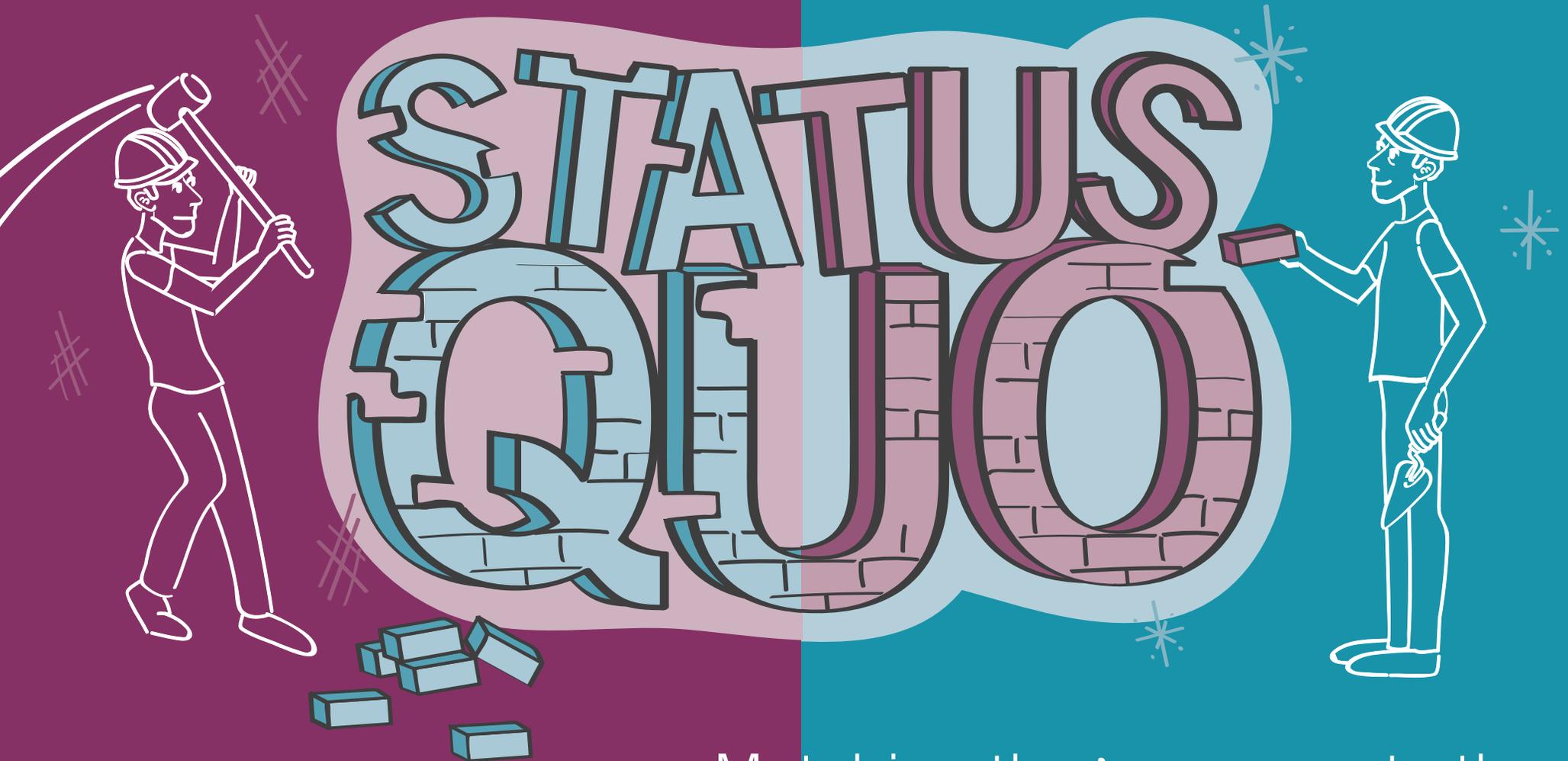


TO  
CHALLENGE

OR

NOT TO  
CHALLENGE?



Matching the **Message** to the  
**Moment** in the Customer Lifecycle



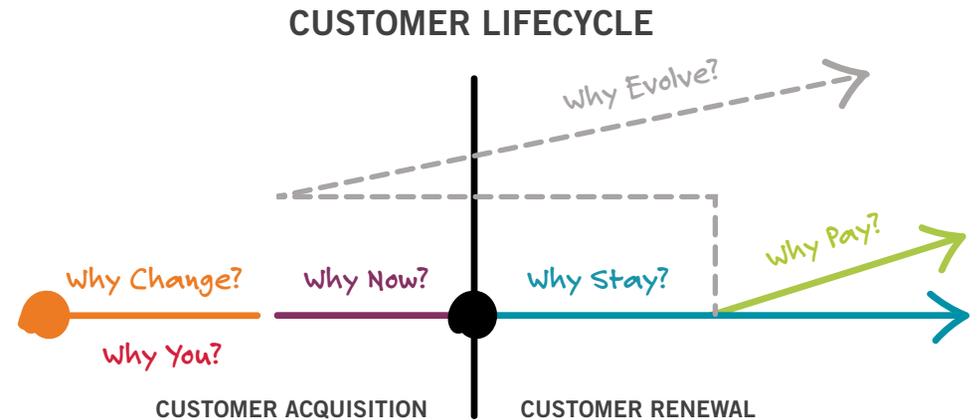
CORPORATE VISIONS  
Conversations That Win®

# Messaging for the customer lifecycle isn't a one-size-fits-all thing

Challenging your prospects, provoking the buyer, leading with unexpected insights. These disruption-minded messages are the lifeblood of the story you need to tell when you're the outsider trying to acquire new customers.

But applying that same messaging approach to keeping customers and expanding profitability will backfire—and there's new research that proves it.

To acquire new customers, and keep existing ones, marketers and salespeople need to be situationally fluent—responding to the unique pressures and demands that arise in different moments in the customer lifecycle.



Below is a primer highlighting when a provocative message works, and when it doesn't. In this eBook, you'll learn what it takes to match your message to these key moments.

**When to Challenge:**  
Customer Acquisition and New Sales

**Why Change?**  
Tell a story that defeats status quo bias and gets prospects to change

**Why You?**  
Tell a follow-on story that clearly differentiates you from the competing alternatives

**Why Now?**  
Build and deliver business proposals that pass muster with executive and financial buyers

**When Not to Challenge:**  
Customer Retention and Expanded Profitability

**Why Stay?**  
Tell a story that convinces existing customers to renew their relationship with you

**Why Pay?**  
Tell a story that's most likely to generate a positive response to a price increase

**Why Evolve?**  
Tell an upsell story that convinces customers to migrate to upgraded solutions



# When You Should Challenge... Why Change?

**OBJECTIVE: Tell a story that defeats status quo bias and gets prospects to agree to change**

Your biggest enemy *isn't who you think it is.*

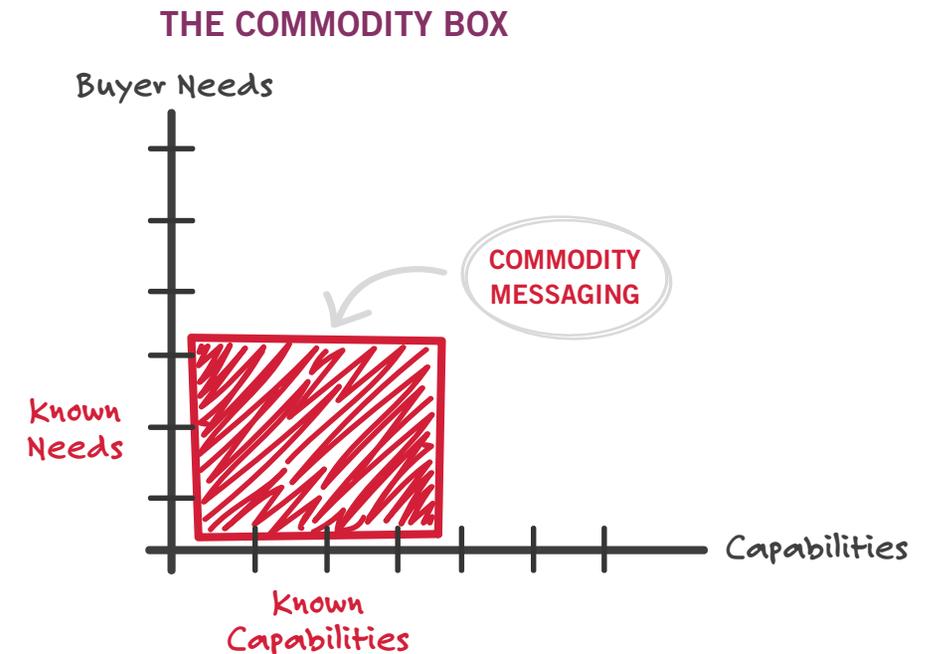
The biggest threat to your competitive success isn't the other players in your industry—it's your prospect's **status quo bias** (their preference for not doing something different from what they're doing today). That's why you need to challenge the status quo bias when you're the outsider. But here's where the story goes wrong...

## The Commodity Box

Too often, marketers and salespeople base their messaging on the needs prospects tell you they have. When you do that, you're then inclined to connect those identified needs to the specific capabilities that respond to those needs—in the standard “solution selling” fashion.

The problem with this approach? You're going to be delivering commodity messages (see the red box in the graph to the right) that won't differentiate you—because your competitors are likely constructing their value message in response to the same set of inputs.

Far from challenging the status quo bias, this message actually reinforces it, leaving your prospects indecisive and without any urgency to change.



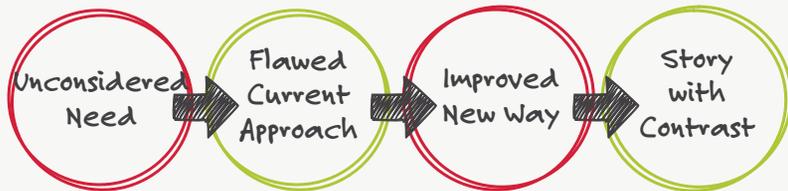
**READ ON**

to learn how to tell a “why change” story that overcomes status quo bias.

# When You Should Challenge... Why Change?

From Insight to New Approach:

## THE 'WHY CHANGE' STORY MODEL



Research conducted by Corporate Visions and a social psychologist found that a messaging approach that begins by introducing an unconsidered need gives you a **+10%** edge in critical attitude and choice measures.

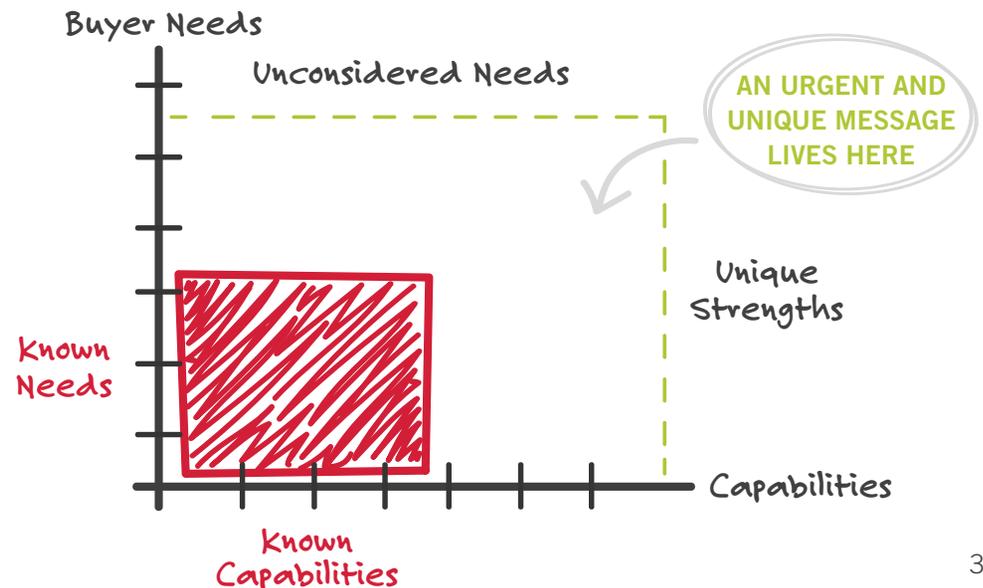
[Access the research here](#)

## Unconsidered Needs

To create the urgency to change and overcome status quo bias, you need to break outside the red box conversation, where your message puts you at parity with the competition. You do this by introducing prospects to “unconsidered needs”—problems or missed opportunities they’ve underappreciated or don’t even know about.

Your next step is to then connect the unconsidered needs you’ve identified to your differentiated strengths, which are uniquely suited to resolve those risks. That’s a recipe for breaking out of the commodity box and creating message urgency and differentiation.

## BREAKING OUT OF THE BOX

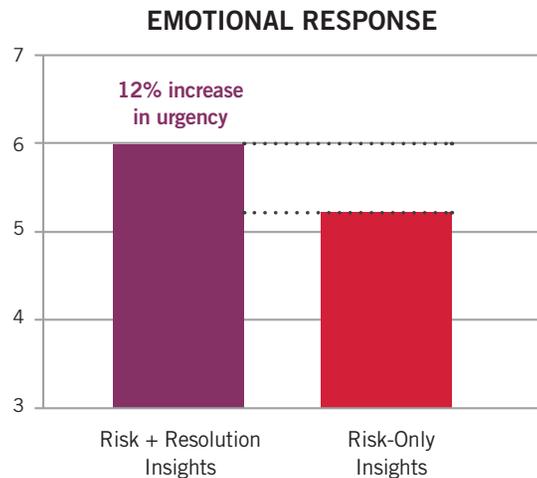


# When You Should Challenge... Why You?

**OBJECTIVE: Tell a follow-on story that clearly differentiates you from the competing alternatives**

If a “why change” story is about articulating why your prospects’ current situation is risky and standing in the way of their goals, then a “why you” story is about giving them a roadmap for curing what ails them and helping them perform better.

## RISK AND RESOLUTION IN INSIGHTS



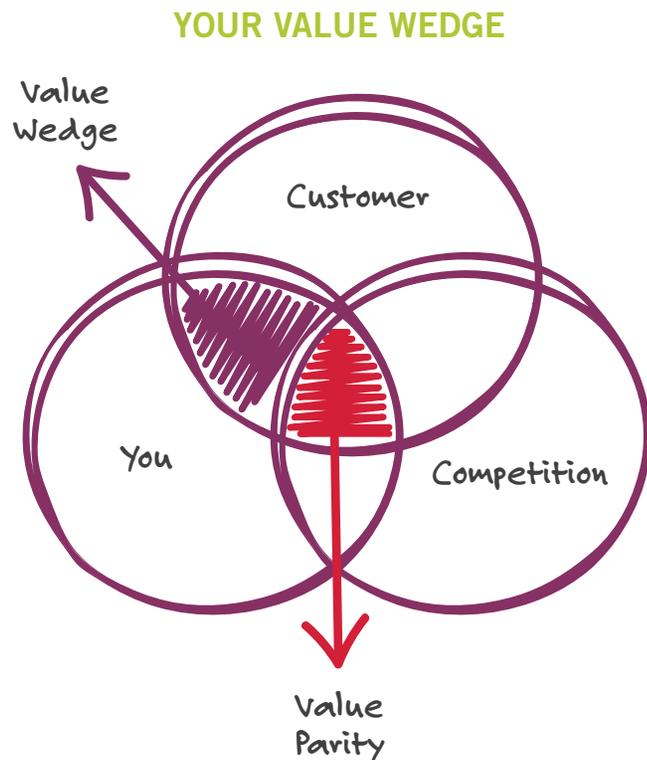
## Incomplete Insights

Insights-driven messages today tend to start with an interesting data point to create urgency and excitement—and then stop right there. These types of messages may be good at creating risk. But where they fall short is in showing how those risks can be resolved.

Corporate Visions research found that insights messages that pair risk and resolution outperform a message that only generates risk by significant margins in two critical areas of persuasion: **behavioral intentions** and **emotional impact**.

[View the research here](#)

# When You Should Challenge... Why You?



## Risk and Resolution

Attaching risk and urgency to a prospect's current situation is an essential step in convincing them to change and choose you. But it's not the only step. To make your "why you" follow-on story resonate, you need to go beyond risk and actually show how the performance perils you identified in the "why change" story can be resolved by your solutions. Doing so can be the difference between creating fleeting excitement versus driving real buying intent.

A helpful way to think about a "why you" story that resolves the risks you've introduced is to consider the "value wedge," based on three unique differentiators that are:

1. **Important to your customer** (why are the challenges you're helping to solve urgent?)
2. **Unique** (how do your solutions do something different and better?)
3. **Defensible** (back up the claims you're making with proof)

# When You Should Challenge... Why Now?

**OBJECTIVE: Build and deliver business proposals that pass muster with executive and financial buyers**

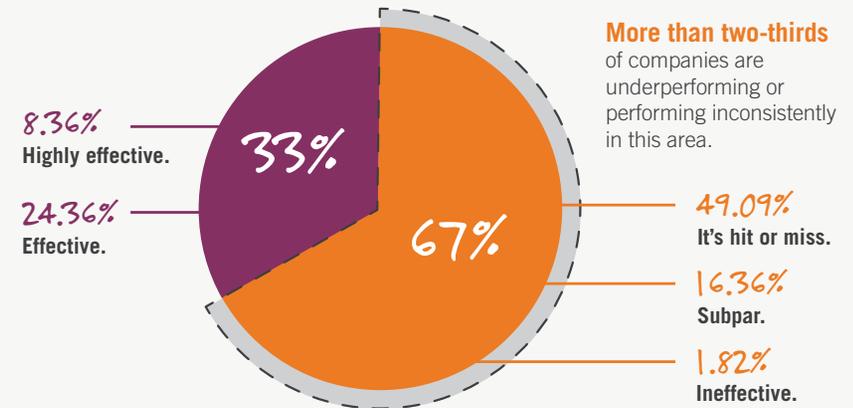
Stalled proposals and deals ending in “no decision” are arguably a value communication problem—the result of an inability to create enough urgency, and show enough business impact, to get executive-level prospects to act.

The majority of respondents to a Corporate Visions industry survey say they aren’t satisfied with their ability to tell an executive-level story or craft a business case that creates urgency and moves executive buyers to act now:

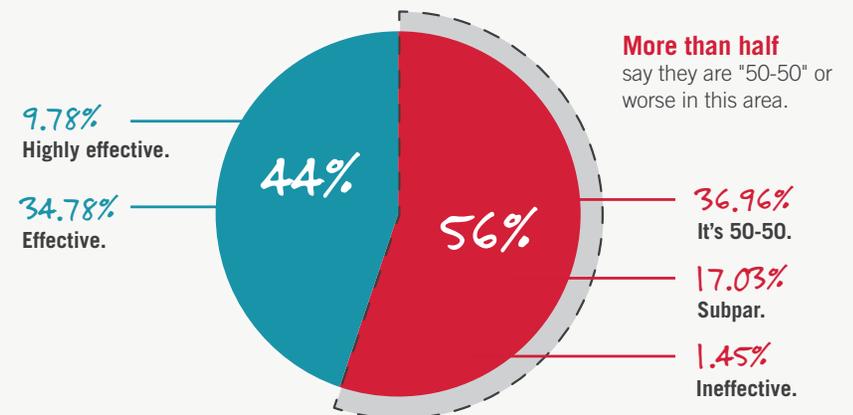
- More than **two-thirds** of companies say they’re underperforming at getting executive-level prospects to buy now rather than later
- **Only 39 percent** are confident in their ability to build a meaningful business and financial case to justify a decision

So how do you create a business case for the “why now” moment—when you’re dealing with buyers who might not care how your products and services work, but want to know how you can help them drive business value?

How effective are your salespeople at creating the urgency needed to get prospects to buy sooner rather than later?



How effective are your salespeople at connecting your business value to executive-level needs and initiatives?



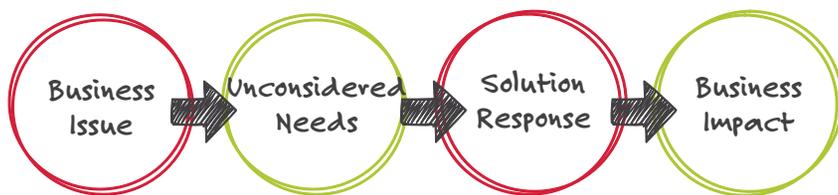
**READ ON** to discover what that message should look like.

# When You Should Challenge... Why Now?

To determine the most effective message for getting executive buyers to act now, we conducted a **research** simulation in which we asked 312 executive participants—all with budget and decision-making responsibilities at companies with \$100 million or more in revenues—to imagine they were executives at a large-scale food processing company that's trying to break into organic and specialty food production.

Participants were split into six different groups, each of which experienced a different message, or pitch, marked by various messaging techniques. The only condition to finish first across the most important test areas, such as urgency to buy now and importance to future growth, was the condition that presented a business issue and introduced unconsidered needs, before providing a solution response with a preliminary business impact calculation.

## == THE MOST EFFECTIVE 'WHY NOW' STORY ==



To the right is an example of the “why now” message that performed best across the areas measured in the simulation.

- **Business Issue:** Growing consumer demand for organic foods, especially in the “ready-to-eat” category, presents a great opportunity for processors, like you, to expand.
- **Unconsidered Needs:** However, this market has unique requirements and cost pressures that you need to consider if you want to enter and compete effectively. First, your large processing machinery is not compatible with the unique needs of the organic producer, who requires frequent changes to accommodate a greater variety of vegetables to be processed, and smaller batch sizes. Second, your current labor and material costs are too high to be price competitive in this market.
- **Solution Response plus Business Impact:** Investing in our smaller-scale, flexible equipment should position you to get at least a one percent share of the growing small-producer market, generating \$10 million in new revenue. Improvements in automation technology should also provide you with a two percent savings in labor and material costs. This one percent increase in sales and two percent cost savings should improve your operating margin by 29 percent.

With all these factors considered, we estimate this will generate an ROI of 78 percent in your first year of investing in our new smaller-scale processing equipment that will enable you to enter the organic produce market. This means you'll be making money on this equipment by year two. These results are typical of the results documented by dozens of other processing companies using our equipment.

# When You Shouldn't Challenge... Why Stay?

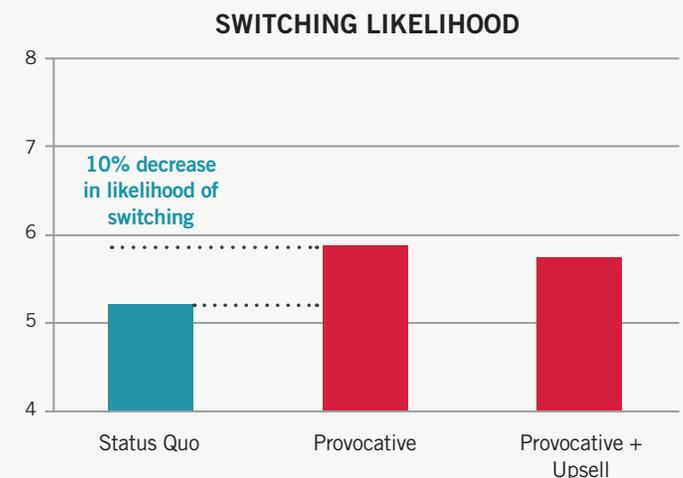
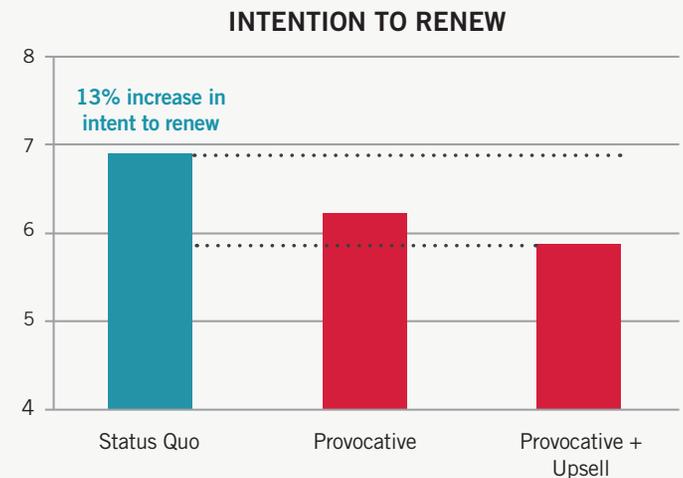
**OBJECTIVE:** Tell a story that convinces existing customers to renew their relationship with you

As the previous pages show, there's a good time to challenge your customer and their current situation. That time isn't when you're trying to renew them ("why stay") or get them to pay more ("why pay?")—the two customer conversations we'll turn to next.

Many pivotal messaging and selling moments arise after you've acquired new customers. Your ability to tell compelling stories that meet the unique situational demands of these moments is essential to driving long-term value from your top accounts. So where are companies going astray when it comes to customer retention?

## When Challenging the Customer Backfires

There's a rage these days for challenging the customer at every turn in the buying cycle—not least because it's effective at turning prospects into net new customers. But according to Corporate Visions research, that disruption-minded message will backfire in a big way when it comes to renewals, making customers **10 percent** more likely to switch providers or shop for alternatives. The research also found that a provocative message reduces intent to renew by **13 percent**.



[Learn more about the research](#)

# When You Shouldn't Challenge... Why Stay?

## Don't Disrupt; Reinforce

While your main job with prospects is to disrupt status quo bias, your main job with existing customers is to reinforce it. That means reinforcing the **four causes of status quo bias** — preference stability, perceived cost of change, anticipated regret and blame, and selection difficulty.

Corporate Visions **research** found that the most compelling “why stay” story follows the messaging framework summarized below:

**Document results to date** – Highlight the progress of your partnership as measured by performance against original business goals.

**Validate prior decision process** (preference stability) – Remind customers of the long, difficult process they went through to make their original decision to choose you. People prefer to keep their previous decisions and preferences valid and stable. You should deliberately reinforce this in your renewal messaging.

**Mention potential risks of changing course** (anticipated blame and regret) – Remind customers how much effort it has taken to ramp up the new solution, onboard everyone, manage the changes, and get the implementation running well. Another change risks stalling or taking a step backwards and only leaves them vulnerable to these same potential failure points again.

## TESTED AND PROVEN 'WHY STAY' FRAMEWORK

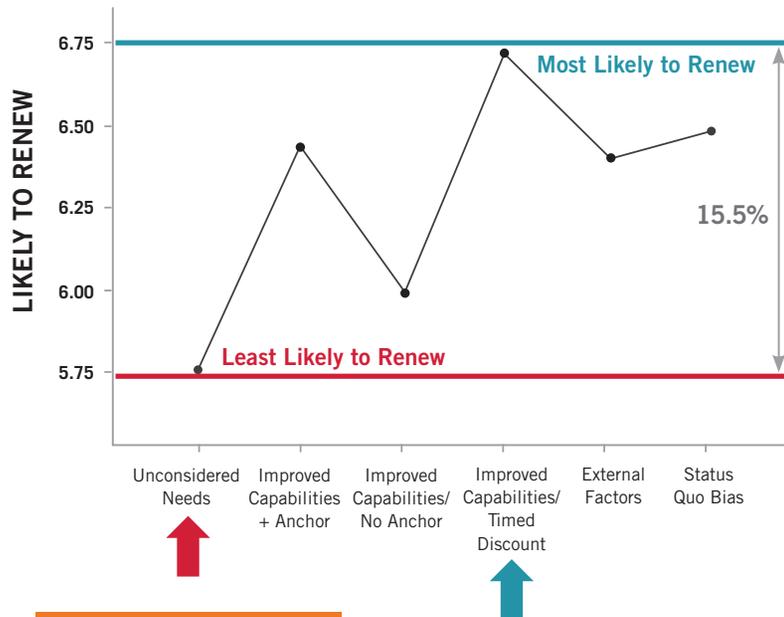
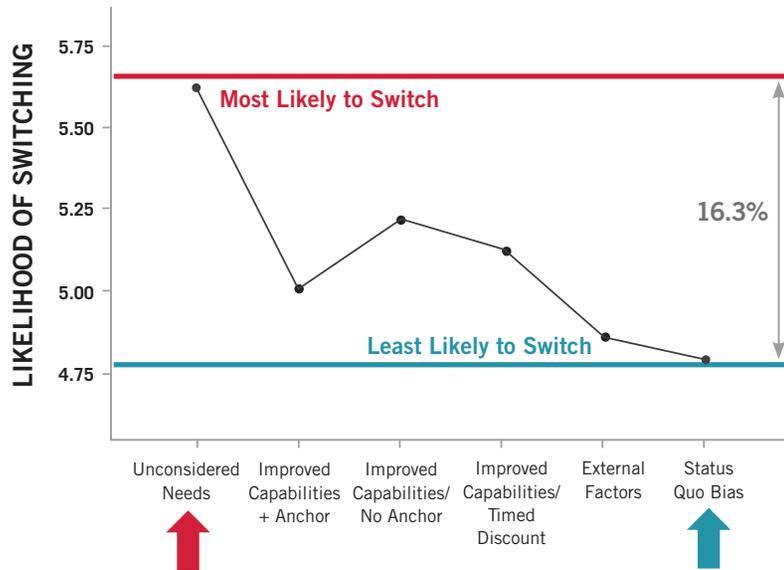


**Highlight cost of change** (perceived cost of change) – Take them through the startup costs and other resource requirements that were invested but have now been returned through improved performance, and are now part of the ongoing operating budget. People believe change costs more than staying the same—reinforce that.

**Detail competitive advances** (selection difficulty) – Let your customer know you've continued to update and tweak your program to keep pace with any other competitive offering in the market. People struggle to change if they don't see sufficient contrast between alternatives. And though it may seem counterintuitive, there is less pressure to prove competitive differentiation during a renewal discussion. In fact, it may even be optimal to demonstrate that you are more alike.

**READ ON** to learn about a distinct but related conversation: **communicating price increases.**

# When You Shouldn't Challenge... Why Pay?



**OBJECTIVE:** Tell a story that is most likely to generate a positive response to a price increase

Ongoing investments in servicing accounts and improving solutions, not to mention the rising cost of goods, all land in the same spot: a post-purchase price increase discussion. Besides your profitability being on the line, this dialogue carries the additional risk of destabilizing customer relationships and undermining loyalty—potentially leaving your customers susceptible to inroads from competitors. This conversation is one that companies have an appetite for improving: **Four out of five companies** want more structure and strategy to help them handle price increases, according to a Corporate Visions market survey.

## Mishandling the Message

A Corporate Visions survey revealed that two of the least used approaches for justifying price increases—reinforcing the status quo bias and anchoring a higher price with a timed loyalty discount—are both techniques that are essential for success in that conversation.

Corporate Visions research, conducted with Dr. Nick Lee of Warwick Business School, found that—as with renewals—challenging the customer with disruptive insights is a losing approach when it comes to communicating price increases.

As the graphs to the left illustrate, a provocative message based on introducing unconsidered needs—the foundation of an effective “why change” story—makes customers more likely to consider other alternatives and less likely to renew.

Get the research

# When You Shouldn't Challenge... Why Pay?

## Winning "Why Pay" Framework

Document results to date

Review Decision Process

Mention Risk of Change

Highlight Cost of Change

Detail competitive advances

Anchor price increase high,  
introduce loyalty discount

## The Most Effective Message for Price Increases

Corporate Visions research confirms that—much like an effective retention message—a compelling price increase story will accomplish two things:

**First**, it will reinforce the causes of status quo bias while introducing key new capabilities to solve existing needs. **Second**, it will anchor high with the new price before giving a timed loyalty discount.

Below is a visual model of the best performing messages in a Corporate Visions study. To see how the winning “why pay” message was framed step-by-step in the simulation, click through the menu to the left.



▶ **Document results to date** – “You have made great progress on your goals over these last two years. You’ve seen health and wellness program participation grow from **20 percent** to **50 percent**. Your employee satisfaction scores are up, and you’ve said some employees have even taken the time to thank you for the changes you’ve made. In addition, your employee retention rates have started to improve, which you said was the ultimate goal of making these changes.”

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▶ **Review Decision Process** – “When you signed up two years ago, you really did your homework and looked at a lot of options before getting your entire team to come to a consensus and choose our company. It was a long process that involved a lot of people, but you ultimately arrived at a big decision to bring this program on board.”

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- ▶ **Mention Risk of Change** – “As you look at making a renewal decision, it’s important to realize that you are at a critical point in this journey and that it’s important to maintain momentum to achieve your ultimate participation and retention goals. Any change to the program at this point could create an unnecessary risk of losing the positive gains you’ve made.”

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▶ **Highlight Cost of Change** – "Not to mention that bringing in another vendor would require you to invest time in getting them up to speed, not to mention money on implementation costs and other changes that you won't have to spend if you continue working with us."

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▶ **Detail competitive advances** – “Over the last two years we’ve been developing new capabilities to drive more satisfied participants, as well as give you confidence that your program is keeping pace with anything else available in the market today. As you consider your renewal with us, we wanted to let you know about two new services we think can have a tremendous impact on your goals:

“The first is a new weekly report that shows non-participants in the program how much benefit that those who are participating are seeing in terms of their fitness and wellness, as well as how much they are saving, and benefiting in terms of healthcare, by being part

of your plan versus the alternatives. This kind of communication, on a monthly basis, will provide a gentle nudge to help encourage them to get into the program for the great benefits.

“Secondly, we’ve also added a new smartphone app with online tools, including automatic result tracking, and integration with popular fitness trackers. In tests, these touches have been shown to help your employees get more benefits from health and wellness programs, and feel like they’re making progress on their goals. The result has been shown to create higher employee plan satisfaction.”

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▶ **Anchor price increase high, introduce loyalty discount** – “These new services and functionality will add approximately eight percent to the annual cost of your plan. However, if you renew before the end of the month, we will reduce the price increase by 50 percent, making it just a four percent overall increase to get this level of service.

“You’re making great progress. Stick with our program for another two years, and I know you’ll get to your 80 percent participation goal and further increase your employee retention rates.”

# A Hybrid Message... Why Evolve?

**OBJECTIVE:** Tell an upsell story that convinces existing customers to upgrade or migrate to higher-value solutions

## There's a lot on the line *in the upsell dialogue*.

Succeed, and you lay the groundwork for better customer experiences and longer-lasting partnerships that allow customers to take maximum advantage of your most impactful solutions and services. Stumble, and your partnerships stagnate, your revenues plateau, and you become vulnerable to competitors, who could disrupt you out of the equation with promises of better experiences.

The problem isn't necessarily that you can't provide a better experience. It's that you haven't seized the opportunity to do so.

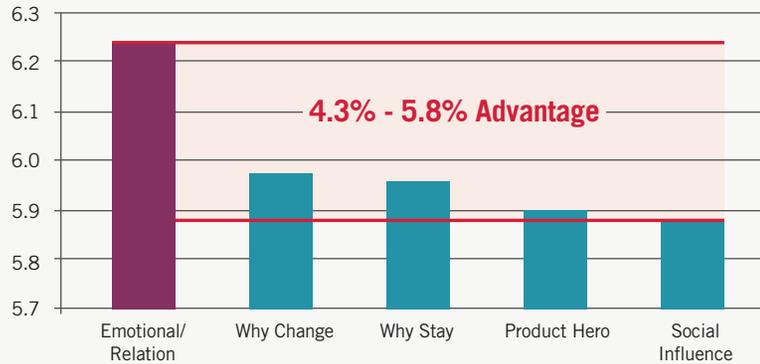
There are five key challenges that a great “why evolve” message needs to address:

- 1. Different enough?** It's hard to overcome all the noise in the market and be seen as different enough to require action. How do you create a message that's not what the customer expects—that's unusual enough to drive action?
- 2. Important to success?** Part of selling is to create a buying vision of a future in which you and your solutions play a big role in their success. How do you craft a message that tells that story?
- 3. Personally convincing?** People look out for themselves first. So how do you craft a message that not only shows the value of their business, but also convinces them to become personally invested in doing something to propel their business forward?
- 4. Willingness to change?** With so many priorities in play, how do you craft a message that makes customers willing to move to a better solution?
- 5. Intention to purchase?** How do you craft a message that increases the likelihood of your customer buying?

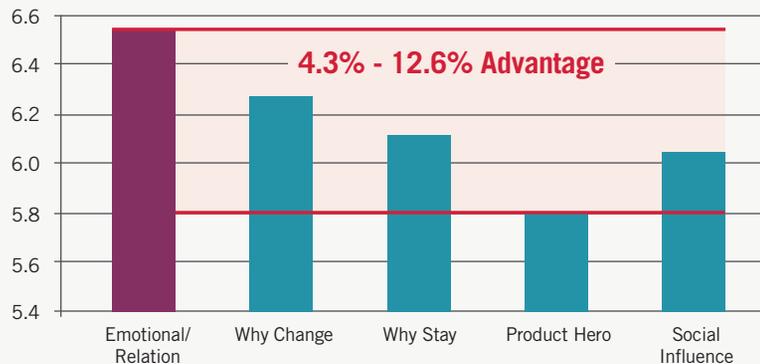
Corporate Visions **research** reveals that the most effective message for upselling customers is something of a hybrid—in that it includes some disruptive “why change” elements as well as some more protectionist “why stay” ones. That framework is covered on the following page.

# A Hybrid Message... Why Evolve?

Message performance



How willing are you to move to the new software?

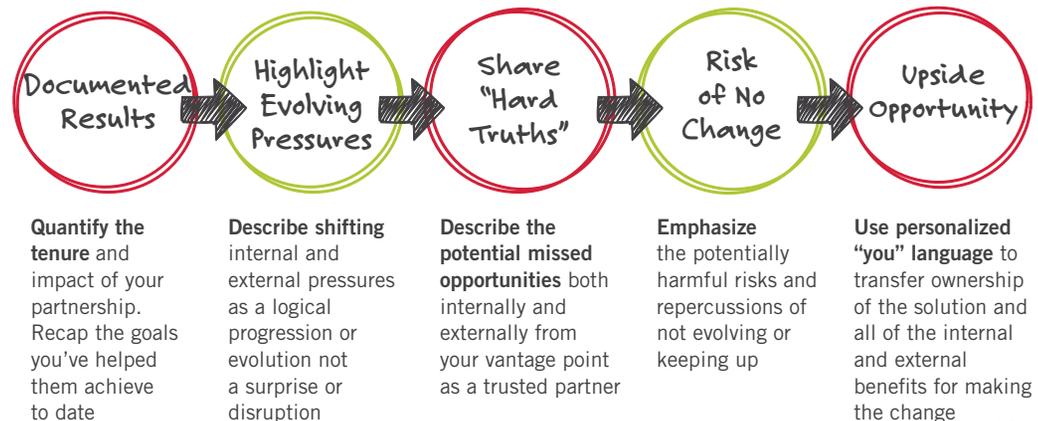


[Learn more about the research](#)

The best message for addressing the five key challenges of the upsell dialogue brings together some disruption and some reinforcement. That message—the relationship reinforcement and emotion message—outperformed a product-oriented message, a strictly disruptive message, and a strictly protectionist message in the most critical dimensions of this conversation—dimensions that include overall message effectiveness, how unusual it was, how convincing it was, how important to success, purchase intent, and likelihood of moving to the new solution or service.

The hybrid composition of the winning message makes sense. After all, this message isn't designed for driving huge changes or getting a customer to renew. It's about getting the customer to evolve in his or her vision and buying behaviors. This message ensures your customers don't get complacent, stuck in the habit of using your rear-guard solutions instead of shifting to your newest and highest-value innovations.

## TESTED AND PROVEN 'WHY EVOLVE' FRAMEWORK



## Recap

### **Challenging your buyers is the right approach *sometimes, just not every time.***

This kind of message is proven to be highly effective at defeating the status quo bias. But it will set you back significantly when you're trying to renew an existing customer or pass along a price increase.

The studies summarized above show that communicating with prospects and customers across the buying lifecycle isn't a one-size-fits-all endeavor. Challenging the buyer plays well when you're the outsider trying to overcome status quo bias and displace an incumbent. But it shouldn't be applied universally—no matter how popular the approach might be.

