

## **Credibility Programs: The Importance Of Customer Success Stories**

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**Originally published in B2B Magazine**

Customer success stories are often included as part of a customer credibility program. Too often, however, they are viewed as merely a “check mark” to be completed and are sometimes even deferred altogether. Actually, customer success stories can play a critical role in driving both new and repeat business.

Customer success stories help reduce the perceived risk of using your product, but studies have shown that the value of these stories goes far beyond due diligence and can actually change customer behavior and attitude. There are numerous studies that have shown that individuals can be influenced to behave in ways that seem contrary to their normal reasoning and beliefs merely because of the behavior of those around them, and all the more so where those exhibiting the behavior are considered to be in some position of authority or expertise.

Psychologists refer to this as a type of informational social influence known as conformity. Conformity is defined as changing behavior or beliefs in response to the actions of others and was first explored by the Social Psychology pioneer Muzafer Sherif. Social influence is obviously particularly important when a customer does not have a strong pre-existing opinion.

Even more interesting, in experiments conducted by the psychologist Solomon Asch, it was shown that a surprisingly high percentage of people will conform to group opinions even where that opinion conflicts with their own original beliefs. As social animals, we do actually feel a strong compulsion to “go along with the crowd” and engage in similar behavior.

But how many opinions does it take to control the crowd? Fewer than you might think. Studies have shown that it only requires three or four people making an argument for a specific choice to have a significant impact on the members of a group. Therefore, three or four customer success stories are generally enough to help influence the target customer’s preferences. While having more reference stories will not hurt, it is also not strictly required..

Customer success stories can clearly help drive new prospects to purchase, but they can also help to drive proliferation and customer loyalty. An important discovery about human behavior is that we will actually change our beliefs to match our actions. Our actions are generally driven by our beliefs, but when we do something that is not in complete accordance with our current beliefs it can actually force us to change our beliefs.

This is part of the effect of the Cognitive Dissonance Theory developed by social psychologist Leon Festinger. He proposed that people are troubled by inconsistencies between their thoughts and actions. A state known as dissonance occurs when there is a conflict and this motivates action in order to restore

the consistency. In cases where they have acted not in accordance with their beliefs, people will actually change their beliefs to match their actions. If you can influence someone's actions you can actually change their opinions.

One important caveat to this is that the action must be public or at least leave strong evidence. If we can resolve a conflict between thoughts and actions by simply ignoring or forgetting about the action, we will do so. If we have publically endorsed a product, however, then modifying our beliefs is the only option available to resolve the discrepancy.

Our natural inclination is to pick the friendliest customers we know to give us the endorsement. To get the most value from the process, however, we should focus instead on customers who are friendly enough to work with, but not ones that are completely committed to the product. By utilizing these customers for endorsements we can help to turn them into more firmly committed consumers. In the end we will have not only a good customer success story but also have directly increased customer satisfaction and driven increased proliferation and repeat business.

When a customer has spent the time to provide an endorsement and is willing to put their name on it publicly we feel a need to reciprocate and do something nice for them in return. We might at first think that the larger the gift, the happier the customer will be happy with us and will become an even stronger supporter. In fact, the exact opposite happens.

Further results from Festinger's experiments show that when the subject is rewarded for their original inconsistent behavior, the reward itself gives the participant an "out" and eliminates the cognitive dissonance without the need to change opinions. Instead of "I did it because I love the product", they instead think "I did it because of the gift I received". While we should certainly show our appreciation, it should be in the form of a small token gift without significant value. Give them a certificate, take them out to lunch, but hold off on the free iPod.

Harvesting customer success stories is not particularly difficult or expensive, but all too often it gets relegated to an after-thought. In fact, customer success stories can form the core of an effective customer credibility program and have significant benefits. Strong references can help close initial sales by leveraging a customer's unconscious desire to conform with the group opinion. In addition, the act of providing a reference story helps further drive repeat business by increasing the positive opinion held by the customer providing the reference. Clearly, customer success stories need to be considered as a critical piece of your collateral.