

## **AFTER THIS RECESSION...*How Will You Do Business?*** **By Ross Shafer**

This recession will be over sooner than you think. Then what?

According to the NBER (National Bureau of Economic Research) there have been nine recessions since 1953. None have lasted longer than 16 months. And, they are always followed by a "recovery period" which leads to "tremendous growth."

So you can look forward to your telephone ringing off the hook again. Soon you will be interviewing new hires. Before long, you'll be shopping for new equipment, updating your website, and investing in annual incentive trips. But after the smoke clears from this recent economic scare, will you operate your business differently? Will you be better prepared to weather the *next* recession?

CEO of Intel, Bob Otellini, recently told *USA Today*, "If we want a return to American prosperity, we have no other choice than to invest in creating the future, not merely preserving the past" Intel was recently in the news announcing 5,000 layoffs. What the news didn't report was that Intel was hiring more than 4,000 new people to attack the future of technology.

If you want to prepare for the next wave, you will do well to learn from organizations that continued to thrive during our recent tough times. They were busy doing some things you probably didn't think were all that important.

### **WHO SURVIVED & WHY?**

After studying dozens of companies for our newest book, *Are You Relevant?* it became obvious why companies like Zappos, Netflix, Amazon, Apple, Nordstrom, eBay, and Costco kept growing while so many others went into Chapter 11. Successful companies took great pains to care about people...as *people*. Customers were not thought of as nagging backorders and employees were not considered an expense item.

### **WOMEN DO WELL IN A RECESSION**

After the recession, we will see that female owned and operated businesses will have done better. The Center for Women's Business Research says that while unemployment was 8.2% across the United States, female-run companies kept that number to 5.8%. For the businesses that grew, the women expanded at 10% while their male counterparts slaved to attain 8.0% growth. Why? Because women tend to care about people...as people.

### **HOW DID THEY DO IT?**

For the most part, women naturally nurture and build personal relationships with their customers and employees much better than their male competitors. They chat up other women's business efforts and join brands rather than simply patronize them. And, during economic downturns, those relationships reap the trust and loyalty seeds women have sewed during the good times. Women picked up the phone to talk, rather than text a request for their customers' time. They wrote personal notes and cards to customers thanking them for their business. They hugged a coworker who was having a difficult time at home. They didn't cut healthcare benefits as a way to shave expenses. And they let employees go home to take care of sick children and relatives.

### **LEARN RAPPORT BUILDING SKILLS FROM TV TALK SHOW HOSTS**

If you truly want to prepare yourself to be a recession-proof company, start behaving like a TV talk show host. When you watch Jay Leno, David Letterman, Oprah Winfrey, or Ellen DeGeneres, how is it they can create such a comfortable feeling so quickly? Surely they aren't BFF's with every person who comes on their shows? The reason is that talk show hosts are trained to make the guest feel welcome, safe, and important...even if they have never met; which is often the case. That's why it is important for every successful talk show host to have one critical skill; *curiosity*. Curiosity is what it takes to establish instant rapport with anyone. Do you want to sell more products and services? Ask a lot of questions about the other person and see how quickly you become popular. In fact, TV hosts are trained to ask *all* of the questions. We "drive the interview" so the guest doesn't have to do anything except show up – just like a customer. When you ask all the questions – and resist the temptation to throw in something you think is interesting about you – you are demonstrating extreme interest in the other person. Talk show hosts "listen to learn" not "listen to respond." If you listen to learn then you can sustain the conversation by asking follow-up questions...again about them. I once asked Johnny Carson how he was able to stay on the air for 30 years. He said, "I never try to be the best guest on my own show." I heard author Jim Collins (*Good To Great*) put it another way, "We should spend more time being interested...than being interesting."

### **OPRAH WINFREY SHOULD BE YOUR ROLE MODEL**

When I was hosting talk shows, network executives generally agreed that women didn't make good TV hosts. One exec told me, "Women don't have the deep voice or commanding 'presence' we're looking for." (I've heard sales managers say the same thing) By those criteria, Oprah didn't stand a chance. Yet, she became the most successful talk show host in the history of television! Oprah possesses more than a deep voice and stage presence. She has empathy and she has authenticity. She isn't afraid to divulge her darkest secrets for the benefit of helping others. She convinces you that she really cares about how you feel; emotionally. Those traits have resulted in an unpaid army of 7.4 million spokespeople (every day) lining up to virally sing her praises to other women. That's why we know that customer *empathy* is far more powerful than customer "service." Customer Empathy takes the customer's emotional state into consideration. Empathizing with the complexity of what you sell or do establishes the kind of trust and authenticity with which a woman like Oprah could build an empire.

### **LONG TERM LOYALTY IS EMOTIONAL**

Companies who made it through the recession will have established loyal customers they didn't have to re-market to. They didn't try to buy loyalty with frequent purchase cards or contrived incentives (none of which work by the way). They built loyalty by creating emotional relationships. Think about your marriage or your long term friendships. You are loyal to those people for one reason. You trust that person and you want to spend time with him/her because you have an emotional bond. You continually care about that person...as a person.

### **DEMAND AUTHENTICITY**

We live in a Reality TV world. The reality TV phenomenon infiltrates every channel and every demographic. Viewers crave seeing real people talking about the unscripted drama in their lives. Shows like *Housewives of Orange County*, *Keeping Up With The Kardashians*, and *Run's House* should be retitled, "Privileged People with Problems." The young UFC (Ultimate Fighting Championship) has trounced old-school professional wrestling because it's authentic. These guys really fight in a cage! And the blood is real! The success of YouTube is rooted in the notion that you can broadcast yourself...unprofessionally...but with authenticity. That's what your customers/clients/patients now expect from you. Don't try to fool them with smoke and mirrors or fancy ad campaigns. They can see right through you. Be honest. Admit your mistakes. Take the bullet for a missed shipment or lost order. If you have done your work of building a strong,

emotional relationship with your customers, they will forgive your mistakes and reward your integrity with loyalty.

### **THROW AWAY YOUR CALENDARS**

The companies who will have successfully navigated the recession will not have depended on quarterly reports...because information at the end of the quarter is embarrassingly too late. The television and news business remains culturally important because it reacts to what happens today...or even five minutes ago (breaking news). TV shows get “overnight ratings” so they can tell how well (or badly) they performed in any of the 240 television markets (Seattle, Tampa, Houston, Hartford, and so on). They know exactly where to focus their efforts and how to battle competition because viewership either grows or erodes market by market on a daily basis.

### **SPOT TRENDS BEFORE THEY BECOME TRENDS**

Companies who want to give their customers the best experience pay attention to trends as they develop, not after the trend is already a “best practice.” Former Secretary of State, Colin Powell, told me recently, “We need to embrace a transactional world and leave the lunar world behind.” In essence, he was saying gather information from each transaction to guide your future. Throw away your calendars and listen to what people are telling you, today. That way, you will build a culture of flexible relevance. And when the next recession hits, you won’t get caught with your pants down around your out-of-date operational methods, antique employee standards, and latent research offering no hope of recovery.

With the recession ending soon, this may be all academic to you. Life will soon return to abundance and waste. But keep this article filed somewhere just in case you want to be around long enough to thrive the next time.

***Ross Shafer is the author of [Nobody Moved Your Cheese](#), [Customer Empathy](#), [The Customer Shouts Back](#), and [Are You Relevant?](#)***

***For more information on Ross Shafer, visit his website at: [www.RossShafer.com](http://www.RossShafer.com)***