

The ROI of Relationships – An interview with Bob Burg, author of The Go-Giver.

Hosted by John Jantsch on The Duct Tape Marketing Podcast

John Jantsch: All things being equal, people do business with and refer people they know, like and trust. That's the ROI of relationships and that's what I'm going to talk about with Bob Burg, author of "The Go-Giver" on this week's edition of the Duct Tape Marketing Podcast.

Hello and welcome to another edition of the Duct Tape Marketing Podcast. This is your host John Janscht and my guest today is Bob Burg. He is the author of *Endless Referrals and The Go-Giver*, a book that he co-wrote with John David Mann. We're going to talk about referrals. We're going to talk about word-of-mouth. We're going to talk about influence. We're going to talk about selling. Pretty much, we are going to be all over the map. Bob thanks for joining me.

Bob Burg: John, always great to be with you.

John Jantsch: I mentioned that your book, *The Go-Giver*, and I know that a lot of people, in fact I think I had you on when that book were newly minted.

Bob Burg: I think so.

John Jantsch: But it probably still bears repeating. What's a "Go-Giver" exactly? What's the concept behind that phrase?

Bob Burg: It's a business parable. It's about a guy named Joe. He's the protagonist. Joe is a young, aggressive, up-and-coming salesperson with a lot of potential. A good guy, well-meaning guy, but he's not nearly as successful as he believes he should be right now. Like in so many parables, he meets a mentor, a few other mentors and he really learns a very basic lesson about sales and about free enterprise itself.

That is that shifting one's focus from getting to giving, and in this context when we say "giving," we simply mean constantly and consistently providing value to others. In doing that is not only a nice way to live life, but a very financially profitable way as well. In a free market based system, where no one is forced to buy from you, they're only going to buy from you, they're only going to do business with you, they're only going to refer you to others when they feel that they are receiving great value in exchange for what they're paying.

John Jantsch: I think to some extent that's become even more true because we've invented all these ways to keep people that want to sell us stuff out of our lives, in a way, all of this technology. I think that the people we are inviting into our lives, more so than ever, have to deliver value.

Bob Burg: Exactly and the only way we can really deliver value, John, is to focus on that other person. That's why we say, "Money is simply an echo of value." It's the thunder to value's lightning which means nothing more than that the value must come first and the money is simply a very direct and very natural result of the value that you provide it.

Creating relationships and of course, in your books and your teaching you show us how to do that terrifically. That's really the key that when it comes right down to it, all things being equal or even close to equal, people will do business with and refer business to those people they know, like and trust.

Really, as a salesperson, as a marketer, what have you, your job is really to establish, develop, cultivate relationships with people to the point that people do feel good about you. They know you, like you, trust you. They want to see you succeed. They want to be a part of your life. As you do that and you build those kind of relationships, wow, you've created what we call a "benevolent context" to your success.

John Jantsch: I think the challenge that a lot of people have sometimes is that's not necessarily a short term gain. You put in the work. We can use all of the metaphors you want. You've got to plant the seed and then water it, and do it. You do a lot of things that take some time before you're going to bear that fruit of trust. I think that's probably the stumbling block, isn't it?

Bob Burg: I think it is for a lot of people in their thought process and here's why. Because they will say, and it's a great point, because they'll say "Doesn't that take a while?" First of all, yes and no. To build any relationship takes a while. But at the same time even when you are, would it be more advantageous for a salesperson to not build the relationship? To just try to…

John Jantsch: Cold call.

Bob Burg: There's a time and place for that, too and so forth. But even when you're doing that, your focus still needs to be on that other person. You need to focus, you need to be able to really build a very quick trust with that person if it's going to be a one call type of close. That's not, depending upon what you sell of course, that's not as likely to happen.

When people say "Doesn't relationship building take a while?" It does. But it takes a lot less time than just trying to sell someone right away who's not ready for it and who's not going to do business ever. Yet sometimes when

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the time's right, when the timing's right, it happens very quickly. But I think the key is when our focus is on the other person, on their wants, their needs, their desire, that's what keeps us in the right direction.

John Jantsch: Isn't that just really the success to life in general, isn't it? Relationships, everything is as if we can understand that other person, we can focus on what they need, it's just going to make life easier. How is, in your opinion, the advent of social media and all these tools that theoretically allow us to build relationships larger, faster, broader, all of the online things. Do you see that as benefiting the "Go-Giver" or is that a challenge?

Bob Burg: No, it's terrific. As long as we remember that they are merely tools. When we realize that all things being equal, people do not do business with and refer business to computers, but to the person in front of them. The neat thing about social media, as you allude to, John, is that it does give us that chance to reach people quicker and if at all than we would have anyway.

There's people we can meet and reach on social media whether it's Facebook, LinkedIn, Twitter, Google Plus, what have you, that we would never have the opportunity to meet, at least not that quickly. There would be so many buffers in between in order to create these relationships that get the introduction to the introduction to the person. We're able to do it so much faster and more effectively through social media as long as we realize that the big question is still "How do I provide value to that person?"

John Jantsch: I've said, you've been doing this a long time just like me and we used to go to Chamber of Commerce meetings and we'd exchange business cards with people there. The hope would be we'd get back to them or send them some information and now I see people still doing that practice because it can be a very valuable practice particularly for local businesses.

But now I see them connecting on LinkedIn and connecting in Twitter and building relationships again, still based on that value exchange, but much quicker because they're able to. I'm able to see that you went to USC and that you're going to the football game this week and you're doing this. It's really kind of speeds the normal process of relationship building up or at least it can.

Bob Burg: Yes and you have something, I think this was the "referral engine", I'm not sure, that you had talked about when you want to bring value to someone just by showing you care about them, do some research and find out what college they went to, what university they went to. If you see something about that college, send them a link to it or you could clip it out and send it to them, but however you want to do it, I think your point is so well made because it's so much easier to know what interests someone and provide

value in that form. So yes sure, absolutely.

John Jantsch: My first sales trainer was my dad and I remember one of his pieces of advice was he would go and sit down if he was meeting with a new prospect in their office, ,he would instantly scan the office, look for a diploma, look for the picture of the kids, look for clues to make connection and I think that's replicated beautifully in the virtual world.

Bob Burg: Yes, it's easier to do it. You can take the time you want to do it. Yes I agree.

John Jantsch: Another thing that I think the use of social media, the proper use of any of these online tools, and I see you do it very wonderfully. I mean, you talk about giving and being a connection and reaching out and helping people, and I see you do that on twitter. The opposite is true. You see people that talk about things like that and then you see them in sort of real-life on Twitter and it doesn't mirror what they're telling people to do.

I think there's some really great social proof that you're not just talking. You have the ability to serve customers, to make things right, to do connecting. I think that that idea that people can actually publicly see that, I think has some real value when it's done in an authentic way.

Bob Burg: Thank you by the way for the compliment. I think you're right that on social media, rather than it's hiding the real person, which I think at first it started to get big, that was one of the concerns, that you wouldn't really get to know the person. But the more I've seen it, the more you really do get to see the true colors of someone. You get to see is there congruency or is there a lack of such as you were just talking about. It really is a fantastic thing if you think of it. There's so much more to it than meets the eye.

John Jantsch: You almost wonder sometimes if people forget that people can actually see that stuff they're posting, right?

Bob Burg: Yes, exactly.

John Jantsch: What would you say is probably been the biggest change to the world of sales and selling? I think we were off air talking about all of these ways that we have to block TiVo and "do not call lists" and spam filters. Obviously, the world of selling has changed dramatically because it's difficult to get in and to get messages across. What would you say has been the biggest challenge for the traditional salesperson to have to adapt to?

Bob Burg: I think, and I don't know if you agree with this or not—I'd be interested in knowing your thoughts on it—I t almost seems like there's more of a bottom-up reputation management. Well, I guess there is reputation management because you do try to manage it, but it's tougher to do that now. It's a lot

more community based now. How many times have we seen and our friend Scott, oh gosh, un-marketing.

John Jantsch: Scott Stratten.

Bob Burg: Scott Stratten in his last book, it was a great book—it was that two in one book: The Book of Marketing Awesome and the Marketing Un-Awesome. He gave so many great examples in there of companies who did it right and companies who did it wrong. But in both cases their reputations, good or bad, were driven by the general population, not by their marketing people.

I think that it's both a challenge and a blessing in a sense. Because if you're doing the right things consistently, you're going to have people really doing your marketing for you in a sense, doing your selling. On the other hand, if you do the wrong thing or make a mistake that you don't handle well and we've certainly seen that by some companies that we haven't expected that from, that can really, it just takes off like wildfire. Unfortunately, you know how it is, John, the negative spreads a lot faster than the positive.

John Jantsch: Yes, it does seem to be the case. I certainly write about referrals. I get asked about referrals all the time, as I know you do. Would you say other than, again the laws that you talk about in *The Go-Giver*, other than practicing those laws and I think probably organically receiving referrals then because of it, are there some things that you've seen that, I don't know what we would call superstar salespeople tend to do that maybe others don't, that lead naturally to more referrals?

Bob Burg: I do think they have a plan. I think they're great at planting referrals, what I call "planting referrals seeds." Even within the conversation, it's to allude to referrals and introductions as being a natural part of what we do. So that by the time the eve to presentation is completed or another time you just have to be contacting that person, you can ask for referrals and get the buy-in or such in a way that seems a lot more natural.

One of the things I love to do is utilize what I call the "referral bridge" which is simply a way of, without stress or defensiveness, both for the person asking and the potential referral source, just sort of creating a bridge, a safe way to go from one safe piece of land to another. That's simply to say, "I'm in the process of expanding my referral business and I find it's helpful to partner with my friends such as you. Can we take a few quick minutes and run past the names of some people I might be able to help?"

When you do this, you do it with posture, you do it in such a way that you feel good about what you're doing and a lot of that has to do with authentically taking pleasure in what you're doing and knowing that you're providing

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great value you to another person, it increases the chance of that person's going to buy into that idea.

You and I have both of course taught the ways to ask for referrals that are more effective as opposed to the ones that aren't. When we say to somebody "Do you know anybody who," or, "Who do you know?" Usually the person can't think of anyone and they say something like "I can't think of anybody right now, but when I do I'll let you know." Of course, that's really probably never going to happen. It's out of sight, out of mind.

But when we instead utilize the great advice of Tom Hopkins, I remember first reading about this in his book, *How to Master the Art of Selling*, 30 years ago where he talks about helping people, funneling down people's world into small groups of people that can easily picture in their minds eye. It's asking Gary, who you know is a golfer, who he usually plays with and he says, "Every Sunday I play with Harry Brown, Michael Cloud and Dr. Mary Ruin." Now he's just pictured in his mind he can tangibly see those people as opposed to when you ask, "Is there anyone or who do you know?" His entire 250 person sphere of influence goes past his hand and he cannot identify any one of them.

Maybe Harry or maybe Michael or maybe Mary might be a good prospect, maybe not. You now ask, you know he's on the board of directors of his local law office products association. You ask him "How many people serve on the board?" There are four people along with him. Four is a good number so you ask him to picture those people and which of them and you might say, "if any"
I like to use those terms. I call them "the out" or "the back door." It's a way of letting this person know there's no pressure on them, so they can feel very comfortable.

I call it, "the rule of the out or the back door" which simply says "the bigger the out or back door you give someone to take, the less they feel the need to take it." You might say, "Which of them, if any do you feel, might be a good person for me to speak with?" or what have you. There's all sorts of ways we can do it. I think that the person who is really great at receiving these referrals, they go in with that game plan. They don't leave it to chance. They know what they're going to do, what they're going to say, what they're going to ask and how they're going to do it before they go in. They don't leave it to chance.

John Jantsch: You mentioned a word very early on in that answer that I want to return to, the word "posture." I know in the countless people that I have spoken with there seems to be almost an epidemic of people that feel like it's begging or

they're very unsure about asking, I really find that a lot of that leads to, they may not admit this, but I think a lot of that leads to maybe an unsureness of how much value they actually deliver?

Bob Burg: I agree with you. It's also, John, how they define selling? In their minds eye, if they don't feel that selling is a righteous thing, that it's truly bringing great value, both to their customers and the people their customers refer, there's a disconnect there. They're going to have a very difficult time asking with confidence, with posture because they don't believe they're doing something well.

That's why we also say the word "sell" and John David Mann and I talk about this in *The Go-Giver* series the word "sell" comes from the old English root solan which meant "to give." So selling is literally giving. A person might say, "Wait a second. Isn't that playing on words? Isn't that semantics?" I would say, "I just don't know. Think about it." When you're in the process of selling, what are you giving to your prospect? You're giving time, attention, counsel, education, empathy and of course, in the end, you're giving great value.

When you see selling as giving value to another person through your product or service, you feel good about it. When you do, you've got this posture. What is posture? Really it's, in a sense, it's when you care, but not that much. In other words, you'd preferred the person be interested, but you're not emotionally attached to the outcome. That's because you realize that what you have is so good that you realize that as one of my old mentors, Bill Grove used to say, "You're responsible to them. You're not responsible for them."

John Jantsch: This is a perfect lead-in to the question I was going to wrap up with today. A couple of weeks ago I had Dan Pink on the show. He has a great new book out on, really the premise being that we all sell.

Bob Burg: I've heard about it and I'm looking forward to reading that.

John Jantsch: Just because somebody calls, their job is the salesperson, that we really all sell. I think that he even profiles some companies that are very large in size that don't have what they would traditionally call salespeople because they believe that everybody in the organization does, whether it's customer service or it's finance or every division. Anybody who has a contact needs to be able to educate and to give and to exchange value. I think that that's a growing perspective.

Bob Burg: Oh, I think it's terrific. I can't wait to read that book. I've already been hearing such great things about it. Yes, I think that's a wonderful perspective to have. When you see selling as being something righteous, it's a lot easier to feel good about it. It's a lot easier to bring value to another person and to

again, ask people for referrals because you know you're serving those people and the people they're referring you to.

John Jantsch: As I recall, Bob, your website @Burg.com. B-U-R-G.com. Not only do you have lots of great information about the books, but people can get some resources and some chapters of both *The Go-Giver* and *Endless Referrals*. Did I explain that fully?

Bob Burg: I thought you did a great job. We invite them to stop by and to hang out for a while.

John Jantsch: Bob, this has been great. I appreciate you taking the time today and some really, really great nuggets of information. Talking with Bob Burg the author of *Endless Referrals* and *The Go-Giver*. It seems like there was another "Go-Giver" book right? *Go-Givers Sell More*?

Bob Burg: Yes, *Go-Givers Sell More* was sort of the follow-up to *The Go-Giver*.

John Jantsch: We'll see you out there on the road, Bob. We appreciate it.

Bob Burg: Absolutely John. Thanks for having me.

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