the future will address the relationships with customers?

Is the salesperson will be required to adapt to a new skill's?



The best salespeople will be, as I mentioned earlier, more like management consultants than traditional salespeople. They will work more deeply with fewer customers.

They will constantly be bringing their clients new ideas for improving their business, whether or not it has to do with buying more of their product. They will spend a lot of time on their customers' premises to better understand their operations, and less time in the office writing up orders.

They will be asking their clients the questions that the companies own employees are not asking. They will help reframe their client's problems and not accept them at face value.

They will look at the totality of the problem and the solution, not just what the client says is the problem.



What's the secret? How anyone can build a truly relationship with customers over time?



I want to share a final idea that I have found to be very, very powerful—not just in building customer relationships but in strengthening any relationship in your life. I call it *the mindset of independent wealth*. Some years ago, I was interviewing a CEO for one of my books, and he said to me “You know, I wish all of the outside service providers and vendors I deal with were independently wealthy. That way, I’d know that they are putting my agenda first, being truly objective about my issues, and always telling me the straight story without regard to financial outcomes.” Now, you may not be actually independently wealthy, but you can cultivate a similar mindset regardless of your economic condition. You must do three things: You need to treat your clients like a peer (not look up to them or down at them); you must never have the “clock running”—you have to be completely in the moment when you’re with a client, as if they are the only person in your world at that moment; and you need to exude enthusiasm and passion for your work (we all love enthusiasm—it’s contagious).

If you exemplify these behaviors, you’ll have an attractive aura that draws clients closer.

After all, aren’t these the very same qualities that would attract you to someone else in your professional life? Embody the mindset of independent wealth and you’ll have a centered quality that will serve you well in every aspect of your career.



Bonus question - I think this is a universal problem, organizations invest in learning, provide tools for sales, improve skills, but in the end, people are going back to their old habits.

Do you have any idea how to make things stick?

How organizations worldwide are implementing the program you teach?



I find there are three things that must be present to make behavioral change stick:

1. Continuous leadership support. If your leaders aren’t making it a priority, you won’t. Building deeper client relationships and improving loyalty can’t be “flavor of the month.” My most successful projects have had a key executive sponsor who pushed the initiative for at least two or three years. If that happens, the results are amazing.
2. People who are motivated to improve and change. I hate working with executives who make good money, have good client relationships, and feel all is well! They are not going to change.
3. Reinforcement through multiple touch points. Behaviors take time to change. You have to continually reinforce a program, which is why we try and integrate training, coaching, and eLearning over a period of at least six to nine months.



Andrew, I want to thank you for the time to respond to these questions.

On this occasion, I would like to say thanks for the conversations we had and the insights we shared. I appreciate your work and your help. Hope to see you soon ...



It is truly my pleasure!

I wish you and your reader's extreme success!
Hope to see you too next year in Santa-Fe ...



Thank You, Andrew

**Andrew
Sobel**

Andrew Sobel is the leading authority on the strategies and skills required to earn lifelong client loyalty and build trusted business partnerships. Andrew is the most widely published author in the world on this topic, having written eight acclaimed, bestselling books on professional relationships including *Power Relationships*, *Power Questions*, *All for One*, and *Clients for Life*. His books have been translated into 12 languages and sold hundreds of thousands of copies globally. Many of the world's leading organizations number among Andrew's clients. These include established public companies such as Citigroup, UBS, Xerox, Experian, Hess, Cognizant, and Lloyds Banking Group; and also many privately held professional service firms, including Towers Watson, ZS Associates, Deloitte, Ernst & Young, Bain & Company, Spencer Stuart, Booz Allen Hamilton, and many others.

Andrew was a former Country Chief Executive Officer with Gemini Consulting, where he spent 15 years prior to founding his own international consulting firm in 1996.