

The Customer Bear Hug

by Art Wilson



An intrinsic component of a sustainable business relationship is a sustainable personal relationship. CPS founder Art Wilson calls it the “Customer Bear Hug.”

Customers and Strategic Suppliers need to reinvest in tight relationships if they are to be successful in today’s environment. Treating the people and organizations that might be most important to your survival and success with enveloping warmth seldom pays off immediately, but always pays off over time. I call this the “Customer Bear Hug” because it most graphically describes the behavior.

Why is ingraining “Customer Bear Hug” behavior so critical in today’s environment?

On the surface, buying has become much more price-focused. On the selling side, relationship-building has become much more opportunistic. The result is that companies are much more reactive and brutal in dealing with these issues. This creates a vicious and non-productive cycle of discounting and reducing the value to the end users at a time when they need committed partnerships from outside their organization in order to be successful.

From our observations, research, and discussions with over 20,000 professionals in the buying and selling environment, there appears to be two very interesting behaviors that most differentiate the companies, teams, and individuals who survive and flourish from those who implode or are acquired.

Business Model. The leadership of the successful entities have implemented a model (either consciously or naturally), which allows them to financially survive unforecasted difficult times. They are prepared to grasp opportunity quickly and effectively during unplanned upturns. They think strategically and act tactically, continually adjusting their road map. They have a business model and attitude for success, which assumes that the future of the business environment is no longer forecastable with any definable level of confidence.

Process. While the leadership of successful companies has a passion for execution in all environments, they prepare for the future by behaving in a way that is substantially different than the larger group of their peers. They have an imbedded process that employs the business equivalent of a *Bear Hug* in a way that maintains employee, strategic supplier, partner, and customer loyalty during difficult times. This gives them incredible differentiation from their peers—even in a seemingly commoditized environment. They employ what you might call the *Customer Bear Hug* on their customers, employees, and strategic suppliers and channels. This behavior, correctly executed with the right people, in the right way, and at the right time, can create incredible loyalty. The process prepares them for extraordinary opportunity, whether the other party is a customer or distribution channel.



Rules of Bear Hugging

- Motives for Bear Hugging must be unselfish
- A Bear cannot hug more than three individual people at any given time; select candidates carefully—your high-value actions will change the relationship forever
- It is okay to mix business and pleasure...but do it carefully
- A qualified recipient has the prospect of providing high value to the people they serve and/or to yourself

In discussions with a number of senior executives, I asked them how long their sell cycle was on their largest, most important deals. The answer? 30 days... Why? They had already developed trusting relationships with the key decision makers and approvers. They were there when there was an unforecasted critical need, and were the logical choice. The leadership did not have time to develop the relationship with someone new. They could not risk failure.

The Customer/Supplier Bear Hug. Extraordinarily successful customers treat strategic suppliers in a very similar way to the way a supplier would treat an important customer. They recognize that the relationship is critical to their mutual success. How might one identify a possible partner where the relationship is “underserved”? Here are some criteria we have observed:

1. The business is a huge opportunity for us
2. We have the potential for creating extraordinary value for each other
3. There is a competitive incumbent but we believe the relationship is “long in the tooth”
4. Our people or team continuity has been weak
5. We only know a few people
6. The client has gone through business and organizational turmoil
7. We are viewed as a one-trick pony—they are not aware of all we could do
8. Our business relationship has never been strong
9. We do not really understand their business imperatives
10. Our words and actions demonstrate that we lead with price

Bear Hug Sales Process. A clear customer-centric process is critical to creating a discipline which results in changed behavior across an organization. What Best and Worst Practices have we identified?

Worst Practices

- The Bear tries to hug everyone
- The Bear tries to initiate a hug on the first meeting
- The Bear only hugs when the Bear needs it
- The Bear makes the hug a wrestling move
- The Bear hugs their customers too tight before they get used to it

Best Practices

- The Bear carefully selects recipients
- The Bear envelopes the recipient in warmth
- The Bear doesn't let go and likes giving the hug
- The Bear is always looking for an opportunity to give the hug, but does not scare off the recipient
- The Bear is available for “life”



Measures of Success. Commit to creation of discipline, which leads to a “Customer Bear Hug” culture by demonstrating it through your behavior. You will know you have been successful when you see results in the following measures.

Measures of Success	• Buys when you are clearly the high-priced seller and can explain why
	• Partners with you in creating your business strategy
	• Takes action on recommendations without looking at options
	• Personal sponsorship of you, your solution, and your company
	• Speed-dial relationship
	• Asserts your company's value in public announcements
	• Recognizes value of you, your solution, and your company
• Accessibility	

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