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**INSIGHTS TO BUILD
CLIENTS FOR LIFE**



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EDITORIAL



Dear Reader,

In the ever-evolving landscape of business, the age-old adage 'the customer is always right' has evolved into a nuanced mantra: winning customers is about building relationships. Beyond the product or service, they seek an experience - a relationship that transcends a mere purchase. Businesses are now challenged not just to sell, but to understand, engage, and resonate with their clientele.

Businesses that prioritize understanding, empathy, and authenticity are not just attracting customers; they are creating brand advocates who stay loyal through thick and thin.

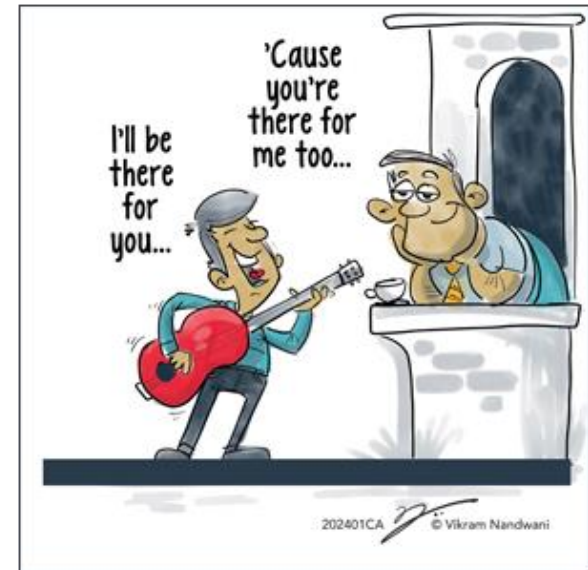
This quarter in **Customer Acumen**, we look at how '**Winning customers is about building relationships**'.

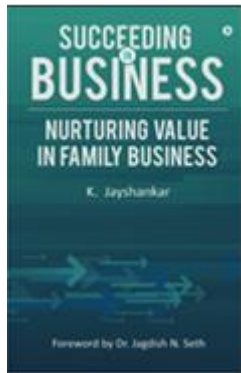
Jay outlines five key takeaways from 2023 and anticipates heightened regulations for tech giants in 2024, advising marketers to use technology responsibly for success in a rapidly evolving landscape. In the **Spotlight** section, seasoned sales guru **Mr. Sthanu Dutt** highlights the pivotal role of trust in sales, stressing upon the transformation of a salesperson into a consultant, and emphasizes the enduring importance of relationships in marketing. He advises the next generation to prioritize high skill sets and relationship-building abilities. We review '**The Power of Value Selling**' by **Julie Thomas** who puts forth a compelling exploration into the transformative strategy of value-based selling that delves into the core principle that separates successful sales approaches from the rest: delivering tangible value to customers.

Our in-house Cartoonist, **Vikram Nandwani**, depicts the art of mastering lasting customer relationships!

We wish our readers the very best of 2024 and as we step into the New Year, let us carry forward this timeless mantra: winning customers is not a one-time conquest but a continuous commitment to building relationships.

We value your relationship with us and look forward to your feedback and comments on how best we can serve you through our e-zine, **Customer Acumen**.





Out Now!

Succeeding in Business: Nurturing Value in Family Business

*As a counselor and trusted advisor, **K. Jayshankar (Jay)** offers practical insights in his book, drawn from four decades of experience. These insights are combined with conceptual elements to create a valuable primer for family businesses aspiring to succeed in the competitive marketplace of India. The book explores key factors driving successful growth in family businesses and addresses challenges related to generational transitions, value preservation, and the infusion of new ideas.*

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MUSINGS



Portends for 2024: a marketer's perspective

- Jay

As we welcome a shining new year, it is time to pause and ask ourselves what lessons we have learned from the tumultuous year that has just gone by. 2023 has passed in a jiffy and left us breathless, and now we are more convinced than ever before that the rate of change has accelerated to 5G speed. Yes, with over 130 million users in 738 districts, the pace is frenetic – even though India still lies in global speed rankings at No. 10 and is only at 11% in market penetration. Expect more – and at a faster rate – in the New Year.

So, here are five pointers that we can learn from as we exit 2023:

One, AI is ubiquitous. The twin shades of AI has got us all talking. Is it the ultimate solution to our challenges of connecting to customers, or the monster lurking in the wings to hijack the world? The truth - as it usually is in such polarized debates – lies in between. Companies can provide customers with instant answers to their queries through faster connectivity and chatbots (think happy customers) at a fraction of their old employee costs, and greater investments on this front will be the order of the day in the coming months. Coupled with this will be job layoffs in the sales and marketing front. When Google lays off 30,000 employees as it automates its Ad sales, it seems a distant problem but when home-grown Paytm pares 10% of its workforce, that is 1000 jobs, citing that AI has helped to 'eliminate repetitive tasks and roles', the shoe pinches sharper. For a marketer, harnessing the power of AI can unlock many benefits. Targeted messaging to the right customer at the right moment can generate powerful results ensuring that the marketing budget is meaningfully spent. However, dubious, and unethical firms can well get carried away by misusing this technology. One has already seen that concerns about dark patterns have become serious enough to warrant government regulation. Creating viral deep fake memes may seem fun and can be piggy backed to sell products but a firm that crosses the line is inviting more than just strictures in the media. The long arm of the law is itching to get their hands on a few firms and make them pay besides holding them up as an ugly example to others. In 2024, we will also see more global regulations upon technology giants as governments are becoming wary of their disruptive powers. The message for marketers: leverage technology but keep the reins firmly in good managerial hands to prevent consumer and government backlash.

Next: the world of surrogacy – no, not the maternal kind. Surrogate advertising is a booming business! There was a time when surrogate advertising was viewed with a smile, considered to be a creative workaround a hard regulatory challenge. Well, if ever there was too much of a good thing, this year saw it all, and we have seen surrogate advertising reach its zenith in 2023. With the emergence of sporting leagues of all kinds (all vying to be the the next IPL), it wouldn't be wrong to state that they are fuelled by advertising of the nefarious kind. Sportsmen have decided to compete with the film world and are serious contenders for the lion's share of the marketing kitty. Since money heist is the new mantra, why allow the usual film celebrities to laugh their way to the bank? Greed has dulled the minds of famous ex-cricketers, and they are making a beeline to promote companies who are raking in millions selling tobacco related products (pan masala) disguised as mouth fresheners. Couple that with sports betting firms who insist that they offer games of chance through their fantasy leagues, and the fig leaf has officially been discarded. Did someone mention filthy lucre? No, it's all fair game now!

A third development: competition is intense in all fields now. Ask the old players who dominated most markets. Customers are alert to deals and loyalty is dead. If you wish to succeed, you need to play hard and bring your best game at all times. The FMCG market is a good example to study. Always a competitive business, it had been dominated by the likes of HIL, P&G, Colgate, etc. for decades. 2023 saw the emergence of a new leader in the foods category of the FMCG industry. With a top line of Rs. 17,100 crores, ITC – long seen as a tobacco firm – has emerged for the first time as the numero uno in the foods business of India, leaving behind old players like Adani Wilmar, Britannia, Parle & even HUL. With a slew of product launches and careful acquisitions, they have come from behind – and are well on their way to achieve their strategic plan for 2030. 2024 will see intense battle for market share as the old guard is plotting a comeback.

It is not just the FMCG industry. The story is being played out in other sectors too. There are new leaders emerging in the infrastructure space (the battle between Aditya Birla owned Ultratech and Adani Cements is getting ready), automobiles (JSW has finally played its card by taking a large stake in MG Motors, and the electric vehicle business is abuzz with rumours of Tesla's coming), Hospitality (many new brands are vying for attention in local pockets, and the global leaders are unwilling to let go of their hold), Hospitals (a spate of acquisitions has seen the Manipal Group become a leading player), etc. The message for marketers: showcase your firm's products and services constantly, build your brand's muscle, or if you snooze, you lose in the busy market place.

Why is this battle getting fiercer in the marketplace? The answer lies in the fourth point: India rising. Both internal and external factors have played their part for this accident of history, as some might say. China's post-Covid economic recovery has been a struggle from all accounts. Pundits may continue to misread the inscrutable Chinese tea leaves but there is widespread consensus that the housing market collapse has created liquidity challenges in the economy. The political leadership has also taken a strong view of the runaway nature of technology led wealth and reportedly has continued to trim the wings of well-known billionaires. The undercurrent of hostility has prompted western firms to de-risk themselves by investing in India and they discovered the pent-up demand from the youthful millions teeming in our country. Reports indicate that there is a growing demand for premium products across the board, be it in consumables, auto, wearables, garments, etc. The middle class is spending like never before,

and in peak times (like the winter wedding season this year), urban India is on a spending spree. Credit Suisse has projected that number of millionaires in India will rise by 69%, compared to 45% rise across the globe). In absolute numbers, that spells opportunity for companies – projected at over USD 8.5 billion this year (from USD 2.5 billion in 2021). With more people queuing up for a bite of the Apple, the firm has projected a market share of 8% in 2024 and intends to manufacture 25% of its iPhones here. No wonder that other global firms don't want to be left behind. The big push for semiconductor manufacturing will also drive all sectors as an alternative to China is appearing as a true option.

A final lesson is the marketing of war. The sad reality is that parts of the globe is still meshed in warfare. The Ukraine crisis continues for well past a year and the situation in the Middle East has not been so intense in over a decade. At the start of the year, economists predicted a dismal world, headed deep into a recession battling high inflation. Thankfully, America avoided this pain – and perhaps can thank its war machinery for it. Copious quantities of armaments have been rushed to Ukraine from the West, and China too has kept the pot boiling with military aid to Russia. However, the unexpected event was the Hamas fuelled Israeli war. Battle lines have once again been aggressively drawn and the current situation is that there is no end in sight to the daily tragedy of death and destruction.

Propaganda has been the oldest tool in every war, and we have seen a concentrated barrage of it in both the current high profile battles. Whereas in the past it was main line media that offered updates, today social media is the tool that has been harnessed brilliantly by all sides. The need to win the battle of the mind has led to a spate of short videos that highlight atrocities of all sides. Truth is of course the real casualty at such times – as in a world of deep fakes, experts far away from the battlefield are manipulating messages that stream freely on everyone's cell phone. As mentioned before, 2024 will only see more of this presentation of the ugly side of human behaviour using more AI tools to sway your mind. With over 40 countries headed for elections in 2024, there is a big play available for marketers across the world!

Hey, if all this sounds like we have a tough year ahead, let me assure you that it will be a great year for marketers. It would be good to remember the words of Beth Comstock, former Vice Chair of GE, *'Marketing's job is never done. It's about perpetual motion. We must continue to innovate every day.'* 2024 will be yet another platform for good marketers to showcase how they can thrive in a world where chaos may reign; let's just do that!

[back to top ^](#)

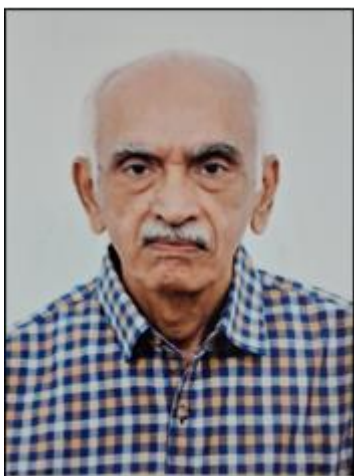


SPOTLIGHT



Sthanu Dutt

Seasoned Sales Professional



Mr Dutt is a Science graduate with a Diploma in Business Management. With the exception of a brief four-year stint in a small-scale manufacturing Company in Mumbai (involved in Contract manufacturing RalliMix mixer/grinders), where he handled commercial activities such as Purchase and Central Excise, the rest of his working life was spent with Kores India Limited.

Between 1978 and 1995, Mr Dutt commenced his career as a Sales Executive, advancing to roles such as Branch Manager, Assistant Sales Manager, All India Sales Manager, General Manager, and eventually Vice President (Marketing). In July 2002, he was promoted to Chief Executive Officer to independently oversee the Business & Computer Systems Division. Mr Dutt retired in March 2012 after a highly successful tenure and continued to serve as an Advisor for an additional six months.

Post-retirement, Mr Dutt redirected his focus to reading, writing, music, and gardening. He translated selected stories from a well-known Malayalam book, Aithiyamala (lores and legends of Kerala), into English and e-published it under the title Tales from Maveli's Land, accessible through Google. Mr Dutt also provided editorial and proofreading assistance, as well as mentoring, for three books published in 2012, 2020, and 2021, authored by a close friend. As a member of the Singers' Club in Trivandrum, known as Ganasmrithi, he indulges in his passion for music.

Mr Dutt's family includes his wife, Shobha Dutt, his daughter, Smitha S Dutt, who holds a Ph.D. in Molecular Biology, and his son-in-law, Govind Gopakumar, who holds a Ph.D. in Science & Technology studies. Both are settled in Montreal.

CA. Drawing from your vast experience, please share what are the key elements that you believe are crucial in establishing trust and rapport with customers, both while dealing with customers in India and with overseas customers?

SD: For building a relationship, whether it is personal or business related, mutual trust is the most important factor. It is a simple human psychology; you would not like to deal with a person you do not or cannot trust. And since a marketing or sales person has a vested interest in selling his product or services, the onus is on him/her to take the initiative to create this all important trust. My experience has been mostly in direct selling of high value products like Office equipment and Banking automation products where the customer is aware that a wrong decision taken by him/her cannot only affect his/her career but also affect his/her Organisation. So this element of trust becomes doubly crucial.

Our professional behaviour is foremost in the Customer's mind while he makes his assessment. How well do we respond to his inquiry, even before he meets us. Were we prompt, to the point, displaying keenness to meet the customer, etc. And when we meet, are we punctual, can we convince the customer with our knowledge of our products as well as the business environment in general.

A customer would also make a note whether we are only busy displaying our knowledge or do we listen to his requirements, concerns, etc. Where we cannot respond upfront, how promptly do we get back to him/her without any reminder? We have to be adequate in our communication, oral and written.

A customer is a keen observer of the match between our spoken words and our actions. A good match here obviously adds to our credibility.

A professional Salesperson will show a healthy respect for his/her competition and will never run them down. This is a display of our confidence in ourselves and will not go unnoticed and will take us a step closer to the customer.

We, in Kores, represented several overseas manufacturers to promote their products in India. These Organisations scout for partners and therefore they make elaborate study of the Indian Market potential, the various Companies in similar business operating in India, their strengths and weaknesses, their reach, their reputation in ethical business practices and so on. We too do an exercise to understand their reputation for supporting their partners, their product strengths, etc. The overseas partner will initially be sceptical about our financial strength and so we have to put them at ease on this count. We have to be updated on Government rules and regulations. So, when we meet up with each other to strike a partnership, both of us are actually assessing our suitability with the already garnered info. . Finally, our face to face interaction will invariably be the clincher. Even though we may not be able to come to agreement on all points, our body language and the comfort we feel towards each other will help us reach a consensus which may well be the start of a long term relationship.

CA. Building relationships often involves anticipating and addressing customer needs. How do you stay attuned to the evolving needs and expectations of your customers?

SD: Normally a customer puts on an invisible shield whenever he faces a new salesperson, as a guard against being fooled. How fast this shield gets removed, reflects on the ability of the sales person. The salesperson who is able to convince the customer that he is trying to offer solutions for the customer's problems and not trying to push his products, will succeed. Good Organisations like Kores, invest time and money in training the Sales personnel well.

The salesperson who invests time to understand the customer's requirements (we come across both well informed and not so well informed customers) and offer the right products or services from his/her stable ends up successful in not only getting the business but more importantly the customer's respect and trust.

The salesperson should ideally turn into a consultant, who has the knowledge to dispassionately compare, analyse and make the right suggestions to the customer. In fact he/she has to constantly update his/her knowledge and use it wisely. On the odd occasion when his/her products do not match up with customer's requirements, the salesperson must show maturity not to push his/her products, but walk away leaving the door open.

A relationship is not a one off interaction but a long term bonding. The salesperson has to ensure that his/her customer does not have to ever regret his/her decision to buy his/her products. This ensures repeat business and the establishment of a long term relationship. An excellent example of an Organisation's commitment to the customers was displayed by Kores India Ltd way back in 1984 when we introduced the first indigenously made Photocopier in India. While the product was well received, the quality was inconsistent initially. This resulted in some machines malfunctioning frequently. The Company quickly put those affected customers at ease by offering to replace their machines or refund the payment made by them. Needless to mention, almost all the customers remained with us.

CA. Building and managing distribution channels is vital when you wish to expand your market. What factors should one keep in mind for developing excellence in channel management in sales?

SD: I do not have experience in Channel Management, but since one division of Kores which marketed office stationery like carbon papers and typewriter ribbons, stencils, pencils and erasers, glue and many other products I have a peripheral understanding of the marketing process. While the actual movement of Kores products were made through a chain of distributors and dealers, we maintained a team of Sales personnel at the various Branch Offices located in each State to help these dealers sell, by visiting Offices near their location and promoting our products. This is something similar to what Medical Representatives do by visiting Doctors for detailing.

While a dealer's job is to ensure all Kores products are stocked and properly displayed in their showroom, Kores provides advertisement support to increase sales. Kores Branches support the dealers in various ways like resolving product complaints,

arranging product demos and road shows, and importantly, monitoring the financial management side so as to ensure smooth flow of goods from our factory to their showroom. Complaints resolution is a very crucial aspect and any callousness in handling this will adversely affect our relationship.

For Kores, the dealers are a part of the large Kores Family. Regular interaction between them and the Senior Executives at the HO right from our Chairman, give the dealers a sense of belonging and keep them motivated and committed to the Company's growth.

CA. With the current emphasis on data-driven sales, how do you balance analytics with the human touch in customer interactions?

SD: In the marketing of high value products like the Office Equipment and Banking Automation products, where solution selling is involved, collection of data is very important so as to ensure that we are able to meet customer expectations fully. This is done during every visit to the customer, noting stray but valid information, information on competitors' activities in the customer's office, etc. There is always a human interaction here; the sales personnel collecting the data and then analysing them with the help of senior staff.

However in the marketing of Stationery products, we are dealing with standardised products, mass produced and supplied in bulk. Here, we do take data from published customer survey reports, dealer feedback, business news, etc. on an ongoing basis in order to formulate strategies. While in the direct selling context, the data collection and analysis is mostly on a one to one basis, in the mass marketed products, the volume of data being larger, Companies tend to use technology for speedier outcomes.

CA. Looking ahead, how do you see the role of relationship-building evolving in the sales and marketing landscape, and what advice would you give to the next generation of sales and marketing professionals?

SD: As the world moves forward, automation of processes would be the accepted norm in most areas. Artificial Intelligence is being developed at a fast and furious pace. And no doubt, the Sales and Marketing functions too will see changes. However as long as human beings exist, the relevance of relationships will remain vital. Robots may take over many routine jobs, simple software may give solutions for complex problems and so on but at the source of all these developments will be human beings and they will be called upon to sort out glitches and malfunctions. And the Sales and Marketing personnel will be called upon to handle such customers. They will obviously be expected to have high skill sets, but their ability to build and maintain relationships will remain paramount.

[back to top ^](#)

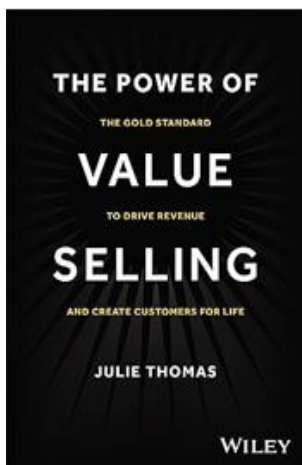


RESOURCES



The Power of Value Selling

- Julie Thomas



The Power of Value Selling by Julie Thomas is an extensive exploration of the contemporary landscape of B2B sales. As the CEO and President of ValueSelling Associates, Inc., Julie Thomas brings a wealth of experience to the forefront, leveraging her 36-year career to provide a roadmap for success in an era marked by buyer sophistication, technological advancements, and shifting expectations.

The foreword sets the stage by highlighting a significant transformation in buyer preferences - a Gartner survey revealing that 72% of B2B customers prefer a representative-free experience. The author challenges the prevailing perception of salespeople and emphasizes the need to refocus on providing value and building trust. By drawing parallels to historical concerns about the future of sales professionals, the author establishes a central theme - the enduring importance of selling value.

In a world overwhelmed with information, buyers face challenges in making informed decisions. The author contends that successful sales hinge on understanding and leveraging the concepts of "Truth" and "Value." The book unfolds into various sections, each addressing crucial aspects of the B2B sales lifecycle. It explores the evolving sales discipline, discussing the rise of specialized sellers, the proliferation of sales tech, and the empowerment of sophisticated buyers. Thomas advocates for adaptability, urging sales professionals to prioritize genuine human connections and empathy as indispensable elements that technology cannot replace. Despite technological advancements, the human touch remains crucial in building trust and closing deals.

Thomas delves into the art of mastering sales conversations, emphasizing the importance of asking the right questions at the right time. The O-P-C (Open, Probe, Confirm) questioning technique is introduced as a powerful tool for creating authentic human-to-human connections. The author provides practical examples and scenarios to illustrate the effective application of this technique in sales calls, underlining the strategic role of active listening and thorough research. The book further addresses the challenges

of filling the sales pipeline, emphasizing the need for a systematic and multichannel approach. The Vortex Sphere of Influence™ and Vortex Sphere of Engagement™ are introduced as frameworks to craft engaging messages and provide value.

The importance of aligning the sales process with the buyer's journey is explored in detail, emphasizing the buyer's success in completing a purchase. The author introduces the concept of reverse engineering the buying process, urging sales professionals to understand the buyer's problems and motivations. Differentiated VisionMatch™ in the ValueSelling Framework is presented as a means to create a collaborative and value-driven sales experience.

In the latter half, readers are introduced into ways of selling to C-suite, handling objections, and negotiating based on value rather than price. The strategies for successful account penetration through a land-and-expand approach are discussed, highlighting the significance of thorough research, relationship-building, and a proactive approach to identifying and capitalizing on opportunities within key accounts. The read underscores the importance of customer retention and renewal sales. Thomas narrates scenarios emphasizing the critical role of customer experience in renewal sales, providing a four-step process to boost renewal sales and build customer loyalty.

Julie Thomas, drawing from her wealth of experience, invites readers on a journey to master the art and science of selling value. With a focus on truth, value, and the human touch, Thomas redefines the role of sales professionals and equips them for success in an ever-evolving business landscape. This comprehensive guide offers strategic insights and actionable approaches to navigate the complex dynamics of modern sales.

[back to top ^](#)

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