Why Convenience Wins with Shep Hyken https://www.rogerdooley.com/shep-hyken-convenience



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Welcome to the Brainfluence Podcast with Roger Dooley, author, speaker and educator on neuromarketing and the psychology of persuasion. Every week, we talk with thought leaders that will help you improve your influence with factual evidence and concrete research. Introducing your host, Roger Dooley.

Roger Dooley: Welcome to the Brainfluence podcast. I'm Roger Dooley.

As you may have gathered from hints in previous

episodes, I've been interested in the concept of friction for years. In my persuasion slide framework, friction is one of the four elements. It's what slows or stops progress down the slide, and it's the topic of my next book, so I was really excited to learn about Shep Hyken's latest project. Shep is a customer service and experience expert and is the Chief Amazement Officer of Shepherd Presentations.

He's a New York Times and Wall Street Journal bestselling author and has been inducted into the National Speakers Association Hall of fame. He's the author of seven books, including his latest, The

Convenience Revolution, which focuses on friction

elimination. Welcome to the show, Shep.

Shep Hyken: Hey, it's great to be here and I'm excited to talk to a guy

that has some of the same interests that I do, which is

how to reduce that friction.

Roger Dooley: Yeah. First I have a question. I noticed that you say that

you sometimes use magic in your speeches or

presentations. Is that true, Shep?

Shep Hyken: That is true. Part of what I do for a living is I go out and

travel the world doing keynote speeches and events.

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Many, many years ago when I was a kid, I did magic shows. Started out at a birthday party doing magic shows for little kids and I worked my way into nightclubs through college. When I became a speaker, one of the reasons I chose that profession was I said, "I can do that. I can get in front of people and I can perform." So I was immediately drawn to customer service and experience as my topic and I said, "Okay, I'm going to talk about how you create that moment of magic." Every once in a while, I'll still put a little trick in there. It's kind of fun. It's like an accent. It's not like I'm going to make a girl appear and float her in the air. I'm going to cut somebody in half. No. This is just simply an accent. It's kind of like telling a story, but I have fun with it.

Like I'm going to be doing a presentation today and I'll be talking about how you manage the moment of truth and avoid moments of misery and create moments of magic. I'll probably throw a quick little trick in there just for fun. Keep the audience entertained. It's the sugar that makes the medicine go down.

Roger Dooley:

Well John Medina's been on the show and he wrote Brain Rules. One of his axioms is that, people can stay focused on a speaker for about 10 minutes and at that point you've really got to do something to change the topic, change something, to regain their interest. So it sounds like maybe a little trick or two might be one way of sort of breaking up the rhythm and getting the audience back in the swing of things.

Shep Hyken:

Yeah. You know, think about this; as far as a presenter today, my presentation is an hour. My next one's going to

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be 90 minutes long. I mean movies are 90 minutes long. Steven Spielberg will spend millions and millions and millions of dollars to create special effects to keep the audience entertained. What do I have? I'm just up there. It's like I'm walking the rope without a net underneath me. There's no special effects. I don't even use slides in my presentation, which sometimes people say, "Wow, that's refreshing. No slides."

Roger Dooley:

Interesting. Well, 90 minutes is a long time to hold an audience and it's a different style of presentation. I had the, well, sort of pleasure of hearing an individual speak, who I think has probably the most or one of the most viewed TED talks of all time and it was at least a 90 minute presentation, might have edge towards two hours. What I found was that that same approach that worked for a short presentation, a TED talk-style presentation, which was basically a story or a series of quick stories, did not really scale because at some point you started to get sort of story overload. It ended up being really kind of tedious. But, be that as it may, let's get back to your new book, Convenience. What led you Shep, to focus on convenience because your past focus has been on amazement. So convenience is kind of a different thing.

Shep Hyken:

No, I don't think it's a different thing at all. I think it's actually right in line with creating customer amazement. So I actually wrote a book a few years ago called The Amazement Revolution, and this is called The Convenience Revolution. What I find is that companies, they start to excel in something. It starts to become hot as far as an industry or even in the entire world of business. Customer amazement; people have been for years talking

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about wow, the customer above and beyond. What I try to say is, amazement isn't that. Amazement is just consistent and predictable experiences that customers like. That means you could be a little bit above average, but if you're a little bit above average all of the time, now you're in that zone of amazement. So The Convenience Revolution, and I wasn't sure, was I going to call the book The Convenience Economy, Be Convenient, but I chose, I think because my publisher said, "I like Convenience Revolution." That's why we did it.

But what I noticed is that the companies that I personally were gravitating toward as far as doing business, and also writing about them, they weren't just great at customer service and they didn't just have a great product, they also were just easy to do business with. So I thought, "You know, I wonder if I'm the only one that feels this way." So I started to do research and I started to ask people, "Why do you like doing business with some of these companies?" They, "Oh they're so easy. They're very convenient." I thought, "There's something to this".

Believe it or not, two or three weeks ago- I started writing this book over a year ago and it finally came out just recently- and about two or three weeks ago, I received an email from Nielsen company. Big. That's a huge company. They do all the ratings for TD and all, right? They do a lot of research.

Roger Dooley: They're also the leaders in consumer neuroscience, by the way.

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Shep Hyken: Right. They said, "Convenience is the new buzzword in

business." I went, "Holy cow. Timing couldn't be better."

Roger Dooley: Yeah. Wow. That's really amazing time and yeah. So

yeah, at least I can tell that we're kindred spirits on that topic. It's interesting because I like to talk about loyalty and a gardener who's published research showing that exceeding customer expectations as much as everybody

says, "Oh yeah, we want to exceed customer

expectations. We always give them more than they expect", which I guess would be kind of an amazement factor in certain ways, but that doesn't build loyalty. What

builds loyalty is making things easy for customers,

particularly if they have a problem. You know how difficult

it is to resolve. Do you have to start on the web and switch to phone to finish it off? Do you have to talk to three different people? Do they have to get back to you by email or something or does the problem just go away on

your first call? That's what builds loyalty.

Shep Hyken:

Right. Think about this, and I'll use a car dealership as an example. When you go in to buy a car and at least here in the US, there's lots of paperwork that you fill out,

especially if you're going to take a loan out on the car.

There is so much duplicate information that the customer has to provide on each one of these forms. Wouldn't it be nice if somebody came up with a system where you put all this basic information and then it populates the forms the right way, the way it's supposed to go? Think about the time it would save and the aggravation it might save. So those are the types of things that when you're talking about reducing friction, you know there's a friction point.

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By the way, companies, when we're doing interviews, people have asked, "So where do you start?" That's exactly what you do. You take a look at your typical customer's journey and every interaction they have and what happens during those interactions, you're gonna say, "Is there any way I can make this a little bit easier and less friction?"

In the book, there is a gentleman who ... and he wrote ... Gosh, this had to be almost a year ago. I started to write the book and I think in one of my news articles that I write on a weekly basis, I have my newsletter that goes out and we have my blog and all that, I wrote something about convenience. This gentleman, Warren, wrote me back saying, "I've got a great story for you."

I had to put it in the book. It was that good and this kind of sums it all up. This guy hires an HVAC company that does the heating and cooling furnace. That twice a year they come out and check the equipment to make sure it's ready to go for the change of seasons. He's been using them for years and he used them and upon paying them, they said, "Oh, by the way, we're sending you a coupon, please print this out and hold onto it and the next time our technician is back in your home, present it to them and they'll give you a discount." He thought, "Well, that's awful nice."

By the way, the company thought they were really doing something nice. Then he wrote them a note and I don't ... I have the book in front of me if I can open up to the exact page I wrote. It was a very short note, but basically what he said was this, "Why are you putting the onus on me to

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hold on to that coupon? You know I'm a customer, you know who I am, and the next time I call, why don't you just say, 'Hey, he was a customer' and apply the discount then?" It was that simple.

Oh, here I write it. "Why is the onus on me to save the coupon for six months and to remember to present it to the repair person? If you really mean it, make a note in your computer file and automatically deduct it for my next service call." The company, by the way, thanked him, didn't realize they were creating friction and in fact they were. Isn't that a much better way of doing it anyway?

Roger Dooley: Did they change their systems I wonder?

Shep Hyken: Well that I don't know. That would be the rest of this story,

but I assume since they thanked him that they probably

did.

Roger Dooley: Yeah. A cynic would probably say that they hand out for

every 10 of those that they hand out to their customers, only one actually remembers at the time that the later service is provided. So they think they're getting the benefit of, "Hey, we're giving you this great little gift here",

knowing that very few will take advantage of it, but maybe

that wasn't their intention.

Shep Hyken: Yeah, I hope ... I'm a little bit more positive and optimistic

than that. I think that the goal of giving that coupon was to try to keep the customer loyal and if the customer forgets

about it, it doesn't do them much good.

Roger Dooley: Good point. Also then there's that sense of loss too. If you

realize later on, like after you had your service, then you

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find the coupon stuck in her drawer and say, "Oh darn, I could've saved 20 bucks. What a dummy I am", and you end up being angered by the whole thing.

You know, your description of the car dealer reminded me of something that actually is even more common than buying cars. That is, at least here in Austin, which Austin is a high-tech center. Despite that, the whole medical records thing seems to be stuck back in the paper form ages. If you go to a new doctor, the first thing I do is hinge a clipboard with about six sheets of paper and forms to fill in. If that doctor refers you to somebody else, there's like a 90% probability that, that doctor's gonna hand you a clipboard with a bunch of papers to fill out. Particularly, my mom when she was around and had a variety of medical issues and trying to fill out those, listing her conditions and surgeries and medications and reactions and everything-

Shep Hyken: Over and over again.

Roger Dooley: Right. Yeah. It was just a crazy task, but individually, I

think you'd asked that officer, "Well, we need this

information because it's important so we can deliver the right care", not really looking to see if there's a better way of doing it. But I think that if enough physicians and office staff went through that process themselves, they might say, "Hmm, maybe there is a better way that we can somehow share this information or suck it down from

some central database." But anyway-

Shep Hyken: Isn't that right? Shouldn't there be like, there should be an

APP for that?

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Roger Dooley: Right. Well yeah, I think-

Shep Hyken: How about an app on the phone, that keeps all your

medical information and when you go to the doctor's office say, "Hey, would you just scan your app or

whatever barcode right here and it will auto populate all the forms that we have to do for you. All you need to do is look them over and make sure the right and sign them."

Roger Dooley: Yeah. You know, actually I think Google's working on

something like that, but I think there's a bit of a credibility problem there because people are afraid that if they turn all that information over to Google, that somehow they're going to start getting targeted for pharmaceutical ads.

Shep Hyken: You know what? I'm the guy that says, "Put a chip in my

neck and give me the best of anything you can give me." You know that Minority Report movie is what it reminds

me of.

Roger Dooley: It's a fair trade-off. Anyway, you describe ... Well, friction

is your major topic. The first of six strategies to make things more convenient for customers, and it seems like

friction kind of underlies all of the rest.

Shep Hyken: It does. All six of them are about reducing friction. Just

some companies have used reducing friction as their

main value proposition to their customer.

Roger Dooley: That would be Amazon, for example?

Shep Hyken: Yeah. Amazon and Uber. I mean those are two big

companies. I use Amazon as a case study because they

are represented in all six areas of the convenience

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principles. Then there's other companies that could be in all six as well. Even though I put Uber into the reduced friction or obviously they can be in technology. I mean that's a great app that they have. Many companies and any company listening to this, I will guarantee at least one of the six convenience principles will help you disrupt your competition, help you give your customer a better experience, and many companies will be able to latch on to two or three if not even all six.

Roger Dooley:

Now, Shep, the second one is self-service. That one really hit me kind of two ways. I've had some great self-service experiences where, say I want to reorder prescription. I can do it with a phone call. They recognize me. It's automated, it takes 30 seconds. I never ... It would easily take that long to wait for a human to pickup the phone and much longer for just even to identify who I was and so on. So to me that's an ideal example of how self-service benefits the customer. I much prefer to do that than to talk to a human, but at the same time it can also be done I think sometimes primarily to benefit the company. I try calling my bank with a question and-

Shep Hyken:

Yeah, that's when it becomes a mistake.

Roger Dooley:

Yeah, I get this barrage of automated announcements about things and then nine menu items, which of course have recently changed so you have to listen to them all or so they say and none of them seem to be right. You push one and you just end up in this rabbit hole and I could not break out of it. I tried pressing zero. I tried yelling operator.

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Shep Hyken: Yeah, agent.

Roger Dooley: Yeah, anything-

Shep Hyken: Agent. Representative.

Roger Dooley: ... nothing worked. To me, I guess that's maybe the

> difference between doing it with a customer orientation and a cost-saving orientation, because I would guess that that was at least part of the objective in the case of the bank, is to try and figure out, how we can keep people from talking to a human and let them take care of

themselves.

Shep Hyken: Well, I mean, here's the thing. If you changed that from,

> how to let people as a point to try to employ avoidance is what you're saying, "Let's keep the customer from having to talk to the employee", but he'd be given the option and you let them do it and it's truly a better experience than

give it to them and let them have the choice.

So here's where companies make the mistake when it comes to self-service, is they say, "We're going to put this in here", like you said, "for the benefit of the company". Or number two, they think they're doing it for the benefit of the customer, but they haven't been on the other end of it long enough to recognize this could be causing friction

and anger.

So here's what we tell companies and by the way, so reducing friction, Uber is a great example of reducing friction where you don't have to call a taxi cab company. You can see how far away they are. You don't even have

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to pay for it when you get out of the cab. It just automatically happens. They reduce friction.

When it comes to self-service, you're putting control in the customer's hands. If the customer feels they're losing control, there needs to be a human backup. Some examples. I use Panera bread company as a self-service example because while they were a traditional restaurant where you'd go and stand at the counter, order your food, wait for your food, they went to giving you the option. You still can stand in line, but you can now go to a kiosk which has a computer screen, a touchscreen and you get to order your food and, "Hey, is this the same as the last order?" It's even easier and it's quicker, faster, and by the way, time is money, so it saves you time, which is saving your money. They used to make you wait and then they call your name for the food. Now they give you a pager, you sit down at a table that has a sensor on it and the pager doesn't go off. The person, the food runner just brings you your food and they never cut employees, but they allow the employees now to better engage with the customer when they're bringing them the food, which is a great win-win for everyone.

There's a great example of self-service working. Software company that puts videos online for you to look at tutorials. That's a self-service solution, but if that doesn't work, "Hey, push the button or give us a phone call and we're there for you." By the way, it works the other way around. You could be talking to the customer service rep and they could say, "You know, I've got an idea. I'm going to send you a link that shows you a video on exactly how to do this." Now you're going from human to digital and

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that self-service kicks in after you've talked to the human. Part of that is training the customer to use the self-service solution. So self-service is powerful. It's giving the power back to the customer.

Roger Dooley:

Yeah, and it makes a huge amount of sense. I think knowing that that help is at hand is the key thing. I've certainly dealt with a fair number of voice menus that say, "At anytime you can press zero and you'll be able to speak to an operator." That it gives you the confidence to maybe try checking whatever it is yourself and then if you run into a problem you can get help but at least you're not totally trapped.

Really the same thing in seeking customer support because customer support is a huge area for a lot of companies, just depending on what kind of products or services they offer, it can be a big cost and it can be a source of big customer frustration. So getting that balance right between saying, "Okay, well we're going to give you the tools you need to solve the problem, but also we're here via chat or phone or whichever you prefer in case you need some help." That's really important.

Shep Hyken:

Yeah, and I love that you're saying, "We're here by chat or phone", it's a choice. Customer gets to choose it. If you do it right, you'll educate the customer and train them on how to use the convenience tools such as self-service in the near future, the next time they need you.

Roger Dooley:

Shep, one of your other strategies is subscription model. What kind of businesses can use a subscription model?

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Shep Hyken:

Well, the nice thing is that you don't have to just think of it in terms of a publication like a magazine or newspaper that shows up daily, weekly, or monthly. There are so many subscription models. I use Netflix as an obvious subscription model. You pay a fee and you get your downloads and streaming video and movies, TV shows and movies. But how about gosh, the Dollar Shave Club, a great subscription model. Every month, I get my razor blades like clockwork. Every company that sells a consumable can be thinking about, "What's the regularity that these customers use the product and run out and have to go back and buy? We'll put them on subscription so they don't have to think about it anymore."

How about car companies now? Manufacturers of automobiles are starting to get into the subscription business where they don't sell a car. They don't even lease the car. They don't rent the car. They let you subscribe to the brand, which means I could ... Porsche has one by the way. It's Volvo, Porsche, BMW, Cadillac, a bunch of different brands are getting into it, but imagine I buy a Porsche subscription and there's different levels. I could pay more for higher-end cars, but at a certain level, I have a choice of the car I want to drive. I don't have to drive it for a year. I don't have to drive it for a month. I could drive it for a couple of weeks and decide, "I don't want to drive the two-seater convertible anymore. I want the SUV" and they will bring me out an SUV and swap it. I don't own it. I'm not responsible for the insurance or the maintenance. I am just subscribing to it.

Roger Dooley:

I think service businesses can be subscriptions to people. Think about now with subscribing stuff on Amazon or

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subscribing to product boxes that deliver anything from fashion items to meals, but traditionally lawn services and pool service companies have operated that way. I've seen massage businesses try and do that.

In other words, instead of having people just randomly schedule appointments, try and get people to sign up for a certain number per month and to save money that way, but also it gets them in and back into the shop. You know, I think my barber's relatively high-tech. I can book online and they're a multi-unit business with operations in multiple cities. So I mean they're not technology challenged, but it seems like they haven't ... I've never gotten an offer from them or any other barber shop to subscribe, which would almost make sense. Just, "Hey, you can save 10 percent or just sign up or pre-schedule you on your preferred day for the ... " whatever your preferred interval is, it will be automatically. Wouldn't have to think about it and I don't know. It's one of those things that you're saying, "Oh yeah, I got to do that. I got to do that", and then you get to the end of the day and, "Oh gee, I forgot to schedule that. I have to jump on line."

Shep Hyken: Yeah, just make it easy.

Roger Dooley: ... you're right. Just make it automatic.

Shep Hyken: First Friday of every month, I'm getting a haircut.

Roger Dooley: Yup.

Shep Hyken: I personally am not getting a haircut. I don't have any

more hair to cut, but think about it. It's such an easy thing

to do and you can do that in so many different

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businesses. I used five different examples as a subscription model of all the different types of companies. A software company, now they call it Software As A Service. It used to be, if you were going to buy, Microsoft, what do they call it? The whole package that includes-

Roger Dooley: Oh Office or ...?

Shep Hyken:

... yeah, Microsoft office. You have bought a CD or a DVD or whatever it is and a package, and then they'd send you messages, "It's time to upgrade. It's time to upgrade." By the way, that was an expensive package. Every time you had an extra employee, you had to buy a package for them.

Well, they came out with a better idea. By the way, they knew people were out of compliance and using the the package on multiple computers. So they said, "We're going to make it real easy. Number one, we're going to make it really reasonably cost-effective. So you no longer have to feel like, 'This is expensive. I've got to try to figure out how to use it.' Number two, every time there's an update, it automatically happens because you're subscribed. You're not having to buy it when you feel like it's time to upgrade."

So I will admit I use Quicken. I love Quicken and I am currently, it's what? It's 2018 and I'm currently using Quicken 2014. I'm thinking, "Ah, maybe it's time to upgrade", but if I was on a subscription model and I was paying a little bit every month or once a year, automatically I would be getting those upgrades.

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There's lots of different ways you can incorporate. So you've got software as a service. I mentioned the automobile dealerships. Now it's car as a service instead of SAS. It's CAS. How about dogfood as a service? Every month, chewy.com will deliver your dog food to you as you need it. You need 50 pounds? 100 pounds? 20 pounds? They'll deliver your dogfood. You don't have to go to the store, pick it up, put it in your car, carry it to wherever. No, somebody will bring it and drop it off at your doorstep, ready to go.

Roger Dooley:

Right. I'm a subscriber and it works just like that and it's certainly more convenient than schlepping over to PetSmart as much as I like PetSmart, to drag a 40-pound bag out of the store, put it in your trunk and so on. So yeah, that really makes a lot of sense.

I think on the software side too, they're delivering additional benefits because the customers that are always up to date, they're never having to deal with problems because, "Oh gee, that nothing was fixed in the next version" or feeling like they're missing out on things.

Shep Hyken: Yeah, it just automatically happens.

Roger Dooley: It's really a win-win for everybody and the supplier

themselves, the software maker isn't having to support all these weird variations out there that people use. So yeah,

that area has just really revolutionized software.

So one thing that I wonder if you've got any insight on being the customer experience guy, Shep is, subscription models often start off with a deal to get you to subscribe. I think...

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Shep Hyken: I know where you're going with this.

Roger Dooley: ... this would be one. How do you get people to transition

from that to a normal 'price level' without making them feel bad about it? Because we go through the game every

time with DirecTV-

Shep Hyken: I know.

Roger Dooley: ... they bump your price up, and you have to go back and

say, "Well we've got this other offer that we can give you and ..." But it takes involvement on the customer's part, often half an hour, an hour to do and it makes you feel like, "Gee, this is how they reward loyalty by raising your price unless you go back and negotiate with them", you

know?

Shep Hyken: Right. That's what one of the things about those types of

companies they do. I was just talking to utility company, competitive utility companies, same thing. They lure you in with some special deal and after that you're back in a regular pricing. Yet they're still offering this special deal out there. This is exactly what happened to me. I received an actual mailing piece saying, "You know, here's the special deal." So I called up only to be informed, "This is

only for new customers."

So here's what's happening. They're treating their new customers who've never done business with them before, better than the ones that have been loyal to them. So here's what we suggest doing. Continue to do this special introductory offer. Then at the year anniversary, or at some point in time say, "Hey, thank you for being a great customer of ours. Your year introductory offer's over,

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you're now at regular pricing, but you know what we're going to do for you? We're just going to automatically give you a ... " blank. I don't know what it is. It could be a discount on your next month. It could be an upgrade if we're talking cable TV and another channel that they wouldn't have gotten. Think about that.

So this is exactly what Jeff Bezos at Amazon avoided, and that is, it wasn't about the special deal. It was about people would pay for this prime membership and one time, it was only for free shipping. That was it. So now what Jeff Bezos says is, he wants people to keep subscribing, and he's raised the fee higher and higher and higher. It's now about 119.95, so about \$120. You get much more than free shipping. His comment was, "We want to create so much value that they don't want to leave even though the price has gone up."

Well, an introductory offer is always lower and then the price goes up. What can you do? What value can you offer to make sure that customer doesn't leave regardless of what the price increases about. Again, I suggest there's something special that you might be able to do to make that loyal customer. You might even say to your customers, "Hey everybody, we're having a special for our first-time customers. Obviously you've been a loyal customer for the last x number of years." computer programs can customize and personalize this. "So what we're doing for all of our existing customers is this ..." Then they feel like they're getting a little something while that new customer ... "By the way, pass this information on to anybody else that doesn't have our service. We'd love for you to do that." Something like that.

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Roger Dooley: Yeah. So really what you're doing is you are trying to get

them back closer to a normal price, but at the same time acknowledging that they are a valued customer by giving

them something.

Shep Hyken: Yep.

Roger Dooley: And one of the other-

Shep Hyken: Isn't it all common sense though? Isn't it? It's common

sense, Roger, that's not always so common.

Roger Dooley: Well, I found the business often doesn't involve that much

common sense. I mean if, as you know, I have an interest in friction and I was invited to speak at a conference, an entrepreneur conference. It was a pretty tightly-controlled thing, more of a mastermind type of event and they said, "Well, hey, we want to tape a video beforehand. We just need one idea that you want to talk about to entice people to sign up." I said, "Okay, talk about friction. They said, "Well, everybody knows about friction. Come up with something else." So a little more startling than that.

I think that people have that attitude that, "Well, I mean that's too obvious. Everybody knows about that" except there's so much friction in the world that it is not being fixed. Why do you think that is? Why is there this

dichotomy, Shep, that people acknowledge it and they

can identify it sometimes if they're experiencing it

themselves, but they don't see it in their own products and

services?

Shep Hyken: Well, the ones that identify it figured out. Again it's

because it's what we've always done. We don't realize.

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It's because we always do it this way. It doesn't seem like friction till you see the alternative that doesn't have friction. It's sometimes so much more obvious to another.

I'll give you an example. So far we've talked about four of the convenience principles. Let's talk about number five. Delivery. If you can deliver it to somebody, doesn't that make it more convenient? The first pizza delivery company of all time, I don't know who was the very first, but they figured out, "Hey, rather than make somebody come to us to pick it up, why don't we take it to them?" Look at the Dominoes Pizza and all those companies that now deliver. They did it.

How about Blue Apron? "Let's make something convenient. We'll give them fresh ingredients and exactly how to cook them in a short period of time so that people don't have to stress out about what they're going to have for dinner", which by the way, is a big stressor for families. "What are we going to have tomorrow night for dinner? What are we going to have tonight for dinner?" Many times that decision is made in like less than two hours before dinner and people will say, "Oh, I've got to stop at the grocery store on the way home, but I want to get home fast to see my wife and kids" or "my husband and kids". So those are the kinds of things that convenience eliminates.

But my car dealership, a small dealership that I chose to switch to after 22 years with this much larger dealership with multiple brands, they were about a mile from my office and I would bring my car in and every once in a while they wouldn't have a loaner car. I'd say maybe

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about 30% of the time, they say, "You know what? We don't have a loaner today. Can we just give you a ride to your office and pick you up?" "Well that's nice of you to do." I'd wait for the person to come back from dropping someone off, but you know it was better. On a nice day, I would walk of course.

I was driving by this other dealership and I saw this beautiful car in the window. My wife had told me, "You've got to go look at that car." So we walked in, and we looked at it, but I told the dealer, "I'm not going to buy it from you. You're too far from where I live." He said, "Don't worry about that. When you buy a car from us, when you need service we'll bring a brand new car to you. We'll drop it off. We'll pick up yours and when your car is ready, we'll bring your car back. The next time you come in here will simply be to buy a new car. That's it." I thought, "Wow, that's a pretty good value proposition. What's this gonna cost me?" "Oh, we don't charge anything extra for it. Here, let me write up a deal. You think about it, go shop it around."

So I took this back to my original dealer and I said, "Hey, will you match the price? Or tell me what your price is." They said, "It is about the same price", it wasn't about matching, but what they wouldn't match is the service. They wouldn't match that convenience. I said, "Would you be willing to bring me a car, drop it off just as the other one would?" They said, "No, we don't do that." "Oh you don't?" Then he went back and talked to his manager and he said, "We will do it", but they're going to charge me \$500. So, "\$500. Let's see. Oh, and I usually keep the car five, seven years." Then, "Oh no, no, no, no. Only while

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it's under warranty." Now they're putting conditions on this. Right? I said, "Well, thank you very much. I've gone back to this other dealership. By the way, my current car that I'm driving is the one that I bought from them seven years ago. I'm going to go replace it real soon. Guess where I'm going back." In between, I bought my wife a car, so we're getting ready to buy or third car.

By the way, smart dealer. I called them up, and I said, "I know you're bringing a new car out. My wife is really interested in this particular model." They brought it out. Guess which car we bought like three weeks later.

Roger Dooley: Perfect.

Shep Hyken: Exactly. So this whole thing works.

Roger Dooley:

Yeah, that's great. You know, delivery for cars is a great example and that's really how Lexus got their start in the States. They were the first one that I know of that as a policy, particularly when they only had a small number of dealerships, so you might have to buy not from a dealer that was just a mile or two away, but maybe it was 50 miles away. They would deliver a car or even on a truck if they had to, and pick up yours if needed.

For cheaper products now, every grocery store, every restaurant has a delivery. How do you think this is going to shake out, Shep? Is there going to be just this constant stream of vehicles buzzing around from every vendor imaginable or is there going to be some sort of a service consolidation where you see smaller number of delivery services that achieve some economy of scale?

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Shep Hyken:

Well, it'll all shake out somehow some way. They'll figure that out and that's a logistics problem that, as people say, "I'm going to get into this business because there's a need for it. They need the delivery." Then there'll be consolidation, just as there is in many businesses.

But I think right now, there's no such thing as free delivery. Just let's put that right out there. It says free delivery because you're not charging you more for delivery, but somehow or another that delivery is being paid for. Chances are it's the customer paying for it, wrapped up in the price of whatever they're getting. So I would imagine that the place that I buy my sandwich that delivers to me every day, if they stopped delivery altogether, they would cut costs to the point where they could cut price, but that isn't what their model is all about. They would probably lose a lot of business because people like it to be delivered and it seems like, "Oh, it's free delivery" and does that make sense?

Roger Dooley:

Yeah. I think that free is a very powerful motivator and as soon as you start charging for something, it will reduce your conversion rate, it will reduce sales. I know when I was in the direct marketing business, we did catalogs, and our most powerful motivator was free shipping, I mean more than even discounting products. Just saying, "Hey, shipping will be free for this time period", it was really a great motivator. People like it and Dan Ariely in Predictably Irrational, talked about his research that showed that free actually had a more powerful effect than whatever the monetary value was with a whole bunch of experiments to back that up, but our brains just like free. So yeah, I think if somebody is looking at adding delivery,

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possibly building it into the price would be a good thing. Although sometimes the economics may not just be there. If you want to offer low prices in store, it may not be practical but free is always good.

Shep Hyken:

I get it. We did a special when The Convenience Revolution, which just recently came out, we told our clients and we sent out promotions that, "If you send in advance purchase by the book, by the way, you're going to buy it at straight up retail." We know that Amazon is going to discount, but we said, "Here's what we're going to do. Number one, you pay for it flat out. We will cover the tax and the shipping" because a lot of people, I can't imagine many people don't have prime, but some people might say, "Okay", they don't have prime and this is great. So we paid for the tax, we paid for the shipping and we did something else. We offered an incentive and that was if they pre-bought the book, they received the ebook immediately. Couldn't believe my publisher let me do this, which is wonderful that they did, but we sent the ebook to them ahead of time and they actually got the book. So that was really the big reason for doing it, but we didn't charge more for shipping.

Now once the book is out and about, yes, we have to charge for shipping, but we encourage people to go to Amazon and buy it there because really it's easier for them and it's actually easier for us. We don't make obviously nearly as much money, but if you call us with a single book order- by the way, I would love it if everybody listening to this called us with a single book order, so that would be just perfectly fine- but we know that the cost of processing that order means somebody has to actually go

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in, box it up, get the address, label, et cetera, et cetera. We said, "You know what? It's easier for the customer, just to click, go to Amazon", and many times they have the one click and they buy it.

We want to be convenient for our customers and if they feel going to us is more convenient, great. They may have to pay a little bit more for it. Maybe they want the book signed so I get it, but we'll work ... We're not going to gouge them on shipping. It's whatever it costs, it costs.

We have clients that email us an order in from the other side of the world. We know we're going to lose money on that sale, but that's what we do. I mean if we can do it through Amazon, we will, but otherwise we'll do the order and sometimes they'll pay. They pay a premium for the shipping, but ...

Like just recently we had to ship, a single book to somebody on the other side of the world. Cost \$40 in postage to get that over there. I couldn't believe it. There's just no other way of doing it. They didn't pay that much for the book, but what are we going to do? We're going to call the customer up and complain for a couple of hours? No, it's the right thing to do. Easy.

Roger Dooley:

I'm sure they really appreciated that too, because they probably don't have access to many other books, so this is probably more special than a shipment to a person who is one click away on Amazon from purchasing any book on the planet.

Shep Hyken:

Yeah, yeah. Right now, in Australia, we have a number of great clients in Australia. We shipped some books over

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there recently to a client, but if somebody buys a single order book, you can't buy ... So we'll process our international orders through Amazon. But guess what? There's now Amazon Australia, but the Amazon Australia price is substantially more than the US price. But guess what? Not their problem. That's what we do.

Again, we're not going to go back. We're not going to whine about it. We do what it takes because longterm the customers are happier. They don't complain. They realized that ... By the way, I'm using myself as an example, but any company that thinks like this, that says they're focused on the customer. If you focus on the money, you may or may not get the customer. If you focus on the customer, the money's going to follow.

Roger Dooley:

Right? Well, that is a great way to wrap up I think, Shep, but let me remind our listeners that we're speaking with Shep Hyken, founder of Shepherd Presentations and author of the new book, The Convenience Revolution. Shep, where can people find you and your books and so on?

Shep Hyken:

Well, obviously Amazon, but if you want to find me, just go to hyken.com and you'll find everything you want to know about me, all the books, our online learning. You'll learn about the speeches that we do. Everything else, so hyken.com. If you want to watch me on video, go to hyken.tv, that's my youtube channel. There's about 500 videos on there. Many companies use them as part of their training. They're all free. Don't you love free? Enjoy. Thanks. Thanks for having me on the show, Roger.

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Roger Dooley: Great, well, we will link to those places and to your books

at Amazon and any other resources we talked about on the show notes page at rogerdooley.com/podcast. We'll have a text version of the conversation there too. Shep, thanks so much for being on the show. It's been a blast.

Shep Hyken: Thank you for having me.

Thank you for joining me for this episode of The Brainfluence Podcast. To continue the discussion and to find your own path to brainy success, please visit us at http://www.RogerDooley.com.