

# How to be proactive, not reactive

Growing your business means evolving beyond merely reacting to what your competition is doing, writes **Darrell Hardidge**

**IF YOU** look at high-performing businesses, you'll notice that they actively plan into the future. They're always clear on what they want. And their strategic plan is clearly documented.

Every successful company is proactive in their thinking, and they don't leave anything to chance. Most importantly, they don't assume they know; they seek assurance from their customers to ensure they are on track. They can assess how accurately they are predicting the future, and this is always linked to their current business metrics.

However, many businesses fail to develop a strategic plan. They are mostly reactive to what's happening today, this week, etc., and focus more on their competition.

Number-one companies follow the mantra "obsess over your customers, not over your competitors." They proactively look at how to keep adding value to their customers and how to ensure they give their customers a brilliant service experience. They focus on team training and mentoring to ensure their team always can deliver high standards of customer service.

By contrast, most companies in reactive

mode continually focus on what their competitors are doing and end up in a price war, trying to outdo each other to win customers. The problem with this reactive approach is that it's challenging to stay focused on your own game because you keep getting trapped in someone else's.

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Trying to control and outwit your competitors is a risky and expensive game.

### Lead your market

If you focus on doing everything you can to be proactive in the way you deliver service excellence, you will automatically be ahead of your competition. Most are too busy focusing on what everyone else is doing, rather than being strategic on what they're doing themselves.

One key reason is that they don't have any quality data to know what's going on. At best, they have a vague opinion. As W. Edwards Deming said, "Without data, you're just another person with an opinion," and we all know what that's worth.

### Knowledge is power

Being strategically proactive ensures that you have a game plan and measurement to

know if you're on track. With the correct KPIs, you can measure how well you're fulfilling your prediction.

There's a metric that we call the 'one number theory.' It's at the centre of measuring everything that's going on in your business. A very accurate customer experience measurement provides a clear reflection from an independent market perspective – that is, the true voice of your customer.



When you can measure critical areas such as the sales process, the implementation and onboarding process, account management, delivery processes, operations (including things like accounts receivable), company-wide communication, and knowledge from the independent perspective of your market, you'll have a very accurate assessment of how well you're performing. When you have this information and you keep driving it towards the optimal 10/10 result, you can keep designing in a proactive manner that ensures you're staying ahead of the game and fulfilling and exceeding customer expectations.

If you don't, then you'll keep chasing everybody else. It's like driving with the rear-view mirror. You can only see where you've

been, and you don't know where you're going. It's extraordinary to think that most companies operate this way. Business growth is directly linked to the customer experience.

#### **Proactivity pays off**

The proactivity of customer experience ensures there is a plan and a commitment to growing revenue, based on increasing the value you offer to your customers. The more value you provide, the more they'll spend, and the higher margin you'll receive because they're happy to pay for quality – but most importantly, they'll refer their friends and colleagues.

If you obsess over your customers and not your competitors and put in place very accu-

rate KPIs to understand what your customers value about doing business with you, you'll be in a powerful position. If you don't do this, and instead you just wait and see what happens in the challenging economy ahead, it's potentially a recipe for disaster. **CMP**

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