



Losers or Leaders: The Indisputable Truths

What Separates the Losers from the Leaders?

"Whoever said, 'It's not whether you win or lose that counts,' probably lost."

-Martina Navratilova

- 1. Leaders know their business attitude is a choice.** You choose your attitude. You also choose your business attitude in the same way. You choose these in the same way you choose what to wear each day. No one is responsible for your business attitude but you. A friend told me, "You choose your attitude so make it a good one." If you feel scared, it is a choice. If you feel cheated in a deal, you choose to feel cheated. If you feel like a failure, you choose to feel that way (and you probably are). Conversely, if you feel successful it is your choice. More importantly, if you feel the recession is dominating your life, then it does. If you choose to cut back or wait out the downturn, then you are responsible for that, not the circumstances. We can't manage change, we can only manage how we react to it. The sooner you come to grips with this, the sooner you will take responsibility for your actions and reactions to situations and quit blaming everyone else. The more dependent you are on external circumstances or other people, the less effective you become.

I spoke to a group of automotive parts distributors last month. They, like everyone else were suffering because their business was down. Then we talked about how an economy where consumers are keeping their automobiles longer and not buying new cars actually favors this industry. In fact, this industry hasn't seen a time when new car purchases were down like this since World War II. More people are retaining and repairing their existing cars than ever before. They need parts and repairs more than before. Their new attitude is now, "This is the best market we've had in decades!" Your mental outlook about your business is your choice, not the media's, the headlines' or the economy's fault. Author Larry Winget says, "Success is your own fault." The sooner you stop whining and get a life, the sooner you will be contributing to society and not draining energy from it.

- 2. Losers wait for the recession to end.** Recessions never end. There, I said it. Why do I say this? I say they will never end because the sooner you come to grips with this, the sooner you will stop doing what you have done and start doing something new, creative and different. Realizing it will be here to stay will force you to act differently and get into the game of life. Circuit City and a host of other companies have already gone out of business because they couldn't transition and sell like successful businesses who aren't waiting for the recession to end (They were probably run by committees!). Major storms always change the landscape. Economic storms do the same.

So many people are sitting on the sidelines, waiting for "The Recovery." What a bunch of losers! Even if there is a full recovery, things have been changed so much that you won't be able to do business the

way you did two years ago or ten years ago ever again. Life on the other side will be permanently different in ways only intuitive thinking people can imagine. The two most expensive items we buy are cars and houses. Cars will be made different and houses will be bought, sold and priced different this year and forever. Don't assume everything else will remain the same. Don't believe me? I learned to drive in 1972. The next year we suffered through the recession brought on by the Arab oil embargo. After that, fuel prices shot up and we never bought gasoline the same way again. We learned the phrase, "Self service pumps." Remember going to the airport and standing at the gate to greet family or friends? After 9/11, we never traveled the same way again. After today banks won't ever sell mortgages the way they did; construction companies will bid differently and build differently; news media will continue to change; and health care distribution will be forever changed.

3. Leaders know that nobody buys a product; they buy what it does. People don't rent cars: they buy convenient temporary transportation. They don't care who is really selling it as long as it gets them there. When you boil it down there is really no difference between Hertz, Avis, National, Thrifty or Budget cars. They still are just cars. Is there really a difference between LeSeuer and Green Giant Peas? Absolutely not. You make choices based on personal preference that is often dictated by habit or marketing. I bought a Fujitsu computer last year. Why? Because I like Fujitsu's customer service. They have fixed problems for me when the unit was out of warranty. Not only that, when I told them that I tell my audiences about their customer service, they offered to ship the laptop for free and threw in a free travel case. It was what the product did (offered extended service, shipping and a case all for free) that got my business.

So the better you can convey what your product or service does, the better chance you have of selling it. This is where value marketing comes in. You need to learn how to describe what your product or service does for consumers in a unique way that nobody else is doing. If it does something extra, so much the better. When everybody else is doing it, then you have to be different. Really, what is the difference between screw drivers? Yet Craftsman and Stanley have been at it for years trying to convince you that their products are different and better. So they guarantee them for the rest of your life. When was the last time you needed a lifetime guarantee for a screwdriver? On the flip side, though, we buy appliances and electronics that have certain features on them that others don't. Why? Because they differentiated themselves from the rest of the pack.

4. Leaders know that customer value satisfactions dictate the market. Customers determine what is successful and what isn't. Sam Walton said, "There is only one boss: the customer. And he can fire everybody in the company from the chairman on down simply by spending his money somewhere else." The Edsel was one of the most luxurious cars Ford ever built. But the public thought it looked ugly and obscene and perception became reality. The car wound up being a major flop and embarrassment for the Ford Motor Company. A few years later, under the leadership of Lee Iacocca, Ford premiered the Mustang, the world's first customizable sports car. It was (and still is) an overwhelming success. The public bought into the image of a car for the "me" generation that they could customize and call their own.

While speaking to a group in Chicago, a woman told me about a flyer she read where the company offered a free green canvas grocery bag for women who responded to a survey. She said to me, "Grocery bag?! Are they nuts? Who likes to go grocery shopping? They should have named it 'shopping bag.' Everyone likes to shop." Customer values dictate the market, make no mistake. If you want a good takeout pizza, you order Pizza Hut or Papa John's. If you want it fast, you order Domino's. Tom Monahan tapped into the idea of fast pizza delivery over quality and cornered the market. He sells only to people who want it fast. Just like Ghirardelli chocolates are only for people who want to *give* expensive gift chocolate instead of eating it themselves. Hershey's is for people to *eat* what they buy. It's still just chocolate, but purposeful marketing has each product selling to different consumers.

5. Losers think people buy what they are selling. People buy what they buy – NOT what you sell. You can do all the fancy marketing you want to do, but people still buy what they buy. So you have to reposition your service or product to match what people buy. People buy insurance because they want

to have a safe bet in case something bad happens. Not because a lizard told them to do it. They buy film because they want better memories, not because the package was brighter. They buy McDonald's because their kids are hooked and it is fast and convenient, not because they felt the quality of the food was an epicurean's delight.

If few people are buying your service or product, you stink as a sales person. Really. You haven't tapped into what people are buying. You are trying to get them to buy your service/product based on YOUR opinion of it – not theirs. Why do you think the more you force people to buy what you are selling the more they will buy. It won't happen. Find out what people want to buy and orient your product or service to their buying habits or desires. I bought the services of a web designer last year. I interviewed a half dozen. I went with him not because of price or elaborate designs; but because he could do exactly what I wanted and communicated that to me in a short, easy-to-understand manner. He got my business.

6. Leaders have learned that if you concentrate on your competition, you will have more competition and less customers. If you concentrate on your customers rather than your competition, you will have more customers and less competition. I learned this working in churches over the years. The more we concentrated on serving people better the more people we had every Sunday. The more we focused on beating the secular world or other churches, the more we fell behind. Companies who focus on the needs of their consumers and what the customer places value on will always have more customers. Companies who focus on their competition wind up taking their eyes off of their customers and allow the competition to increase.

If you purpose your organization as the only one in its industry by focusing on the unique customer needs or their greatest pain, you will be the only one doing it. What are your customers complaining about? What needs do they have that aren't being met by you or anyone else? Focus on meeting those needs and you will be the only one in an industry of one. Look on their complaints as the universe telling you what business you need to be in to meet their needs. If they are complaining about slow service, then deliver service faster and better than anyone else. If they are complaining about standing in long lines, find a way to eliminate lines like nobody else.

7. Leaders know that you have to get out of your industry to lead it. What? Yes, to dominate your industry, you need to look outside of it. Look at every industry leader and you will find that they do things outside of the norm for their industry. Starbuck's isn't a normal coffee shop. Barnes and Noble isn't a book seller, Apple doesn't make mp3 players or cell phones, Disney isn't a theme park; Google isn't just a search engine. All of these are *more* than their industry and, therefore they lead it. To lead it you have to change and go outside of it.

Here are some examples of changes you can make:

- Keep your wealthy travel clients, but sell them personal services instead of trips to Europe.
- Keep your hotel, but sell the destination.
- Keep your bank, but change the way you deliver services.
- Keep the health care facility, but sell the experience and food.
- Keep your customers, but change what you sell to them.
- Keep your employees, but change what you do.
- Keep your products, but change the way you deliver them.
- Keep your customers, but change how much you sell each one (bundle services).
- Keep your reputation, but change what you sell or your industry.

Get it? It's laughable when I talk to meeting planners and committee chairs every day that choose to hear speakers from within their industry. As if this is going to give them a leg up on the competition - who happens to be sitting all around them hearing the same message. If you want to lead your industry, first lose the industry speaker. Then look for people with exposure to other industries and a world of

ideas and possibilities. Look for people who say, “This works over there; let’s see how it works for you here.” Look for ways to differentiate from your industry, not in it, to lead the way out of it.

8. Leaders know how to converge different concepts into one unifying theme to stay in front of the competition. Remember I said to lead your industry you have to look outside of it? Yes, but not so far outside that you totally confuse or lose your message. Coca-Cola bought a winery and thought they could capture that sector of the market. But wine didn’t converge with their popular soft drink purpose and they lost millions before selling off the winery business. You can spread yourself so thin that your message is confused. I learned this over the past few years when I spoke on any and everything anyone would ask. I spoke on Time Management, Generational Diversity, Teamwork, Leadership, Sales, Professionalism, Customer Service, Surviving Bad Times, you name it. But I was being so diverse that I wasn’t coming across as an expert in anything. People respect you more if you major on one topic or theme and are known for that. This is branding at its best. Convergence, though is taking one concept and applying it to several different areas where they all have the topic in common.

Back to Barnes and Noble; they are able to converge the books with the coffee shop, music and DVDs, magazines, children’s place, library atmosphere and reading room all into one. If they also decided to become a travel agency or a beauty salon, their message would get lost in the shuffle. They would lose millions of dollars. If you can take your purpose (or remember what it was in the first place) and combine it with complimentary services or products, you are converging them into your main message. Think of a closet builder who also offers an organization service to his/her customers. A pool salesman who also offers pool service and mosquito elimination services (particularly in the Southeastern United States). They are taking outside ideas, converging them into a super service and keeping their purpose intact.

9. The product of a company is its people. Your greatest product is the people who work for you. Inspire them, feed them, listen to them, free up their intuition and they will take you places you and your marketing design team could never imagine. Do you have programs for growing your people in place? Or are they simply coming in collecting a paycheck and going home? How many of your employees are on Monster.com looking for another job?

If you aren’t growing your people you aren’t in the game. You need programs to grow your people, not cut back on them. You need a plan for monitoring their progress through coaching. Are you participating in the growth of your people? If your people are being grown they will participate in the purpose of the organization and help you develop processes to serve your customers better. John Deere labels each tractor for the farmer they are producing it for. Every factory line worker knows who they are assembling each tractor for. They feel more involved in the process so they are more inspired to produce more effectively and discover ways to serve the purpose better.

10. People, purpose and process trumps systems and strategies. If you know your purpose in business (and in life) the process will come to you. Know where you are going and the process (how you get there) will come to you. Aristotle said, “The quality of the defined end draws the action to get there.” In other words, if you know your destination, you limit your choice to the only path that will take you there. So you are not looking for strategies, you are looking for destinations (purpose). Make sense? Here’s how it works: Michael Dell came up with a great computer in his garage, but he knew he couldn’t compete against Hewlett Packard, IBM and others. He knew that nobody buys your product, they buy what it does for them. He chose to create a process nobody else had. Rather than take them on in the computer industry, he chose to compete against them in the deliverable technology industry - an industry of one that he created. He got into the business of putting his process (delivery) first. He de-emphasized the product (computer) and emphasized the process.

Today most businesses have forgotten their original purpose of existence and their process got waylaid. They got so involved in trying to beat the competition on price or strategy and pushing ahead, they left the customers’ needs behind and lost their way. If you emphasize the customer (people) in what you do - meet their un-met needs; if you put the purpose of your existence as an organization to serve them first and let the process be determined by the purpose, you will always be in an industry of

one - you! If you are being beat up in the marketplace you must re-purpose your business plan rather than depend on strategy, speed or price.

11. Building community at work is more essential than team work. Team work doesn't work. "Team work" refers to a group of dysfunctional people working on a short term project or work task together to bring about a solution or product. Community refers to the same group of people who are socialized together and function for the long haul. They share many experiences beyond individual projects or tasks.

Companies who rely mostly on teams have employees who are disgruntled that everyone on the team isn't pulling their own weight. The superstars do most of the work and resent being paid the same thing the do-nothings on the team are paid. The do-nothings don't work and drag the process down. Teams just don't always work. Sack the idea and start encouraging socialization among your employees. It is the wave of the future.

Why will socialization take place in the workplace in the future? People don't know their neighbors, they don't get as involved with other parents at their children's schools, they don't get as involved at church as they used to (you can't do socialization in two or three hours a week). But they spend more of their time at work. Building community at work will totally revolutionize the hiring process. Socialization in the work place will stabilize poor performance and improve attitudes. Socialization is the key to building unity in the workplace.

I was discussing this in a men's clothing store with the manager. He told about how his company was emphasizing this concept in their corporate environment and how successful it is. He said he had never seen the response to this approach before and was very excited about it. Imagine a dysfunctional group of people sitting around and discussing what is important to them and their lives. See the unity that you can develop in your workforce by building community. After all, community can be called "common unity." Now you can build community among your employees and they won't be as concerned about looking for another job that fulfills them.

We need to reconnect with what we do, who we are and how we do what we do. If you start re-inventing yourself now, you will be ahead of everyone on the sidelines and ahead of the market when (and if) it rebounds. If it doesn't any time soon, you will be so far ahead of the sideline sitters you won't believe it (neither will they). Banks can't sell mortgages the way they did; construction companies will bid differently and build differently; news media will continue to change; and health care will be forever changed. If you want to sustain in business, you need to change...now. Thom Winninger says, "People don't buy what you sell, they buy what they buy." You need to reposition your marketing; answer needs like never before; sell products that consumers want to buy. All bets are off.

12. Leaders re-invent themselves and their businesses continually. Leaders who re-invent themselves and their businesses continually can make a recession feel like a speed bump. Reinvent yourself and stop worrying about losing your job. My wife and I were in McDonald's the other morning for a quick breakfast. From the moment we walked in we were struck by the look and feel of the place. Gone were the wild colored plastic booths and swivel chairs. Gone were the kiddie posters or local photos from the chamber of commerce. They have been replaced by mature earth-tone colors, artsy lighting, padded seats (love the padded seats) and high tables. She ordered a cold McFrappuccino – or something like that. In case you didn't know, McDonald's is now in the gourmet coffee and latte business. We could see a list of instructions on how the servers are to take our orders, make the drinks and call our names when they are done (just like Starbucks). What makes this interesting is that throughout the recent "recession," McDonald's has been showing a profit and actually increasing in business. While others are failing, closing and pushing the same things harder, McDonald's and Wal-Mart are increasing in business. So why would they take on a new line or image? Because they want to STAY on top. Are they trying to compete with Starbucks? Maybe. Sure they own the hamburger and

fast food industry. They could just sit back on their growth and laugh at the competition. But instead, they are attempting to expand into other areas that aren't typical for a hamburger chain, but *converge* with their message.

Lexus is one of the top brands of cars to buy, yet every year they change the look and add options to each model. Why? Because they want to stay on top. It's not like almost a century ago when you couldn't really tell a 1912 Model T Ford from a 1919 Model T. Chick fil-a is leading in the fast food chicken industry in the Southeastern United States. They have had double-digit increases in profits for over 11 years. And they have added new food items, specialty milkshakes, upgraded the look for the restaurants, done things to reinvent the way they do business.

If you want to stay in front of everyone else, you have to reinvent yourself and your business. Leaders in every industry know that times change and so do people's taste. Last winter I knew we were in for a long-term economic challenge. Everyone knows that the best time to start a new business is during one of these downturns. That was when I decided to review everything about my business: my web stie, my message, my seminars and even the way I dress when I make presentations. The result was the discovery of the Leaders vs. Losers and Indisputable Truths. I realized that THIS is what people needed and wanted. More importantly, it is what my customers wanted to buy. But almost no one was offering it. They were offering the same tired old material that worked in 2006 and 2007. The slowdown of 2008 hadn't been enough to wake other speakers and consultants up. It was for me. It became my message that *everyone* has to update, change, re-think, re-evaluate and re-invent their business model, what they are offering and how they market it.

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