

BUSINESS INTELLIGENCE

Strategies and Trends for the Successful Business

REPORT

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IDEAwatch

Tips for Growing Your Business

■ **Is your marketing message getting through to prospects?** Give power to your core message by communicating more about benefits and less about features and functions. Try this tactic: Examine all of your marketing materials (including a printout of your website pages and any other nonprint media) and use a highlighter to mark words that speak to your core message. Most people are shocked to see that they aren't communicating their primary message very clearly, or they do it almost as an afterthought, such as a little phrase under a logo. Your core message should permeate your documents. Don't be too subtle.

Source: www.paullemborg.com

■ **Sales training is a waste of time without follow-up.** In one study, reps retained only 13% of what they learned after 30 days. However, retention jumped to 88% when a similar group of reps was coached on the content following the training event. Consider using weekly meetings or one-on-one coaching sessions to reinforce training content.

Source: www.sellingpower.com

■ **Use video to attract customers,** increase search rankings and differentiate your company from the competition. Here are some ideas: Show your product in action and offer tutorials — many customers are visual learners. Record presentations that illustrate your expertise. Share your “story” — include why you are passionate about what you do and what makes your company unique. Introduce your staff, promoting your credibility. Create customer testimonials or real-life footage of customers using your products. Place your videos on Youtube to be found by Google, and use them on your website and in email newsletters and blogs.

Source: www.smallbiztrends.com

SALES

20 Customer Care Actions That Build Sales

by John R. Graham

IT'S EASY FOR just about anyone in business to fall into a “pattern” when dealing with customers. We all develop shortcuts and “templates” to help simplify our daily routines, which also make it easier to manage the workload. With more to do and less time to do it, a smoother routine is appealing.

While such an approach may help us get through the day, it can also be dangerous, particularly when the competition is waiting for even the slightest opening that may get them through the door.

Customers don't want to be taken for granted or receive attention only when we want to sell them something. They respond positively to the signals that say, “We really appreciate having you as a customer.”

Here are 20 customer care actions that will help to enhance customer satisfaction and build sales:

1. Contact customers when it's not necessary. Apple consultant Craig Batt of MacShaman, Inc. checks with clients a week or so after doing a job. Not only does he ask for feedback, but he passes along helpful information that's not directly related to his work. It sends the message that he not only appreciates the work, but the relationship as well.

2. Let them know how much you like working with them. Why take a chance or why assume that they do know? Letting them know in writing why you like working with them puts it squarely on the record. If you don't tell them, how will they know?

3. Ask them what you could do to make working with you easier. Even when you have a good working relationship with a customer, there still may be something that bothers them. While it may not be a relationship breaker, it can still be a burr under the saddle. It's always good to uncover the issue and get rid of it.

4. Tell their story to others. Word-of-mouth has power, perhaps more than ever. So, when it's appropriate and you have the opportunity, speak up about your clients. “I know that company and they're good people. They've always treated me fairly.” Such words carry weight.

Don't fall into a rut with customer relationships — prove that you appreciate them with these ideas.

5. Pass along leads. A good lead may be the greatest gift you can give anyone. A customer will appreciate it far more than tickets to a game or a round of golf.

6. Do something a little extra. Bill Donahue, the owner of Crown Supply, an electrical and fire alarm wholesaler in Providence, R.I., always thanks his customers for doing business with him. Then, he realized that it's the people in the field who call and actually place the orders. It's their loyalty that makes the difference. Bill knows they can call other supply houses. He sends a personal thank you to them several times a year, along with a gift card.

7. Make suggestions for improving their operation. Your knowledge base is unique and your experience can complement that of your customers. Your helpful suggestions give meaning to being a partner.

8. Pass along helpful information. Customers will view you as a resource if you pass along useful information. Whether it's an article or an idea, it lets them know that you are thinking of them.

9. Lend a hand. Every customer has a crisis or some time when they need help. Ed Testa of Champion Capital, an equipment leasing company, spends a lot of time at trade shows, but not where you might expect. You won't find him at a Champion Capital booth. He'll be busy working a client's booth. “They're always short handed,” he says, “and they appreci-

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■ **Asking the tough questions in sales is about getting to the truth**, even if it's not what you want to hear. Otherwise, you are stuck with the alternatives: energy-draining stalls, misleads and unpaid consulting. Here are a few tough questions to consider: "Joe, we've had great discussions up to this point, but tell me... why wouldn't we go further with this agreement?" "Carol, you told me you were basically happy with our competitor. Why consider a change at all?" "Larry, you told me you've lived with this problem for six months. Is there really a commitment to fix the problem?" "Ron, now that you've seen our presentation, tell me what you saw or heard that isn't exactly what you were hoping for?"

Source: www.strategysales.com

■ **When trying to secure a loan**, you may be surprised to learn that banks will often require an annual audit, which can potentially cost between \$15,000 and \$25,000. This is the result of more strict financial report requirements from regulators' scrutiny of banks. Ask your CPA to negotiate with the bank and see if it would be willing to accept a review, with any extra agreed-upon procedures, instead. A review could save as much as 30-40% over an audit.

Source: www.bizjournals.com

■ **Build awareness for your brand** and attract new customers through public speaking engagements. In his book, *The Referral Engine*, John Jantsch shares this advice on how to make a presentation pay off big. 1) Share specific how-tos, not vague generalities. By giving away your "secrets," you'll prove yourself to be a credible expert. 2) Avoid over-promoting or listeners will tune you out. 3) Collect email addresses by offering a more detailed overview of the topic in exchange for business cards. 4) Avoid an awkward pitch at the end. Instead, about halfway through the talk, quickly mention an upcoming program or workshop along with the price, then move on. After the Q&A, mention that listeners may bring a friend to the workshop at no extra cost. You've just made the event half price and turned them into recruiters!

Source: www.fuelnet.com

The cell phone's new game: Loyalty cards

Instead of collecting paper loyalty cards and fumbling through wallets at the cash register, customers are increasingly using their cell phones to track their visits and purchases, and receive rewards. And merchants are looking for ways to marry the concept to games that customers can play to earn more free items and, it is hoped, spend more money.

Some start-ups, like CardStar and CardBank, store existing loyalty cards on cell phones with scannable barcodes. And companies including Motorola and a start-up called mFoundry are providing retailers with the technology to build cell phone loyalty cards.

Meanwhile, start-ups such as Loopt, Foursquare, Shopkick and Gowalla are

experimenting with ways to use cell phones to bridge the digital and physical worlds and turn the tasks of everyday life, like buying coffee and running errands, into a game. These new services let people use cell phones to share their location with friends and reward them for frequenting particular retailers.

For retailers, these games and apps offer a new form of mobile marketing that goes well beyond a minibanner ad by rewarding consumers, individually, for their loyalty. And unlike paper cards, stores can use the data they collect from people's cell phones to learn more about who their customers are and how they behave.

Source: *The New York Times*, May 31, 2010

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ate the extra help." He also writes a lot of business that way.

10. Utilize the power of recognition. Whether it's recommending a customer for an award or suggesting them for a news story, you can play a role in helping to bring them well-deserved recognition.

11. Be candid when asked for your opinion. It's a pivotal moment when a customer asks your opinion. Will you be a wimp or will you be candid? Candor creates respect, even though someone might not agree with you.

12. Show your loyalty. After doing a good job for a customer, that's when one of their competitors wants to give you their business. You may be flattered, but think twice before compromising your loyalty.

13. Don't cut corners. When a customer has been around for a while, there's a tendency to put them in overdrive. Doing what's necessary, but also coasting. If the customer doesn't figure it out first, a competitor won't be far behind to move right in.

14. Come to a customer's defense when you hear criticism. There may be times when "silence is golden," but not when someone's criticizing a customer. That's when it's the right time to make known your experience.

15. When something hasn't gone well, let them know what you would like to do about it. Yes, things go wrong, no matter how hard we try. When this happens, jump on it quickly and tell the customer what you'll do to solve it.

16. Respond reliably. A recent survey of buyers found that getting back to them

is a top priority. A highly successful life insurance salesperson serving wealthy clients credits part of his success to returning every telephone call or email the day it is received.

17. Leverage the power of "free." Insurance agent Mark Rosenthal gives away a helpful tool he's prepared. It's called "Organizing Your Personal Affairs" and it's about getting important information together. Others make reports, survey results and articles available without charge. But remember, free means free, no strings attached.

18. Take the initiative. Step up to the plate and act before you're asked. Initiative shows you have ideas and are capable of undertaking new and challenging tasks.

19. Keep your word. If you say you're going to do it, do it. If for some reason you can't, then explain why and do it quickly. It's easy to get a bad rep — and it's difficult to get rid of it.

20. Show respect. Getting too friendly with some customers can undermine the customer-salesperson relationship. There should always be some distance as a way of showing respect.

Individually, each of these customer care actions has value, but when taken together their impact can be enormous, even transformative.

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■ **If you need to lay off employees, remember that they will tell others** about their experiences at your company and the reputation of your brand will be influenced by how you handle the event. Treat others the way you would want to be treated: with respect, dignity and human interest. If possible, offer Internet access and resume assistance for job hunters. Suggest volunteer opportunities that may help ex-employees focus on something other than the job search while also helping them network. Consider creating an alumni program — keeping in touch so that they will consider returning if the opportunity arises.

Source: www.forbes.com

■ **When optimizing your website for search engines**, you've probably heard that it is a good idea to place keywords within your URLs. That is true, but don't overdo it. Search engine optimization experts and Google blog posts suggest that too many words risks coming across as spamming search engine spiders. However, it's not clear how many is too many. A Google representative has said that search engine algorithms will give less weight to words beyond the fifth one.

Source: www.internetretailer.com

■ **Thinking of surveying your customers?** Many marketers believe that multiple-choice surveys across large samples that can be statistically analyzed yield the most rigorous research. But this type of analysis only gives you a shallow understanding of your customers. To get more nuance, use qualitative methods to discover what your customers think about your products and services. Qualitative techniques, such as focus groups or open-ended questionnaires, let you delve deeper into the relationship between your firm and those who buy or use your products. They also allow your customers to express their opinions using their own words, not yours.

Source: *Harvard Business Review*, www.hbr.com

Sales experience more important than price

What makes someone want to say yes to a salesperson during a business-to-business buying cycle? That's what McKinsey & Company wanted to find out when they surveyed 1,200 purchasing decision makers in small, medium and large companies in the U.S. and Europe. Turns out there's a big difference between what customers said was important and what actually drove their behavior.

Customers insisted price and product aspects were the dominant factors that influenced their opinion of a supplier's performance and, as a result, their purchasing decisions. Yet when the researchers examined what actually determined how customers rated a vendor's overall performance, the most important factors were product or service features and the overall sales experience.

So what affects the sales experience? Of the many habits that undermine the sales experience, two accounted for 55% of the behavior customers described as "most destructive": failing to have adequate knowledge of their own products or those of their competitors, and contacting customers too frequently. Only 3% said they weren't contacted enough, suggesting customers are open to fewer, more meaningful interactions.

Researchers say that striking the right balance between contacting customers too much and too little requires understanding their stated and actual needs. There should be a clear strategy for reaching out to customers based on needs and profit potential, with schedules dictating frequency.

Source: *McKinsey Quarterly*, May 2010

Health-care bill's 1099 nightmare

Buried within the massive health-care bill approved by Congress in March is a provision requiring companies to report to the IRS payments of more than \$600 a year to any vendor. The purpose of this provision is to capture the \$2 billion or more a year in taxes on income that currently goes unreported by contractors and small businesses, but business advocates fear it could generate a flood of paperwork.

Today, businesses must file 1099-MISC forms only for freelancers and other service providers that aren't incorporated.

The new rule, set to take effect in 2012, will expand such reporting to include payments to companies, and for goods as well as services. That means businesses will need to get tax ID numbers and file forms for almost all suppliers — and track all their small expenses to see which vendors meet the threshold. For example, if you spend \$600 on fuel at a local gas station for your business vehicle, you'll need to get their tax ID number and file a 1099.

A bill has been introduced to roll back the provision.

Source: *Bloomberg Businessweek*, May 27, 2010

Some PDF files can be poison

If you are like most people, you consider portable document files (PDFs) to be harmless, read-only files that you can open in Adobe Reader without much thought to security issues. What you may not know is that PDFs can be used to launch malware and are currently responsible for nearly half of all detected malware exploits on the Web.

The biggest problem is with Acrobat, or PDF, files that are found on hacked websites. Most browsers will open these files without seeking permission. When the file is opened, the malware program

runs in the background, without the computer user being aware of it. A hacker can take control of your computers and use them to send spam or to monitor keystrokes for passwords.

Your best defenses are to keep your Adobe Reader software updated, pay attention to any warning messages that pop up on your screen and keep your anti-virus software updated. The same goes for another common Adobe product, Flash Player, as it suffers from similar vulnerabilities.

Source: ConsumerAffairs.com, June 11, 2010