

Trustability and Its Opposite

Acting with customers' best interest in mind is the key to business sustainability.

We are frequent Amazon customers, with each of us buying several books in a typical month, almost all for business. Because we write business books for a living, we have to keep up with what's out there. So when one of us sees a news or journal article that references an interesting book, we simply log on to Amazon, click on the book and with that one click it comes directly to our Kindle. Presto!

More than once, however, one or the other of us has seen a book we thought would be interesting, and when we ordered it using Amazon's one-click ordering a different message appeared: "WARNING: You already bought this book from Amazon. Do you want to buy it again?"

We consider this to be one of the best possible examples of "trustability" in a business—when a business refuses to take advantage of a customer's own mistake or misstep. It is akin to USAA Insurance recommending less home insurance than you thought you needed and were willing to pay for, or i-Tunes reminding you that the song

you are about to purchase is already in your music library, or a wireless carrier recommending a less expensive calling plan that better matches your actual usage pattern.

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The opposite of this kind of behavior is when a company attempts to lure a customer into a misstep in order to make money through the

customer's error. But this, apparently, might be the modus operandi for Nero ("Simply Enjoy") Software.

A few days ago Don shipped his parents a CD with a video he had shot of their 60th wedding anniversary celebration. He shot the video on his Flip, converted it to a Windows Media format (.wmv), then loaded all 1.4 gigabytes onto a DVD to mail to them, advising them they would have to watch this video on their computer, not their television. Don's parents aren't sophisticated computer users, but they're no novices, either. They have a computer, they use email, and they surf the Web.

A few days later, however, Don's mother called as she was just about to purchase a \$49 upgrade to her Nero software, which had advised her that it was "needed" to play this video. (This price, she was assured, represented a 35 percent discount from Nero's regular price.) Apparently she had an expired free version of Nero on her computer, which she never uninstalled. Don told his mother not to purchase the upgrade because the video was on a Windows Media format. So she put the CD in again and this time chose the option to open the file with Windows Media Player. This worked fine and his parents soon watched the video, \$49 richer than they would have been.

Suspect behavior

When you compare Nero's policy with Amazon's, the contrast is pretty stark. Amazon is matching our book purchase requests against the hundreds of other books we've already purchased there, in order to protect us from ourselves. But Nero took no such care. It may not be outright dishonesty, but at a minimum it's gross incompetence. Either way no effort was made to look out for the customer's best interest.

We wrote this article before looking up "Nero Software Reviews" because we didn't want to be biased by what customers were saying about this company's competence. But when we did go online to search for customer reviews of Nero's software, the verdict was bleak. Really bleak. A whopping 49 percent of the people who reviewed Nero software over the past six months on Newegg.com, for instance, gave Nero 9 software (the latest version) a "Very Poor" rating—the lowest possible. Opening one of these negative reviews, guess what we found?

Phishing Cookies and Trojan Virus in the "ASK" Toolbar feature. Don't install the tool bar...if you can get it to install at all?? Leaves something on your Hard Drive even after running "their" "Clean-Up" tool! I lost about 6 to 8 MB of space on my Hard Drive. Customer Service is a Joke! What good is 14 days of free Teck (sic) Support at \$1.29 a minute? They won't answer the phone, I was on hold for over 30 to 40 minutes the three times I tried to contact them?? Good Bye Nero, "Never" again!

Maybe a software company doesn't really need a good software product, as long as it can plant enough trial versions out there to con unsuspecting consumers out of their cash—at least in the short term.

Amazon's approach to customers and Nero's approach could hardly be more different. Not surprisingly, the answers to the following questions will be the same: Which company would you rather buy from? Invest in? Work for? The answer is as clear as the warning message Amazon uses to alert customers before they make a duplicate purchase. ■



Interact with Don and Martha on their blog, Strategy Speaks, at www.peppersandrogersgroup.com/blog