

What's possible...

...in your business

How much does a lack of trust cost your business?

It's the trusted brands that win.

And they win BIG...

APPLE; DISNEY; VIRGIN;

There's also an expensive flip side.

It's called mistrust!

Gerald's £500 million lunch...

Although widely regarded as "tacky", the *Ratner* jewellery chain was extremely popular with the public.... until April 1991.

During a speech at the Institute of Directors, Gerald Ratner said:

"We also do cut-glass sherry decanters complete with six glasses on a silver-plated tray that your butler can serve you drinks on, all for £4.95. People say, "How can you sell this for such a low price?" I say, "Because it's total crap."



The result: £500 million was wiped from the value of the company and Ratner was removed from his position. Why? Simple. The buying public no longer trusted the *Ratner* brand.

The most important (and increasingly the most scarce) commodity all your customers crave for is TRUST!

Research suggests we are exposed to as many as 2,000 to 5,000 branding, marketing and advertising messages every day.

Overwhelmed consumers, like you and me, are scrambling to decipher which messages are believable. Customers are looking for a buying experience they can trust.

The search for signs of trustworthiness makes us into mind readers, alert for any twitch of inconsistency that betrays a sham.

- Stephen Pinker, *How The Mind Works*

As the Gerald Ratner example clearly proves...

...the success you achieve directly relates to the **believability** of your company's marketing message

High believability = high trust = high sales

Therefore the killer question is...

Where's your best source of believability?

Tom Waneek (entrepreneur, strategist, researcher and author) in his book - *Currencies That Buy Credibility* - strongly suggests you inject believability into your marketing.

You achieve believability when you focus on 6 currencies that buy you credibility. 6 currencies that buy you trust and help you achieve the success you seek.

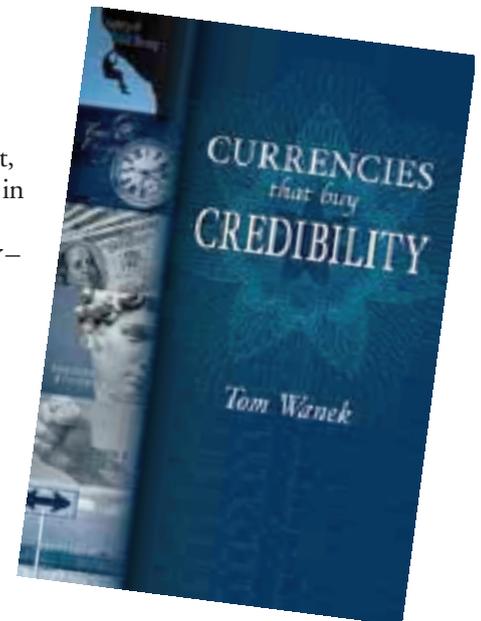
Waneek shows us how believability is connected to the degree you are willing to risk your own neck!

Why would you risk your own neck?

Because...

Greater RISK = Greater CREDIBILITY...

...and as a consequence greater sales success for your products and services.



What's possible...

Wanek provides you with 6 ways to win believability, win trust and win sales

Google, Avis, and Second Chance (more on these bullet proof vests later!) are a few of the companies putting Wanek's 6 ideas to profitable use.

1. MATERIAL WEALTH – put your money where your mouth is
2. TIME & ENERGY – invest yourself
3. OPPORTUNITY – choose not to!
4. POWER & CONTROL – give it away
5. REPUTATION & PRESTIGE – protect and preserve
6. SAFETY & WELL-BEING – risk it

More about risking your neck – The Gazelle and the Cheetah...

Signalling Theory – Animals have no words. They communicate using more believable and trustworthy methods – something businesses should copy if they want to succeed. For example...

...not all gazelles bolt for safety upon noticing a stalking cheetah.



On occasion, emboldened gazelles actually begin “stotting” when standing face-to-face with the deadly cheetah.

Stotting is the act of leaping up and down repeatedly whilst stiffening all four legs.

Why not run? Amotyz Zahavis presented his

Handicap Principle as an explanation for this behaviour. Zahavis suggests that stotting – a display of athleticism and endurance – sends a distinct message that the gazelle can outrun and outlast the cheetah.

Because the gazelle squanders precious time and energy, the signal reverberates with a high degree of believability.

The cheetah will ignore the stotting gazelle, instead turning it's attention to those gazelles running for safety.

Gain Trust – Invest In The 6 Currencies of Credibility

1. MATERIAL WEALTH

Words aren't enough anymore. It pays to put your money where your mouth is.

You'll see material wealth risked most frequently in guarantees and warranties.

“Return the product at any time for a full refund”

Our confidence (trust) in buying from *Amazon* (rather than other internet shopping sites) substantially comes from the certainty of getting a full refund for damaged or malfunctioning goods.

Wanek shares the example of the *One Hour Heating & Air Conditioning Company – On Time Service Guaranteed.*

How did they inject believability into their promise?

By taking it beyond words. They put their money where their mouth was and made their service free when they were late.

The business reduces buyer uncertainty by assuming the financial risk of making a purchase. Powerful guarantees are simple and specific – no fine print – no squirmy loopholes.

It's now not unusual to see better-than-risk free guarantees.

“Not completely happy? Then let us know and we'll refund your payment and insist you keep the product”

How strong is your guarantee?

2. TIME AND ENERGY

Online home improvement company, *Home Depot*, spends time and energy offering free in-store clinics on home improvement topics such as “Energy Efficiency in Your Home”.

Also online, *Patagonia* (the outdoor pursuits clothing company) puts together an exhaustive array of information about their clothing and equipment.

By investing enormous amounts of time and energy to educate visitors on your products or services you can build trust and confidence.

Let your web content do the talking. Lots of high value information signals to buyers you are credible and trustworthy.

How can you put this to work in your business?



3. OPPORTUNITY

Yes, it's tempting to appeal to everyone and business owners often feel compelled to chase all sales. But trying to be all things to all people weakens the credibility of your message to the customers best suited to your business and your products/services.

For example: *Geppetto's*, a boutique toy store, has chosen **not** to sell toys with batteries or toys made of plastic. As a result they have been very successful selling toys of imagination – sidestepping the giants like *Toys R Us*.



Choosing what not to do takes unwavering courage and commitment for a business.

What opportunity can you walk away from to improve your credibility with another sector or niche?

4. POWER & CONTROL

Google repeatedly beat all other corporate giants and repeatedly top Fortune magazine's list of 100 Best Companies to Work For. Their employees clearly trust the company and this reflects in their financial results too.

Yes, they invest material wealth to create employee benefits and perks that make working for the tech giant feel pleasurable and rewarding...

But look beyond pay and perks and you'll uncover a more powerful message. *Google* go all out to nurture a fun and relaxed corporate culture – rather than a command and control culture.

Google cultivates innovation and ingenuity by shoving aside those stuffy and stale corporate power and control rituals.

Similarly, *Amazon* do not control the book reviews on their site – this gives the reviews real credibility.

How could you sacrifice power and control?

5. REPUTATION & PRESTIGE

Your company's reputation is your lifeline to credibility, trust and success.

Be reckless with your reputation and it can cost you everything – like it did for Gerald Ratner.

Famously car rental company *Avis* placed its reputation and survival on a tightrope with its legendary "We Try Harder" campaign. *Avis* were operating in the red and losing out to market number one, *Hertz*.



Like the gazelle's 'stotting' the bold statement "We Try Harder" created credibility which in-turn sparked spectacular sales and revenue growth.

Be warned though. It only worked so well because the agency responsible for the campaign insisted *Avis* upgraded their services and products to match the promise.

Making powerful statements is easy but making them believable is not so easy. Only those gazelles certain of out-pacing the cheetah are seen 'stotting'.

What could be your ambitious promises? And can you back them up?

6. SAFETY & WELL-BEING

Richard Davis risks his safety and well-being.

Richard, the founder of bullet-proof vest manufacturer *Second Chance*, proves the safety of his product by shooting himself at point blank range while wearing his company's body armour!

Richard's risk is his product's credibility.

Concorde, like no other aircraft, captivated the public's imagination. Yet it experienced a very public and tragic ending – during a routine take off on the runway in Paris back in 2000 the plane hit a piece of metal which set off a chain of events leading to the plane's explosion in mid air.



The public was terrified and the *Concorde* fleet was grounded – significant and well-publicized measures were taken to rectify the safety issues (including bullet-proof fuel tanks).

To re-establish trust in *Concorde*, the top brass from both Air France and British Airways risked their safety by all flying together in the plane to prove their confidence in *Concorde's* safety.

Unfortunately, the same day as the safety flight took place, terrorists flew into the World Trade Centre and so confidence was even more seriously undermined. Important publicity regarding *Concorde* didn't materialize and now everyone was afraid to travel. This final straw financially saw the end of the icon that was *Concorde*.

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Message alignment is the key...

Nothing will erode your credibility faster than a conflict between what you are saying and who you are being.

Your 3 questions of Message Alignment:

- a. What is your company's defining characteristic?
- b. What decisions do your signals send?
- c. Is there a conflict between what you are saying and who you are being?

Like your customers, you are guided by a nervous system. A system programmed to avoid risk and the pain of loss. In essence, your instinct, and your customers' instinct, is to follow the herd – it's safer to buy what others are buying.

You must therefore battle human nature – to follow the herd – in order to obtain credibility for your business.

Now you have 6 tools to help you achieve the credibility that will bring you the success you seek.

1. MATERIAL WEALTH – put your money where your mouth is
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Be brave.

Take risks and be like the gazelle.

Start 'stotting'

Go on then.

Your thoughts...

Your Actions (next steps)

1.

2.

3.

