

## Book Report: Selling the Invisible

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### Book Report: Selling the Invisible

Back in 1997 I was browsing through the business section at Barnes and Noble trying to find help. I was a young guy who found himself in transition from designing and coding websites to managing a growing web development company (my one 'professional practices' course at RISD wasn't cutting it). A book happened to stand out, probably because it was small, short, and the average chapter length was about one page. It was called, *Selling the Invisible* by Harry Beckwith. This month's newsletter is a book report on this marvelous little book. While not web specific, it can help any agency or design firm not only hone their own marketing message, but help their clients to do the same.

I have read and re-read *Selling the Invisible* by Harry Beckwith at least once a year since 1997. Among all the marketing books I've read, this one little book has been by far the most insightful, helpful, idea provoking, and course-setting book I've found. He makes a huge deal about the distinctions between selling a product that can be seen and touched, and a selling a service that is bought "touch, taste, feel, smell, and sight unseen." Coming to understanding the subtle dynamics of how a person buys a service can be a stunning reality check for those who provide (sell) services. This book helps me to enter my prospect's mind and examine what I say to them from their perspective. Looking at the process of buying a service from the prospect's perspective can make you realize how incredibly hard it is to sell a service, and how scary it is to buy one.

One practical example of how products and services differ is to consider what happens when a product fails verses what happens when a service fails. Beckwith points out that it's obvious when a product fails - it stops working; when it's plugged in nothing happens; when you try them on you find a tear. The remedy for such occurrences is predictable. You return it or exercise your warrantee options. But what happens when a services fails? How do you even know if it has?

In web development this happens all the time. A customer calls and says "our site is broken," meaning that someone emailed them saying that it does work for them. Did we fail and not code the page properly? Perhaps. Did this customer have an outdated or unusual computer or do they have some strange settings that are causing the error? If we tell our client that such an occurrence is a highly unusual anomaly but that the page is properly coded, what do they do? Whom do they believe? There are thousands of such scenarios that can make selling and buying a service extremely challenging.

This book, while short and easy to read, is chock full of such insights that can help to understand what it means to sell an invisible service. I've limited myself to just four quotes from the book that highlight four principles that have been most foundational to me and my company.

### Service Industry Marketing Principles

#### Principle one: Marketing (getting the word out) can actually distract from the most important thing, "the service itself."

"Unfortunately, this focus on getting the word outside distracts companies from the inside, and from the first rule of service marketing... the service itself"

One of the constant themes throughout this book is how bad services are in this country. In the next section I'll detail a few of Beckwith's examples. One of the reasons that services are so bad it that there is far too much emphasis on marketing as "getting the word out" and far too little emphasis on what is being "gotten out." Of course at some point a message needs to get out, but if announcing is done either too

quickly, or with such emphasis that efforts to make the service better are overrun, "marketing" can ultimately hurt you more than help you. In contrast, the service that has first been refined (or better yet is constantly being refined) will find, when it comes to getting the message out, their marketing efforts are maximized, multiplied, and made cheaper and easier.

Let's follow this logic for a minute. Take a service company, say a design firm for example, whose service is not so good. Not at all meaning that the design isn't good, but rather the interactions that clients have with the firm are not so good. Perhaps clients find it hard to reach the people they need. Perhaps an account manager is too curt with clients. Perhaps the zeal of creatives makes account executives and clients shake in their boots for dismissing their brilliant ideas. There can be any number of service failures in such situations. Now if this company begins to get a reputation for not having good service, it will be much harder to do new business development. Instead of focusing on capabilities, they will first need to overcome fears in a prospect's mind with regard to their reputation. Even if the sales process is ultimately successful, it would likely require significant effort, overcoming objections, and quieting fears just to get a point where they can prove capabilities. In contrast, consider a design firm that is known not only for good design, but also for attentive and responsive people who are pleasant to talk to and work with. They are well managed and their process works smoothly. Over time they build a reputation and a solid base of references. Not only do they get frequent referrals, they close these accounts more easily, because they are already half sold from the reference and reputation. This is the power of working diligently on the first rule of marketing, analyzing and improving the service itself.

## Competition in the Service Industry

### Principle two: Getting better reality

"Service in this country is so bad that you can offer above average service and still stink. By definition, odds are you're average. Assume your service is bad. It can't hurt, and it will force you to improve."

Another debilitating problem that service companies, like ours, face in marketing is that we are often either unaware of our service problems, or we are under the illusion that our service is good. Beckwith gives several examples of really bad services that we encounter almost on a daily basis. He also analyzes some of the stellar services that we have come to take for granted (FedEx or Disney World for example). The McDonald's of the world have raised the bar on what we expect from a service. The McDonald's near my house has particularly bad service, meaning I often have to wait 10 minutes or more, and they often get my order wrong. However, even in my complaint, the fact that I expect to get my meal, the way I want it, in less than three minutes, is a remarkable testament to what I have come to expect of the services I use. On the one hand we have experience with some services that are amazingly efficient, dependable, and organized, and on the other we suffer through amazingly frustrating unbelievable bad service like being put on indefinite hold during tech support phone calls. Most people, if they have any choice, will not tolerate such bad service. In the case of computer tech support, often there is no good choice, they must put up with what they get because there are few alternatives. Where there are alternatives, like deciding which web development company or design firm to hire for your project, tolerance for bad service disappears. Service companies like ours aren't competing with Microsoft with regard to service. We're competing with FedEx with regard to service expectations.

Typically, most small to mid-size companies struggle to maintain adequate levels of service. Rarely do we give conscious, deliberate, intensive thought into how we can improve our services. Beckwith's simple advice to assume that our service is bad rather than assuming it is good, forces us to keep a close eye on service, and force us to continually improve it.

## Selling Services is About Relationships

### Principle three: Selling a service is selling a relationship.

"In most professional services, you are not really selling expertise - because expertise is assumed, and because your prospect cannot intelligently evaluate your expertise anyway. Instead you are selling a relationship. And in most cases, that is where you need the most work. If you're selling a service, you're selling a relationship."

When a company hires you for a service it is usually because they do not have the expertise to do it themselves. Consequently, they can't effectively evaluate your expertise. They can see the work you've done for others. However, they might fear that they would not get the

same quality for their project, or that they could not afford the level of quality they might see in your portfolio. They might fear that they won't get the best talent assigned to their project.

In our case our clients don't have the expertise to evaluate how well we've coded a site to work across multiple browsers and platforms. The hard work we do in this respect goes unseen. Because this work cannot be seen or evaluated by our clients, it has no counterbalancing weight to offset any negative experiences they might encounter with our service. It may be unfair, but hours of diligent coding will never make up for one occurrence of being inattentive, in terms of our clients experience with us. If a client does not feel like they are being listened to, or that we aren't working hard enough to communicate clearly, the actual work we do will not offset it. They will remember the flavor of our interactions at meetings, in documents, emails, and conference calls, not how well a graphic is compressed. The actual service and work we do are not the main things our clients can see, understand, or measure.

Unfortunately for service companies like us, we cannot simply rely on a prospect's ability to recognize our skills and capabilities. Rather, we need to realize that it is the more intangible (invisible) aspects of how a prospect feels about us that will drive their decision, much more than their evaluation of our talent. Selling a service is really selling a relationship, and relationships are based on building trust. In addition to pointing these principles out to us, Beckwith provides example after example of ways to either lose trust, or build trust with our clients and prospects.

## **Innovation in the Service Industry**

### **Principle four: Innovate**

"Create the possible service; don't just create what the market needs or wants. Create what it would love."

This is my favorite quote from *Selling the Invisible*. It drives and motivates much of what we do at Newfangled. I've been persuaded from this book that it should be the goal of every service company to create "the possible service." Beckwith points out that there are at least three stages to the maturing of a service industry. First, it creates a service that the market needs. Then it improves the service to meet what the market wants and demands. This is usually the stage where most service companies assume they've reached the goal. But some rare companies move beyond stage two, they innovate and devise services that would never even occur to a customer to ask for. They create "the possible service." These are the Disney Worlds, the FedExes, the McDonald's. Fast enough is never fast enough; fun enough is never fun enough; good enough is never good enough. While few companies accomplish this kind of service, it should be the ambition of all service companies to strive for it. This kind of service can't be created by asking the question "what do my customer's want?" but rather "what would they love?" To answer this question we can't look to our competition for ideas, because most of them have stopped at phase two. Striving after this principle insures that we never get caught in the trap of thinking our service is good enough when we have covered the bases of what our clients want or need. We need to make it better. There is always room for improvement. We can always make our service better.

### **Other books by Beckwith**

*Selling the Invisible* was Beckwith's first book, he was written two more since then. *The Invisible Touch* focuses more on positioning and branding a service company. His latest book is called *What Client's Love*. As good as these two books are, in my opinion the first is the best. If you haven't read it already I would recommend buying yourself a present and ransacking it for the treasures within.