SALES AND SERVICE

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Flying Blind

Sales Money Ball

Sales Messages

Create a Winning Concept

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MANAGEMENT/HIRING

Sales Money Ball

Take the same six steps.

by Howard Stevens

THE RECENT MOVIE *MONEYBALL* is an example of how sports can teach businesses a lesson or two about effective talent management: *You can always recover from the player you didn't sign, but you may never recover from the payer you did sign that you should not have signed*.

What Billy Beane did with statistics to select baseball talent certainly applies to selecting talent for business. For example, the notion that you've got to recruit only superstars is flawed.

Most employers are affected by a bad hire every year. Why do managers make bad hiring decisions? A *rushed* decision is the top reason for making a bad hire. When managers need to fill the job quickly, they don't assess the candidate or check references.

You can make better selection decisions and create a winning team by leveraging *Moneyball* methods. Put a world-class sales team on the field by applying ***six steps to hiring intelligence***.

Take These Six Steps

Stats are required for accurate talent measurement. In *Moneyball*, management took these six steps:

Step 1. Conduct a customer audit. They performed an audit by measuring market size, revenue opportunities from television and attendance, and benchmarked other markets to determine the budget available for players. For sales, a customer audit is a powerful, predictive sales management process that can accurately identify and measure the key factors that influence customers' purchase decisions. By con-

ducting a customer audit you can:
• accurately segment your markets • understand key benefit sets each market requires • measure product/service value • compare your performance against competitors • measure salesperson performance • analyze precise customer satisfaction scores • implement tactical and strategic solutions based on customer feedback.

Step 2. Create sales profiles. Just as baseball has specific roles—pitchers, outfielders, catchers and shortstops—sales has many different and unique roles. As you make the move to more complex organizations, clients, products/services, you find as they do with baseball, ***few people can successfully play multiple roles effectively***. For sales, in order to determine a select group of skills that statistically differentiates top and bottom performers for a specific position, a profile must be created. This validation study defines what high potential performers have that low performers don't.

There are two parts to this: ***Quantitative***: Incumbents who complete an assessment that are scored against work-related skills measured by the assessment; the data is then merged with actual performance data from the client. ***Qualitative***: Obtaining information about the duties, activities, and responsibilities of those in the position. Individual differences, in terms of knowledge, skills, abilities, and other attributes should also be discussed, and distinctions among high performers and low performers described.

Companies emphasizing growth and specific initiatives often segment sales activities beyond recognizing the

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four segments of customers. We've identified 14 sets of sales and service skills required to succeed in specialized sales roles. This enables sales managers to identify the one unique profile best suited to the specialized sales initiative. ***Asking five questions leads to the best match:*** *1) Is this position field (outside) sales or inside (tele) sales? 2) Is the position proactive (outbound tele or direct sales contact) or reactive (inbound tele or indirect field sales through a distributor) or primarily customer service? 3) Is the position primarily responsible for a full line or a specialized product or service? 4: Is the sales effort account based (strategic or major accounts) or geographically based (territory sales)? 5) Is the salesperson's responsibility primarily to acquire new accounts (hunter) or maintain and grow existing accounts (farmer)?*

The key to selection is in identifying the right competencies and behaviors required for a particular job and using those as a basis for selection. The hard part is identifying what those are.

Step 3. Conduct a talent audit. In the movie, they took a former outfielder who was incapable of running well and via statistics determined that he could get on base. So, they made him a first baseman. In sales, an audit of your current talent pool can help you better understand who is the best fit for new roles, what employee training is needed for different jobs, and what is your current *bench strength*.

Step 4. Implement a selection system. In baseball and most other sports, they are always recruiting talent through: high school, college, internationally, and minor leagues. They have a formal process and, like *Moneyball*, analytics predict performances. *In sales, a selection process should be implemented to hire, place, and train the right people in the right positions using science that can pinpoint specific strengths and weaknesses for specific job profiles*. Effective methods, similar to *Moneyball,* can be applied to effective sales hiring. A process that creates predictive data is a priceless decision-making tool.

Step 5. Training and development. Just like baseball, the coaches have spring training to ensure the team is ready, and they have daily batting and fielding practice.

In sales, training and coaching should not be an event. To achieve the greatest possible ROI, managers must plan training and consulting resources and strategy carefully. This will improve developmental ramp-up time and sales productivity and effectiveness.

Step 6. Conduct exit interviews. Exit interviews can capture critical causes of employee turnover from former employees. That information can be used in creating employee retention solutions. Exit Interviews will give you helpful feedback on reasons for leaving associated with: compensation, benefits, development, work environment, and management behaviors.

Applying *Moneyball* to Sales

Great teams are not made up of all superstars—they have a few strong athletes in certain skills. Most winning teams are made up of people who are consistent, average to above average, predictable performers. In baseball, they don't allow for ongoing low performance (the player is moved to the bench or down to the minor leagues).

When sales teams are managed using that same philosophy, the impact is incredible. According to our research, *your salesperson is now the single largest factor (39 percent) in a customer's purchasing decision*. No other factor—product, quality, or pricing—equals the impact of a salesperson. Yet only 53 percent of sales reps make their quotas, and sales reps only win 49 percent of their opportunities. Just as Six Sigma and Lean focus on finding sources of error and eliminating them, so does our methodology. Our approach to managing Sales Talent is to replace the bottom 20 percent of your sales team with new salespeople who are average to above-average performers. The Result: you increase sales to $223 million. Then train the rest of the sales force and get an additional 5 percent gain.

In *Moneyball*, we learned that Billy Beane, GM of the Oakland A's, managed to win more games with less money to spend than most other MLB franchises.

We all face economic constraints. We can't afford to waste money on talent. To survive, we need to pay attention to the competencies needed to succeed in specific jobs.

We apply diverse analytics because we look for true behaviors to predict success in particular roles more accurately. We find the hidden attributes and behaviors that will best serve the specific role. These methods help you identify superstars, and single out those who have the most potential to perform the *exact skills needed* and those who can be developed into high performers.

Don't stop your selection process at the résumé: screen for specific responsibilities, contributions, and skills. We often overlook great talent, because the individuals attend state colleges or work for lesser-known organizations. The best practice is to pinpoint job skill DNA and analyze the success potential of each individual to ensure they are not only a fit for the job, but for *the organization*. SSE

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ACTION: Develop your hiring intelligence.

Volume 12 Issue 8

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Executive Excellence Publishing

Uplifting Service

Use these 12 building blocks.

by Ron Kaufman

SERVICE AT AIRPORTS IS OFTEN unpleasant, but it can be so much more. Changi Airport in Singapore is one of the most dramatic examples I've seen of what service can be—and the contrast between it and other airports is stark!

Bad service is rampant because there is a *vast disconnect* between the *quantity* of service we need and the *quality* of service we receive. *True service comes not from demands and dashboards, but from a basic human desire to take care of people*.

To start your *uplifting service revolution*, use the ***12 building blocks of a service culture***. With these, you have the architecture to build a *sustainable culture* that delivers *outstanding service* daily.

1. Common service language (CSL). We create meaning with language, and we can change our world by inventing or adopting new language. Your CSL should be meaningful and attractive—a shared vocabulary to focus the attention and actions of your team. It should *clarify meaning*, *promote purpose*, and *align everyone's intentions and objectives*.

2. Engaging service vision (ESV). *Many Partners*, *Many Missions*, *One Changi* is the *ESV* that unites *everyone* at Changi Airport. Coffee shop workers can tell you the departure gate locations. Airline employees know where you can buy souvenirs. Airport police can tell you how to find the post office. Everyone works together to create *positive experiences* every day. *ESVs* unify and energize everyone. Make your service vision, mission, value, principle, credo, motto, slogan, saying, or tagline *engaging*.

3. Service recruitment (SR). Are you *Googley*? Do you *Create Fun and a Little Weirdness* at work? These considerations are made in hiring at Google and Zappos. They build a strong culture by hiring people with *the right attitude*. The *right people* pull in the right direction. Misfits may be incredibly talented, connected and experienced, but their impact on the team can be disruptive.

4. Service orientation (SO). Many orientation programs are robotic: *This is your desk; this is your password; those are your colleagues; and these are the tools, systems, and processes we use*. The best SOs connect new employees to the company or the culture in a welcoming and motivating way. Zappos' four-week cross-department orientation embeds the company's brand and core value, *Deliver WOW Through Service*. Zappos seeks to inform and inspire new team members to *contribute to the culture*. It even offers a pay-out ($2,000) for new hires who realize the culture isn't for them to ensure *the right people stay*.

5. Service communications (SC). This can be as big and bold as a sign in the front of a store proclaiming that *the customer is always right* or as simple as including employees' hobbies or passions on their nametags. Use SC to educate, inform, connect people, encourage collaboration, motivate, congratulate, inspire, promote service language, expand service vision, showcase new hires, explain service metrics, and give voice to customers' comments.

6. Service recognition and rewards (SRR). SRR are a way of saying *thank you*, *job well done*, and *please do it again*. Recognition encourages *repeat service behavior*. You can do SRR in public, in private, in person, in writing, for individuals, or for teams. You can do it with a handwritten letter, a standing ovation, two tickets to a concert or ball game, a day off, dinner for the family, or a star on the nametag. Use memorable and emotional SRR to show gratitude.

7. Voice of the customer (VOC). Microsoft studies the words and phrases people type into free-form comment fields to discover drivers that make a difference: "*Microsoft is easy to do business with*," "*Microsoft cares about me*," and "*Microsoft helps me grow my business*." The voices you gather may come through survey forms, hotlines, comment cards, focus groups, social channels. You gain value from the VOC when the input connects with a team that wants to improve *the service experience.*

8. Service measures and metrics (SMM). Surveys are used to measure satisfaction, assess loyalty, evaluate performance, and find areas for improvement. But often they are unpleasant for customers to complete and difficult for people to decipher. SMM are best when they help you prioritize what's most important from customer satisfaction and loyalty to employee engagement. *Measure what matters* to focus attention, design new action, and create *positive service results*.

9. Service improvement process (SIP). This is where *customer complaints* are *wanted and welcome*, where survey reports are examined for new ideas, where synergy is created by connecting people between levels and functions. Some issues require ownership on the front line, involvement from the middle, and sponsorship from above. Service issues are solved by teams working across silos. A well-designed SIP stimulates collaboration across levels, languages, and locations and taps the *creative energy* of customers, vendors, distributors, and regulators.

10. Service recovery and guarantees (SRG). Rather than ignore customer complaints, see them as opportunities to excel. Create a culture that *earns and retains loyal customers* while building pride and problem-solving passion in every service provider. When customers are confident about the service you deliver, they'll return, refer, and recommend. When team members are confident about your service commitment and culture, they'll work *enthusiastically* to deliver *uplifting service*.

11. Service benchmarking (SB). Best practices are waiting to be discovered. Häagen-Dazs makes it enjoyable to try a sample. Apple teaches new customers how to get the most from their products and service. L.L. Bean is great at bouncing back if you're not completely happy. To create a *self-sustaining culture* distinguished by *uplifting service*, develop a focused team of service providers who seek to understand: How do other leaders create uplifting service experiences? What can we learn, then apply?

12. Service role models (SRM). Four times a year, the GM of an exclusive hotel in Paris becomes a bellman to get feedback from guests about what they do and don't like about the hotel. He eats and talks with the staff. SRMs *walk-the-talk* daily with *powerful personal actions* so people can see what you do, read what you write, or hear what you say in an *internal or external* service situation.

When all the blocks are in place, you create an uplifting service culture where everyone is fully engaged, encouraging each other, improving the customer experience, making the company successful, and *contributing to the community*. SSE

Ron Kaufman is a popular speaker and author of the New York Times bestseller Uplifting Service. *Visit www.UpliftingService.com.*

ACTION: Create a service culture.

SERVICE/INTERNAL

Improve Service

Treat employees better.

by Jim Clemmer

ONE KEY TO IMPROVING customer service is to *treat employees better*. Marshall Fisher, a professor at Wharton, notes: *When companies treat employees fairly and with respect, they have more loyal staff and attract more talented people*. He cites retailers such as Trader Joe's, Costco, and Nordstrom. "There, customer service staff is not seen as a *cost, but* as an *asset* you invest in."

Jill Donnelly, VP/Customer Service Experts, adds: "Create a great employee experience so those employees can deliver a great customer experience."

How well do you support your customer service employees? Your customer service will improve when the processes, leadership, communication, and learning and development are all aligned to support the service standards and those who deliver on them.

Poorly served employees serve customers poorly. Robert Kelley explains: "Service providers *treat customers similar to the way they as employees are treated by management*. If employees are seen as *unvalued* and *unintelligent*, they'll convey that message to the customer."

Excellence guru, Tom Peters agrees: "No company has found a way to look after external customers while abusing internal customers. Meeting customer needs begins internally."

Most customer service improvement efforts owe their success to *effective employee engagement*. An engaged workforce implements changes more effectively, and if properly guided and trained, they make better service decisions. They're closer to the service delivery process and know from *intimate personal experience*—not theory or model—what works and what doesn't.

Separating *decision makers* from *service providers* weakens service. *In Search of Excellence* coauthor Bob Waterman notes, "Figuring out *how to get something done* is just as important as deciding *what to do.* We're so busy *grandstanding* with *crisp decisions* that we don't involve those who have to make the decisions work."

You can greatly improve service by involving service employees in decisions, since the person doing the job knows better than anyone else the best way of doing that job.

How well are you serving the servers? Jim Bush, EVP/World Service at American Express, says that leading a *customer-focused culture* has a *big impact* on performance. Amex changed their focus on their phone reps, the f*rontline service providers* to their main customers—cardholders and merchants. They started calling them *customer care professionals* and abandoned the transaction approach. They overhauled the selection (hiring) process to find people with the right *customer care attitude*. They also revamped their training and coaching approaches to help their *customer care professionals* build one-on-one relationships in solving customer problems. "Engagement drives value. We serve *customers*, not *transactions*. *Increased satisfaction* drives *increased engagement* with American Express products, and that drives *shareholder value*. Great service is great business. For example, for a promoter who is positive on American Express, we see a *10 to 15 percent* increase in spending and *four to five times* increased retention." Give people *freedom*, *boundary*, and *purpose*, and *hold them accountable*.

Boosting employee engagement improves customer service for two reasons: *relevance* and *ownership*. Managers can be a valuable resource to *frontline service providers* in making *practical* and *relevant* improvements in service processes or systems. When they're *involved* in making improvement decisions, service employees have greater *ownership* for service standards—because *they help to set those standards*. SSE

Jim Clemmer is a speaker, author, and Leadership Guru. Visit www.JimClemmer.com.

ACTION: Treat your service employees better.

MARKETING/INNOVATION

Disruptive Innovation

Lead through the fog of uncertainty.

by Soren Kaplan

DISRUPTIVE INNOVATION (radical change) is now the norm. If we're not proactively *forging novel paths* that change the game, someone else will—and then we'll be forced to adapt to their new rules. Many leaders are not prepared to lead through the uncertainty and ambiguity that characterizes disruptive innovation.

When we experience fear, we tend to respond with risk-averse behavior and poor decision making. This dynamic can create a negative feedback loop. Uncertainty leads to *fear*, prompting *retrenchment* into *safe* behavior. *Fear-based behavior* undermines *long-term success* since it's based on *what worked in the past*, not *what's needed for the future*. When this results in *no progress* or setbacks, *uncertainty* and *fear* go up, reinforcing *risk-averse mindsets* and *retrenched behavior*.

How can we lead through the fog of uncertainty to find clarity, direction, and game-changing opportunities?

Focus on Leapfrogging

A *leapfrogging mindset* seeks to make a leap forward in products, services, business functions and processes.

1. Ask questions. Ask: *In what ways am I holding on to the status quo*? *What assumptions can I challenge? What breakthroughs do I want to create and lead?*

2. Use data with intuition. In times of disruption, comprehensive data rarely exist. *There are no maps for uncharted territory*. We can either wait for data to arrive, or move forward with what we have. The goal is to use what information we can find, and then apply our instincts to fill in the gaps. Ask: *Am I holding back because I'm missing data that can't be obtained in a workable timeframe? What do I know to be true that data can't tell me?*

3. Take small steps. You need to move forward despite uncertainty. Take small steps to see results, learn, and adapt. This helps remove the fear of failure since set-backs can be viewed as learning ops that redirect future action. Ask: *What small step would have the greatest impact? What big assumptions can be tested with the least effort or investment?*

4. Savor surprise. When a surprise occurs, learn what it's telling you. Revisit assumptions. Ask: *What surprises have influenced where I am today? What can I do to remain open to the power of surprise when it occurs?* Bring imperfect ideas to market quickly to learn what works, and modify products, services, strategies and plans along the way.

When traversing uncertainty, we must find direction, overcome our fear of the unknown, embrace ambiguity as a key source of innovation, and use the fog to shape future opportunities. SSE

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ACTION: Adopt a leapfrogging mindset.

Flying Blind

Achieve great service.

by Josh Stern

MANAGERS RARELY RECEIVE an unfiltered, accurate perspective on the service provided to their customers. Feedback is passed through layers of management and scrubbed to such a degree that *the information has a rosy tint to it by the time it reaches the top*. When managers make strategic decisions based on skewed information, they are *flying blind*. What they need is a closed-loop feedback system that provides them with reliable data and enables them to create an action plan for success.

Take Off the Blinders

Eliciting quality, unbiased information about the experience provided to customers is a first step in understanding how to raise the service standards. Senior managers often receive five-star service in their own lives and business dealings and enjoy such treatment when making visits to the company's sites. However, the use of their perceptions and first-hand experiences as their frame of reference hinders development of strategic initiatives and the implementation plans for the field.

The value of data is commensurate with the quality of the collection and interpretation protocols. This is why the purchase of *cheap intelligence* is a poor foundation on which to make decisions for success. A better option is to rely on skilled evaluators who use rigorous and objective methods.

When valid data is put through an analysis process that leads to action, the blinders come off. Knowledge is horsepower in the engine of success; it is only valuable when the engine of action is ignited. Well-planned action steps put the knowledge to work through a well-designed, closed-loop feedback system. When harnessed by a methodical process, the information becomes an incomparable tool for implementing, training and assessing the success of strategic efforts.

Eyes on the Prize

The formula for achieving sustained success is a dynamic equation with multiple variables. Innovation, competition, trends and social/economic forces exert pressure on businesses, requiring them to remain malleable and avoid *complacency*. Organizations must stay in tune with marketplace changes to ensure staying power.

Without a clear understanding of the needs, wants and desires of customers, companies risk failure due to a lack of providing the right product and the right level of service. Accurate knowledge is needed to make the correct strategic and positive adjustments; training to that knowledge is imperative. Simply continuing to do what has been fruitful in the past, assuming it will be sufficient for continued success, results in being left behind competitors who understand the customers' current needs and deliver their services accordingly.

Since competition is fierce because of product similarity and pricing wars, *service is the differentiating key to building customer loyalty and longevity*. "Being on par in terms of price and quality only gets you into the game. Service wins the game," says service expert Tony Alessandra. To raise the service standard, managers need to identify gaps between company expectations of the experience and what customers are actually experiencing. A training program can then be designed, developed and implemented to close the gaps. *This investment delivers measurable returns annually*. The biggest ROI is through *customer retention and repeat business*, which has the compounded fiscal benefit of decreasing the cost of winning new customers (six times the cost of keeping an existing one).

Prescription for Success

Knowing the key performance indicators (KPIs) that drive revenue helps managers make optimal strategic decisions. But KPIs aren't enough to move the needle. Behaviors behind the key performance indicators—*key performance drivers* (KPDs)—are the tactical actions that drive results. These performance drivers are repeatable and trainable, translating into greater profit margins through *reduced shrink*, *higher ticket prices* and *customer retention*. To illustrate, the KPI of increased average ticket price in quick-service restaurants is driven by the KPD of offering samples of a featured item. Assuming the item adds no more than 20 percent to the total cost of the bill, this effort is successful 30 percent of the time. Training customer-facing employees to offer product samples has a big impact on average ticket price, making it worth the investments in training.

The biggest obstacle to improving customer service is the lack of effective training delivery methods. Just as unreliable data impairs the quality of strategic decision making, a training program that isn't properly delivered won't result in improved experiences for customers. *A training program is only as good as its delivery.* Individual store managers often lack the skills and experience to effectively and consistently train customer-facing employees. If they do possess such skills, they often are quickly promoted to the next level of management, leaving a training void in their wake. So, you need to equip and enable front-line managers with a custom program with which to implement training. Provision of messaging and material will ensure consistent delivery across the enterprise, improving the customer experience uniformly and aggregately. In turn, the *corporate image* becomes synonymous with excellent customer service at all locations.

Vision Checks

On-going evaluation is required with training modified and adapted to accommodate necessary course-corrections. With regularly scheduled training, desired skills become ingrained into customer-facing employees' behavior patterns, resulting in a positive impact on the company's bottom line.

Strategic decisions are only as good as the data upon which they're made. This is why reliable and insightful information is a precious resource. Accurate feedback is key to discerning what action steps can be taken to improve the customer experience. Eliminating the tunnel-vision that obscures service mistakes ensures the errors won't be repeated and can be replaced with behaviors that win repeat business. Timely, accurate data is the tool that enables managers to determine and implement *the best measures* for corporate success. SSE

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ACTION: Take off your blinders.

MANAGEMENT/BUREAUCRACY

Bust Bureaucracy

It's the enemy of customers.

by Eric J. Romero

BUREAUCRACY IS BASED ON the assumption that control, predictability and certainty can be created by management. This is mostly *nonsense*, particularly in today's hyper-change environment where *flexibility* is essential. *Bureaucracy* is the opposite of *flexibility* since it dictates what workers should do. This is achieved by rules, polices, procedures.

Many companies have thick policy manuals that restrict what staff can think and do. People are required to follow a procedure or policy, even if the situation requires a different course of action. *The fact that many rules and policies are outdated, unnecessarily restrictive, and costly doesn't seem to bother control-minded managers who keep them*.

Bureaucracy places unnecessary limits on the thinking and actions of individuals confronting problems that require a new solution. It prevents new ideas from emerging or even being considered. Why think about the many tasks that the policy book says you can't do? *Over time, the result is apathy and poor performance*. Just look at government, the ultimate bureaucracy.

In places where people are ostracized or fired for making negative statements about the leaders or policies, we see an endemic lack of initiative, passion, and sharing of ideas. The result is a lack of *creativity and flexibility*.

Become Creativity's Ally

To build a creative culture, eliminate bureaucracy. Some policies and rules are needed for repetitive tasks, when the situation is unlikely to change (surgery, handling cash, processing nuclear-fuel). However, when it comes to making decisions in a dynamic competitive environment where creativity, flexibility and risk-taking are needed for innovation, *bureaucracy must be eliminated* to give people the freedom to experiment and try new ideas that best fit the situation.

When Gordon Bethune, former CEO of Continental Airlines, was hired, one of his initial acts was to *burn the company's policy manual* as part of the turnaround of the company. He removed policies and rules that prevented staff from providing great customer service and replaced them with *general guidelines and principles*. The airline went from the *worst* in customer service and other measures to being the *best*.

Giving your followers freedom leads to creative solutions and ideas. Over time, creativity spurs more creativity. Large-scale creativity can be built on lower-level ideas (technology in electronics and computers works this way). Likewise, innovations in employee selection lead to innovative training and unique capabilities that are the basis of innovation.

How to Destroy Bureaucracy

- Trust skilled, motivated and committed staff to make decisions related to their jobs.
- Replace rules, policies, and procedures with *general guidelines or principles* that help people make decisions that are best suited to their situation and consistent with organizational goals.
- Don't punish mistakes or decisions that don't not work, rather use these as learning opportunities.
- Accept that you operate in an uncertain global environment that requires *flexibility and innovative solutions*.
- Ask staff to tell you *what prevents them from doing their jobs better*. Identify rules and policies for removal.

Removing bureaucracy helps you respond to change with *flexibility* and take the reasonable risks needed to do things differently from the competition. The result is *improved innovation, competitiveness* and *happier customers*. SSE

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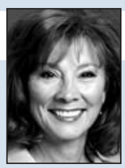
ACTION: Be easy to do business with.

MANAGEMENT/TEAMS

Virtual Teams

Try five collaboration tips.



by Carol Kinsey Goman

VIRTUAL COLLABORATION enables talented peers to work together, regardless of location, and organizations to mine the *collective wisdom of dispersed people*.

Virtual collaboration comes with unique challenges. It's tougher . . . to get virtual teams (VTs) to bond, to create genuine dialogue, to avoid misunderstandings, to schedule meetings, to conduct meetings in a language that may be a secondary one, to deal with cultural issues, and to cope with *different protocol* in decision-making, authority, time, negotiation styles, and emotional reactions.

To experience the power of *virtual collaboration*, try these ***five tips***:

1. Increase cross-cultural awareness. Seek to understand the challenges that global team members face. For example, conducting *virtual meetings* in English often results in *code switching*, as participants in remote locations switch back to their native language in *off-line* conversations about items covered. Then, English language speakers report feeling dismissed. A frank discussion can bring increased empathy.

2. Co-create team rules and norms. All collaborative, cross-cultural, and VTs need to agree on standards and expectations for communication, decision-making, conflict resolution, and meeting protocol. Also, clarify team *goals* and *priorities* and individual roles, responsibilities, and accountabilities.

3. Build virtual trust. Trust is the glue that bonds team members and builds commitment and engagement. To help VTs bond, use *virtual settings* (room maps and seating charts), pictures and short bios of participants, and artifacts that unite the team (team logo or slogan) distributed to all sites. Take a few minutes in meetings for *small talk* to build *personal relationships*.

4. Mix communication mediums. *Lean* mediums (emailing, texting or typing in a chat window) transmit *less information* and *few social signals*; they are poor transmitters of *emotion*, *intent*, or *humor*. Richer mediums like *telephone calls* and *teleconferences* give listeners access to vocal clues. Video-conferencing allows people to view facial expressions and hand gestures. *Online virtual worlds* employ the *norms* of real-world *nonverbal behavior*.

5. Make the first meeting face to face. Face-to-face interaction is an information-rich channel in which voice, body language, proximity, eye contact, and touch are all present to give deeper meaning to our messages—and allow us to gauge the responses of others. Enabling people to get *up close and personal* helps to sustain team spirit and increase productivity when participants return to their workplaces. SSE

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ACTION: Build trust to help bond teams.

Truth about Customers

You won't want to admit these seven.

by Chip Averwater

YOU MIGHT SPEND MUCH OF your day trying to figure out how best to serve your customers. But frankly, customers and their motivations can throw even the best retailers for a loop.

We often hear that *The customer is always right*. Anyone who has worked in retail knows *this isn't always true—sometimes customers are wrong.* They misunderstand products, what a store can do, how business is done, what pricing is realistic, and so on. But, if you don't want your retail store to join the 95 percent of failed ventures, know that even when the customer is *wrong*, he's *right*.

You must come to terms with this retail truth. If you show customers they're wrong or how much they don't know, you only embarrass them and increase their unhappiness with you. It's more productive to swallow your pride, apologize for the *perceived injustice*, and make it *right*. Your win is *getting the business and keeping the customer*.

Every shopper chooses one store for his purchase—the one he feels offers the *best value*, not just quality and price but convenience, selection, security, and atmosphere. Sure, customers come with complaints and eccentricities, but when they choose your store, you should feel honored. *When you love your customers, warts and all, your business will be better*.

Here are seven *customer reality checks*:

1. Retail rarely gets rave reviews. *Most shoppers agree that the typical retail experience isn't good.* Many say they *hate* to shop—stores are crowded, parking is distant, help is rarely available, lines are long, salespeople don't know the products. Considering all the talented people focused on these problems, *why can't retail rate better satisfaction?* Consumers experience retailing almost daily and become highly discriminating in their standards. They often see excellent examples of particular aspects of retailing, but rarely does any retailer get it *all* right at once. And retailers who manage to get it all right are too expensive to be competitive. So, accept that you'll get little sympathy from customers. Their patience is thin, their budgets stretched, and they're aware of their power to take their business elsewhere.

2. Be-backs don't come back. When a rookie hears the words, "I'll be back later," he congratulates himself on a *sale*. An experienced retailer knows that *a sale just walked out the door*. Customers say, *I'll be back* to extricate themselves from the situation without disappointing the salesperson. Even customers who believe they'll come back seldom do—they get distracted, lose motivation, find other options, or procrastinate. When a customer says she'll *be back* or asks for a card, ask if you've answered her questions. With persistence, you may convince your *be-back* to *come back*.

3. Happy customers come and go; unhappy customers accumulate. Except for your few loyal *die-hard* customers, your *happy customers* aren't necessarily customers for life. *Satisfied customers* might do business with you again since you've proven to be a *trustworthy source*, but you're still one of many. However, dissatisfied customers have long memories and tend to *warn others away.* They are expensive enemies. It's worthwhile to *actively look for unhappy customers*, open a dialogue, and try to make up with them. Often, a little attention turns them into equally *vocal advocates*.

4. Complaints are signs our customers want us to do better. No retailer likes to receive complaints, so it's tempting to write them off as flukes. But here's the hard truth: *When a customer complains, it often means many others feel the same way but don't bother to tell us*—they just take their business elsewhere. So, one complaint represents an opportunity to improve service to *all* of your customers. Welcome the few customers who tell you what needs improvement.

5. Low prices won't excuse poor service. Most shoppers recognize *price/service trade-offs*—they can have low prices or they can have good service, but not both. After all, *great service in retailing isn't a secret formula*—it's mostly a matter of *the quantity and quality of a retailer's employees*. *Every* retailer could improve service by hiring more and better people—if price competition didn't constrain expenses. Retailers must find a balance between service and price. Sometimes a cheaper price with lower service works out, but often it leads to disappointment and dissatisfaction. Never believe that poor service doesn't matter if your prices are low enough.

6. Saying "take it back where you bought it" alienates customers. You encounter customers who ask for help with a product they purchased *elsewhere*. If *elsewhere* is a major competitor, it's tempting to rub the customer's *mistake* in: "Why don't you take it back to them?" "Can't they fix it?" "Now you see why their price is lower." But in this situation, accept that the previous deal is done. At issue now is who gets the next one. These customers are coming to you because they are unhappy with the competitor's transaction. Do you want to send them—and their money and possible future patronage—back?

7. You don't see your competitors' happy customers. When customers come to you because they're dissatisfied with the competition, you're tempted to assume that they represent *everyone* who does business with your competitor. However, *the complaints you hear about your competition aren't a balanced picture*. Only their *dissatisfied* customers come see you—their satisfied customers have bought, are happy, and have no reason to be in your store.

Whether the result of *mistakes*, *misunderstandings* or *unrealistic expectations*, even a great store has a few unhappy customers. Although sometimes vocal, these disgruntled shoppers are usually not representative of typical business experiences with your competitor. Remember: While you're seeing *their* mistakes, they're seeing *yours*. *Agitating* and *aggravating* are likely to be *repaid in kind*.

Since you want to make customers happy, these truths can be *hard to admit*. You don't want to think about customers not liking your store, or feeling that you've mistreated them, or wanting to take their business elsewhere. But, *these things happen every day in retailing*. When you admit these truths, you can implement ways to keep your customers happy, keep them coming back, and keep them buying from you! SSE

Chip Averwater is a third-generation retailer, chairman of Amro Music Stores, featured speaker and author of Retail Truths: The Unconventional Wisdom of Retailing *(ABB Press). Visit www.retailtruths.com.*

ACTION: Come to terms with your service truth.

SALES/BRIDGE

Poor Sales?

Build a bridge to clients.

by Steve Gareau

ARE YOU HAVING TROUBLE sealing the deal with your prospects? Building long-term client relationships is like building a bridge. You don't see the foundation of the bridge, because most of it's not just under water, but also underground. If there are cracks in or structural issues with the foundation, the bridge can collapse. The foundation needs maintenance, just like the foundations of your sales career.

To build your foundation and bridge with your clients, ***take six steps***:

1. Start right: Make a good first impression. Your first meeting with a client is vital. You're there to sell two things—your company's products or services, and yourself. Customers won't buy unless you can convince them of the value of both.

2. Create a common bond. Since *people buy from people they like and trust*, seek to create a common bond with the other person. When you are in the prospect's office, take stock of what's around you to understand their working style, personality and values. Use memorabilia, pictures, diplomas, trophies, or awards as hints to figure out what you have in common.

3. Talk in terms of their interests and values. Once one of my salespeople came to me with a problem. He'd been calling on a major pet supply company for some time, with no success. "The manager, a nice guy, likes to see me, but I never get any orders."

I went with him on his next call and saw that the manager's office had a fish tank. The space was filled with antique fishing gear, pictures of fishing, stuffed fish and books about fishing. My salesperson was an avid fisherman himself—yet never talked about fishing. So, I suggested: "Send the prospect an e-mail thanking him for the meeting, and say that we'd like to work with his company. Mention your mutual interest in fishing, and lend him a book from your collection on bass fishing." That was the start of a great friendship, and the pet supply company became a major customer.

Clues to the person's interests and values aren't always obvious, but with practice you'll learn to pick them up.

4. Show how you can help them achieve their goals. As part of your discovery, tour the company's premises. Show interest in what their company does, and you'll pick up clues about how best to help them achieve their goals and what's important in making the business relationship work. Offer a tour of your own company's operations as well, so the other person gets to understand what you and your company are all about.

5. Be proactive, even when you're not on a sales call. Develop wide interests. Be able to play a sport and be informed about sports in your area. *Sports tend to indicate personality*. Tennis players tend to be competitive and like to win, they appreciate a strong opponent. Fishing enthusiasts study a situation, make their plans, drop their lure in the right place, and wait. If prospects participate in team sports like hockey or basketball, they likely value a team approach. So, express yourself in *team terms*. Say, "We'll do this." Also, know what topics to stay away from in conversation (usually religion and politics).

6. Soon after each meeting, take time to put new ideas and information in writing. Do it while the meeting details are fresh in your mind. Note areas you have in common, indicate what about the call was positive and what was negative. That way you'll be in position to build a good relationship in the future.

Use these tips to attract and keep clients for the long term with a mutually beneficial working relationship. SSE

Steve Gareau is author of Building Your Bridge to Sales Success *(amazon.com) and works as a consultant, speaker, and mentor. Visit www.bridgeseriesbooks.com.*

ACTION: Build solid relationships.

SALES/STRATEGY

Sales Strategy

Try these five tips.

by David Mattson

YOU CAN GENERATE MORE *sales* and build a solid client base with five tips:

1. Hire salespeople according to the person your business requires. Many managers hire to fill an existing need, not with a view to grow the company. Making a bad hire wastes time and energy. The ripple effects could kill the business. To avoid this fate, create a ***SEARCH*** model to evaluate potential candidates: ***S****kills—what skills does the person need to succeed in this position?* ***E****xperience—what previous experience does the person need to succeed?* ***A****ttitude—what attitude should he or she have?* ***R****esults—what results should the person have achieved to be of benefit?* ***C****ognitive—what cognitive skills does the person demonstrate?* ***H****abits—what work habits are necessary?*

Design *criteria* to help you identify whether potential employees meet the objectives of your SEARCH model and is *the right person* for your company.

2. Create a common sales approach. You'll be hiring from the outside, and promoting from within. If you are the only salesperson at this point in time, you need to fully document what you do, and how you do it. Understand what actions lead to achieving desired results. Then new salespeople can follow the steps. This enables you to evaluate if they're doing a good job and where they need help. But avoid *telling* new hires to, "Do what I do." Provide a map to follow and, at the same time, *learn from their experiences*.

3. Create a behavioral plan to clearly define each job function: *what needs to be done every day to produce revenue and/or customer satisfaction*. People need to know what's expected of them and how to spend their time. If you don't tell people to spend 30 minutes daily proactively prospecting new accounts, they'll spend their time *schmoozing* existing customers.

4. Train and coach to a process. You need to develop your staff and measure the results; this requires a solid training plan. Training and coaching should be a daily activity that is *seamlessly incorporated into management responsibilities*. Note how much time you spend on staff development and then ensure that you measure performance and use the outcomes to promote improvement.

5. Create a culture. Ask yourself: *What culture do I want to create? How will I do that? How am I going to set the example for this culture? How am I going to communicate the culture to my people? What do I want them to do?* Creating a positive, productive culture should be a top priority. Southwest airlines follows all five of these strategies. Its success proves that such strategies do work. SSE

David Mattson is CEO of Sandler Training which released its latest book, Sandler Success Principles*—the companion to* The Sandler Rules*. Visit www.sandler.com.*

ACTION: Try these five sales tips.

Measure Leverage

Get more of your desired results.

by Rick Davis

ONE BIG SALES CHALLENGE is the quarterly earnings report. It adequately measures success or failure *after* the fact by looking at *past* results while providing little insight into *future growth* opportunities. *It's like driving a car while looking in the rear-view mirror.* You know where you've been, but have no idea what direction you are heading.

Successful goal setting requires *leverage* that links to future results. *Leverage* is the actions that produce future results. For example, the extent of your weight loss program can be stepping on the scale in hopes that pounds will magically melt away. A better plan is to *exert the leverage necessary to predict future weight loss*. Exercise for 45 minutes . . . five days per week. Count your calories . . . every day. If you are not willing to measure the primary inputs that produce results, then you will never achieve your goal. In other words, measuring results—your weight—is vital, but *secondary* to the *primary* measurements of diet and exercise. It is the same in business.

CEOs and CFOs *step on the scale* of monthly and quarterly sales data with the hope that goals are achieved. If projections aren't met, they blame the sales team. Pressure for results escalates. Salespeople and managers promise to try harder. If projections are met, praise is offered. In both situations, future sales results are still based solely on hopes and dreams for a better future. Missing from the dialogue is the measurement of leverage.

Sales goals must be seen as *secondary* metrics of sales performance. Your *primary measurements* should be the inputs —*leverage*—that create *predictable results*.

I've come to ***five conclusions*** that can help you achieve future sales goals.

1. Success can be accidental. Sales results are not an accurate measure of performance. The housing industry provides a clear illustration of *accidental success.* We've all seen stories about the housing crisis and the *75 percent reduction in housing production* over the past half-decade. However, because of remodeling expenditures and hail storms, roofing is off only 40 percent during the same period. At the same time, roofing prices have more than doubled in that time. The result is that manufacturers and distributors of roofing products have earned *record profits* while the remainder of the industry experiences severe problems. *In other words, roofing companies are thriving—accidentally*. The only way to *succeed on purpose* is to outperform your competition, not merely rise and fall with them in the industry tide.

2. The 'Primary' is difficult to measure. It is easy for salespeople and managers to measure the *secondary*—sales results, which are provided by your computer system at the end of each month, or day! *Primary* measurements are not available at the touch of a button. They require discipline and a commitment to self-honesty and tracking by hand, every day.

For example, a car dealership can easily tell you how many units were sold and the margins earned on each transaction. To create better predictions about *future sale success*, the dealership's sales manager needs to track the number of prospects walking through the door, closing ratios, rate of repeat customers, and other points of *leverage*. The challenge of measuring leverage is that the salespeople and managers—involved in the process must be the keeper of records.

The fact that leverage is hard to measure and requires discipline is what makes it a competitive advantage. Every competitor in the market can tell you what their sales and margins were—after the fact. Only the *most disciplined* can identify the *measures of leverage* that will affect future sales.

3. The 'Primary' must link to your sales goals. Imagine that the car dealership's manager recognized that closing ratios on new prospects were in 18 percent while repeat clients closed 41 percent of the time. Further imagine that the manager investigated past records and discovered that less than 30 percent of the dealerships past clients were engaged in a follow up dialogue after their purchases. Two points of leverage could be exploited to improve future results: 1) the dealership might not boost traffic, implying that the only way to improve results with new prospects would be to increase closing ratios (ideally the marketing department would also be involved to determine what methods might increase traffic); and 2) the sales manager could work with his team to have a direct impact on future sales by measuring the leverage of follow up dialogue. Instead of tracking at 30 percent, the manager could ensure that the after-sale *conversation* includes a personal phone call, a thank you note (hand written in cursive writing!), a tour of the service department, and periodic dialogue to determine when clients will make their next purchases. (In the case of leased cars, the salesperson and sales manager know the exact date the next purchase will take place!)

Assume that the manager increases follow up dialogue to 80 percent. Even if closing ratios for repeat purchases drop off, the end results will still be dramatically improved. The key is to *discover behaviors* (leverage) that can *be measured* and *linked to future results*.

4. Primary measurements are not an event. Sales success is a *discipline*, much like diet and exercise. It's something you do every day. Your primary goals must be broken down into smaller time frames that can be measured regularly and corrected on the fly. (I'm now calling primary goals the behavioral leverage to achieve results—the results being *secondary*.)

5. Success is cultural. I advocate a *complete cultural change* so that primary measurements such as prospecting, database growth, and closing ratios are benchmarks of sales success. I've seen that most sales teams celebrate the success of one or two performers based on their results at the end of the year. Successful sales departments celebrate the little actions (daily leverage) that create big long-term success.

If you only measure results, success is a matter of luck. *Wishing* isn't the same as *doing*. You can read the monthly and annual financial reports and hope that sales success falls in your lap. You can stand on the scale every day and hope you reach your weight loss goal. I suggest that you *actually do the exercise.* **SSE**

Rick Davis is a speaker, president of Building Leaders, a Chicago-based sales training organization, and author of The Sales Secret. *Visit www.buildingleaders.com.*

ACTION: Create predictable sales results.

SALES/SUCCESS

Success in Sales

You just have to be you!

by Bryan Flanagan

SOMEONE ONCE SAID, "TO be *successful in sales* you need to be as *bold* as Donald Trump, as *driven* as Hillary Clinton, as *glib* as Bill Cosby, as *analytical* as Bill Gates with a *smile* of Meg Ryan." All false! ***You just have to be YOU***!

You don't have to have the same selling style, personality, or behavioral traits as ***Zig Ziglar***, as your sales manager, or as the top performer in your office. You just have to be YOU.

You were hired because of your values, beliefs, and convictions. You weren't hired to be someone else. The only element you offer your clients that is totally *exclusive* is YOU.

You should use this to your advantage. *You* are the only unique sales advantage that you have each time you face a competitor. You should communicate that unique advantage each time you interact with prospects.

People don't buy from you for five reasons. The first four are easy to deal with: *no want, no need, no money,* and *no hurry*. As a professional salesperson, you deal with those four each day. The fifth reason—*no trust*—is difficult to contend with. You can only build trust by being yourself. You earn a person's confidence by being consistent over time. You win people over by sharing and exhibiting your values, beliefs, and convictions with them.

Be a Professional

The key to being professional is the ability to develop in three ways.

• ***Develop your knowledge.*** You never *graduate* from selling. Invest time, energy, emotion and money in developing your knowledge. Gain enough knowledge about your products or services so that you develop a strong passion for what you sell. Zig says that *selling* is nothing more than *transference of feeling*. If you can transfer *how you feel about your products or services* to the prospect, you'll have a customer for life. To develop passion, you need to see the benefits of your products or services in action. If possible, *you need to use your products or services* to gain a first-hand, personal feel for the advantages you offer. Visit *satisfied customers* and note how your solutions contribute to their success. Suggest that customers write testimonials to *spark passion* for your solutions.

Zig Ziglar is a great role model of *a constant learner.* Every Monday morning, we conduct a 30-minute devotional. When Zig attended, he sat in the front row and *took notes*. Here's a man who has written *31 books!* When he spoke, *we* took notes. Yet, he sat there, taking notes and continuing to learn. *You never graduate from learning*.

• ***Develop your skills.*** Professionals invest in their *selling skills*. They study, read, listen, observe and ask questions. Once, when I managed a sales team at IBM, I asked Mary, *one of our best salespeople*, to give me *the top five prospects* she would call on after we announced a new product. She refused to give me her *top five prospects*, saying, "I don't call on my *top five prospects*. I call on my *bottom five prospects* who won't buy from me—to learn how to sell to them." What a great lesson to learn!

• ***Develop your attitude.*** I'm a baseball fan. One of my favorite players was *Ernie Banks* of the Chicago Cubs. Ernie never won a *world championship* (he once held the MLB record for most games played without ever playing in a World Series). Did that impact his attitude? No! Ernie was *Mr. Cub*, known for his positive attitude, his love for the game, and his favorite expression: *Let's Play Two!* What a great attitude and example. You may not win every sale, but you can have a winner's attitude.

Take the time to develop your skills, your attitude, and your knowledge. SSE

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ACTION: Earn trust by being yourself.

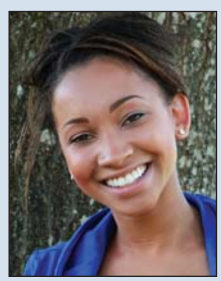
SALES/LESSONS

Five Sales Lessons

I learned these from my dog.

by Monika D'Agostino

MY WHOLE LIFE I'VE WANTed to own a dog, but my busy schedule kept me from owning one. Three years ago, I realized that by adopting a dog I could get daily, healthy exercise and have a necessary reason not to work without interruption, therefore reducing my stress level.



It's been a glorious journey. Adopting ***Rhondo***, our male Boxer-Dalmatian mix from the Humane Society has been a rewarding experience.

Rhondo is a compassionate and attentive companion. *He attends to every move I make* and tunes into my mood and energy.

At times, I feel that my dog has more intuition than many salespeople. One friend recently asked me to write about the *lack of attention* salespeople pay to those they call on. She reported that in their eagerness to get their pitch across, *they fail to pay attention and listen.* They never ask if it' a *good time to talk.*

In contrast, my dog Rhondo hardly ever interrupts my thoughts or work because he intuitively feels when I have time to play or when I am focused on something else. The way I move and sound provides hints to my dog. Rhondo is in my office with me every day. He never barks, or even makes a sound. He lies on the office couch until I put my headphones back into the holder, making a gentle click, signaling to him that I'm ready for a break. But it's not until I get up and tell him that we are leaving the office that he follows me.

Granted, telephone sales calls are different, since you lack visual clues; but if you listen and pay attention, you'll pick up on other clues to inform you how to move forward. So here are Rhondo's five sales lessons:

1. Ask if it's a good time to speak.

2. Never start a pitch by mispronouncing the person's name. It's unprofessional and rude.

3. Find a way to emotionally connect. Nobody wants to *be sold to*, no matter how attractive the offering. If you can't connect to a person emotionally, they won't listen to you. My dog learned this the hard way. He now knows that eagerness and barking only result in *being banned* from the couch.

4. Show authentic interest in your prospects. Salespeople who don't focus on the human facets of conversations won't sell much. Worse, *they leave a bad impression*. My friend discontinued the dialogue with the salesperson, not because she wasn't interest in the services but because the salesperson wasn't interested in her as a person.

5. Pay attention to the people you are communicating with, whether you are a human or a dog. SSE

Monika D'Agostino is founder of Consultative Sales Academy and author of Dating and Selling. *Visit www.consultativesalesacademy.net.*

ACTION: Apply these five sales lessons.

Price Discounting

Stopping the vicious cycle.

by Mark Hunter

WANT AN INTENSE DISCUSSION? Put a chief financial officer in the same room as the VP of sales and ask them to discuss pricing. The CFO will be quick to point out the amount of profit lost due to discounting, and the sales VP will be quick to talk about how sales will fall if they don't offer discounts.

The problem is that both sides are arguing about something that doesn't even need to be discussed. The relevant question is not about *discounting*. The question is about *customer confidence*. The battle with the customer over price is won or lost long before price comes up in a selling situation.

Salespeople love to talk about how they have to *create value* with the customer, but value is a result of several components, primarily *benefits*. Customers will pay up to the amount they feel the benefits are worth. At this point we have to look at *what is behind the benefits*, and the most important thing backing up benefits is confidence.

At the core of what a person/business will pay for anything is *the confidence they have in you and your proposal*.

Stop and ask yourself two questions: ***What is the level of confidence I exhibit when I am talking with a customer? What is the level of confidence the customer has in me and my product?***

This is where the discussion needs to be focused when it comes to pricing. Price and confidence are vitally connected: As the confidence increases, so too will the price.

If we accept the role confidence plays in not only securing a higher price, but also in avoiding having to discount, then we can begin to attack the problem. When the salesperson is not confident in basic information or is using body language or a tone of voice that is anything but confident, then how do you think the customer feels? The customer picks up on things much faster than we realize, and once they have lost confidence in the salesperson, it is extremely difficult to get it back.

Let's not confuse *confidence* with *arrogance*. Arrogance is most commonly displayed in two ways. First, the salespeople view themselves as superior to the customer; and second, salespeople demean the customer in words or actions. Either way, the customer will quickly tune the salespeople out and begin to doubt that they have the customer's best interests at heart.

On the other hand, confidence is exhibited in a salesperson's body language and verbal language that is focused on listening to the customer and helping the customer understand their needs. The result of this confidence is the customer is willing to share more information with the salesperson. This then allows the salesperson to share more with the customer. As the level of confidence grows with one person, it grows with the other, all while increasing the level of dialogue.

Building confidence can start easily by engaging in a deeper level of conversation with the customer. This happens when salespeople ask follow-up questions. Those who are not confident are hesitant to ask any questions, and they certainly won't spend any amount of time following up on something the customer shares.

Being deliberate in not only asking questions, but also asking a follow-up question on anything the customer shares, is a prime skill for a salesperson to develop. This increases the level of confidence the customer has in the salesperson significantly. If we believe more confidence equals a higher price, then this technique alone deserves focused attention.

Now let's talk about what the impact of higher confidence does for the salesperson. It starts with resisting the temptation to discount a sale to be able to close a deal. I've always felt far more discounts are given to customers due to the lack of a salesperson's confidence than are demanded by customers. Simply put, salespeople cave on price far too quickly.

Giving price discounts to close a deal can become addictive. All it takes is for the salesperson to cave and offer a discount to close one deal, and I can almost guarantee the salesperson will do it again soon thereafter. Worse yet is the pace with which they begin giving discounts will only increase, and within a short time, they will be offering discounts to nearly every customer.

The entire time they're offering discounts to customers, they'll justify in their mind why the discount is so important. They will come to believe the only way they are able to close any sale is by offering the customer a discount. The sad part of this entire string of events is lost profit. The salesperson lacked confidence in their sales process and, therefore, sabotaged profitability. Just as confidence is critical in the mind of the customer, it is just as critical in the mind of the salesperson. Both levels of confidence work in tandem to support and build each other.

Build Confidence in Three Ways

Salespeople can build their level of confidence in three ways: 1) they need to believe they can make a difference with the customer; 2) they need to believe they have the ability to not only communicate effectively, but also listen intently, to the customer; and 3) they need to know that it is okay to simply walk away from a prospect who continues to make unreasonable demands.

The third point is absolutely critical in building confidence. If the salesperson is not comfortable in knowing they may have to walk away, then they will become victim to the demands of the customer. Once a customer knows the salesperson will not walk away and is desperate to close the sale, there is no level of discount the customer won't ask for. It's at this point where the salesperson's confidence will not only crash on *this* sale, but will begin to negatively impact any future sales.

Maximizing the profit on a sale thus comes down to one over-arching item: Confidence. It's the confidence the customer has in the salesperson and their proposal and the confidence the salesperson has in themselves and their process that will determine the profit made on every sale. Yes, other factors may enter into the situation, but none will have as big of an impact on both the top-line and the bottom-line than the level of confidence. SSE

Mark Hunter, The Sales Hunter, is speaker and author of High-Profit Selling: Win the Sale Without Compro-mising on Price. *Visit www.TheSalesHunter.com.*

ACTION: Boost confidence to avoid discounting.

SALES/TRUST

Build Trust

Or risk losing clients.



by Amy Castoro, Woody Allen, and Peter Luzmore

IN A RECENT STUDY OF OVER 5,000 PEOPLE who use financial advisors and have defected from one advisor to another, more than *80 percent* do so, not because of bad products or weak portfolio performance, but because *they had a poor relationship*. Since it's far more expensive to *win new clients* than it is to keep current ones, we decided to ask: What is a *poor relationship*, and how can it be detected in time and repaired so that clients are satisfied and retained?

When we asked successful high net worth financial advisors (whose client retention rates average 98 percent) what is *the key factor* in retaining clients, *every one of them* said ***trust***. When asked *how they build trust* with their clients, many stated: "It's innate or instinctive."

We believe that *trust is a skill that can be learned*. The *instinct* for trust is always on alert and deeply wired in us. The *gut feeling* that tells us whether we can trust someone or not is a powerful tool for navigating our relationships. Dr. Albert Mehrabian asked, *Why do we trust someone?* His research reveals *trusting someone's message is influenced 7 percent by content, 38 percent by voice, tone and tempo, and 55 percent by body language*. If we consider voice and body language as products of our physical presence, then *93 percent of our communication comes through how we say it*.

In his book, *Building Trust,* Fernando Flores notes that a key to building trust is establishing a *"shared understanding"* so that all parties feel their core needs are met. For example, fully understanding the client's stated *risk tolerance* and ***recurrently*** taking action aligned with that is an observable way to *build trust*, while pushing new products or recommending risky investments to a conservative client is a way to *break trust*.

How do you know if you have a shared vision with your clients? Ask questions such as: *What has changed since we last met? What have we learned in the last few months? Are you mutually satisfied with the frequency of communication?* Building and maintaining trust is not a one-time event, but an ongoing process.

If you seek to take *exceptional care* of your clients, you need to have the *difficult conversations* required. What happens when a promise to a customer is broken? What are you pretending not to know—or to know that you don't? Pay attention to moments in a conversation when you avoid a difficult topic or do not divulge the total truth. Simple *opening lines* such as "I realize I didn't follow through on x, and I apologize" or "We need to have a *conversation* about your account" can open the conversation.

When *sincerity* is questioned on either side, the relationship is weakened. And in turbulent times, the strained relationship may not survive. Your clients are assessing ***you*** (distinct from *your performance*) relentlessly; their instincts are a formidable tool for them, and so you should be building trust through authentic and honest communication.

Trust is often destroyed by *cordial hypocrisy*—manifested by avoiding the difficult conversations with your clients. Beyond being competent in reading the world from a financial standpoint, high accountability, and authentic communication, collaboration and alignment between you and your clients are vital for *trust building* (and the customer's assessment is the one that counts). SSE

Amy Castoro, Woody Allen, and Peter Luzmore are partners in Synthesis LLC. www.synthesis-llc.com

ACTION: Seek to establish shared understanding.

SALES/QUESTIONS

Provocative Questions

Ask them to get valuable answers.

by George F. Brown, Jr.

BONO, U2'S LEAD VOCALIST, once observed, "We thought that we had the answers; it was the questions we had wrong." Several years ago, after completing an interview with one of the largest customers of a client, he told me that he enjoyed the discussion, saying "I usually don't look forward to these sessions, but you asked some *provocative questions*."

Asking provocative questions is a key way to gain insights that yield an *Ah-ha* in terms of the potential for new value-creating actions. So, to get valuable answers, *get the questions right.* You gain unexpected, high-value insights by asking *provocative questions*. Here are four such questions:

- ***What would it take to get customers to pay 50 percent more for our product?*** This question forces you to consider how you might add *greater perceived and actual value* to merit such a price increase.
- ***What keeps our firm from growing at double-digit rates?*** Or, *from doubling our current growth rate*? I visited Detroit recently and saw that the auto industry is showing renewed signs of life and profitability after being in distress for most of the past decade. That history made me worry about even asking this question of a supplier, but the response —*"supply chain constraints"*—was totally unexpected and opened the door to a vital conversation. Another time, the question was first met with a rather long silence. The executive replied, "Our product development process takes too long." The discussions and actions that followed yielded some major changes, and a success story in that the firm involved actually reached double-digit growth rates last year.
- ***If your CFO called and said, 'This is a one-time thing, but you need to spend $1 million in the next three months,' how would you spend it?*** Responses to this question trigger insights. Many help define key unmet needs, leading to ideas as to how those needs can be met without having the CFO call asking for help in ramping up spending. Other responses provide a preview of future spending that is clearly in the plans, if not the budgets.
- ***If your CEO announced, 'THAT firm buying into our industry will change things,' what firm do you think had him so agitated?*** This question yields fascinating discussions about *what it is about the firm that makes it such a fearsome prospect.* One firm was cited because *it could trigger vicious price competition*. Another because *its healthy balance sheet enables it to make some investments that could transform the industry*. Another has a strength in e-channel sales. Identify the game-changers and do contingency planning.

Posing *provocative questions* yields *Ah-has*—and *motivates actions* that *create value* for customers/shareholders. SSE

George F. Brown, Jr., is CEO of Blue Canyon Partners and coauthor with Atlee Valentine Pope of CoDestiny: Overcome Your Growth Challenges by Helping Customers Overcome Theirs *(Greenleaf). www.CoDestinyBook.com*

ACTION: Ask provocative questions.

Sales Messages

Craft clear concepts.

by Martha Guidry

EVERY PRODUCT OR SERVICE needs a *positioning concept*—the foundation of all marketing. Many marketers forget about the art and science of concept writing—the crisp communication of the consumer benefit—focusing more on the human connection to the product or all the features offered.

Brands known for their fanatical cult followings—like Trader Joe's, Lululemon, Vespa and Yuengling—create a *special connection with their consumers*. Cult branding is not about expensive marketing campaigns or hyping up a product or service and hoping consumers will incorporate it into their life.

The key to crafting a successful brand from the start begins with ***CLeAR*** thinking. When creating a brand concept, three areas must intersect—***C****ontent*, ***L****anguage*, and ***R****elevance*. Creating a winning positioning concept—a concept that makes the target audience get excited and desire your offering—is basic to the success of launching any product or service.

Engage in CLeAR Thinking

An effective marketing message—for advertising, PR, and social media—to sell any product or service is contingent on getting the *positioning concept* right while effectively targeting your audience and staying consistent with your current brand equity. The most challenging part of this equation is the *positioning concept*—a promise a product/services makes to resolve an unmet customer need, the reason why it will satisfy the need, and a description or portrayal of any key element(s) that will affect the perception of the product. Unlike a core idea concept, a positioning concept communicates the ***benefit*** to the buyer and selectively uses claims that support that benefit.

Why is identifying the positioning concept so hard? The concept is not just about writing words about your product or service that you like to hear or think your target customer/consumer would like to hear. It is about finding the sweet spot at the intersection of three critical areas Content, Language, and Relevance (*CLeAR*).

Content. Content includes both the basic concept elements and the story around the idea. The basic elements of the concept include a compelling and meaningful benefit based on an unmet need or frustration as well as a reason to believe that your offering will deliver the promise. While these pieces are the starting point for a positioning concept, you need to make certain choices to ensure that you craft the best concept. Ask these key questions: Does the concept overcome a current negative or solve a problem in the marketplace? Is my benefit or product promise based on true target customer insight? Is the issue real? Does the concept offer a functional benefit, an emotional benefit, or a combination? Are the claims made to support the product promise strong and believable? Will your customer be delighted when your offering delivers on the promise?

Language. *Language* is all about how you communicate the concept to your target customer. The most important aspect of this communication is the use of *customer language*—putting the concept in the customer's voice. Everyday people don't talk like manufacturers. Similarly, businesses in a B2B situation want to know how the purchase of your product will impact their business in real terms, not a bunch of smoke and mirrors. I'm amazed at the number of concepts I see to which *the end buyer can't relate*. ***You need to speak to your audience in the way they speak***—customer or business. Think of it like a parent: Would you speak to a two-year-old the same way you'd speak to a teenager? No. Your language needs to relate to the audience you're speaking to—not to the management of the company behind the product.

Beyond using *customer language*, your concept presentation needs to be *absolutely clear*—so the customer knows what you're talking about. If your target audience has no idea what you're trying to communicate in a concept, they won't understand your offering when it is turned into a marketing message. Clarity requires keeping the language uncomplicated—making it something a fourth grader can read.

Relevance. Your concept must be relevant to your target audience and perceived as novel and unique in the competitive landscape. Relevance to your audience links directly back to language and content. You have to know not only whom you are talking to but also how they think or speak about the issue your product or service is trying to overcome. Even a desirable offering will amount to nothing if it is not served up in a way that is meaningful and relevant to your customer.

Of course, you need to bring something novel to your competitive set—something that differentiates it from similar offerings. Sometimes, simply being first is the key to success. Think about the Amazon Kindle. While electronic readers were slow to gain acceptance, once Kindle created and *owned* the marketplace, others joined in. But those entering needed to provide something new and different to lure first-time buyers. This manifested in such areas as color screens and the ability to download books from multiple sources. If the products were just like a Kindle, folks would likely just buy a Kindle.

Context. Finally, the concept must provide a meaningful *frame of reference*, or *context*. This allows the target audience to see how the offering fits into their world better than any competitor. Apple's series of Mac vs. PC advertisements is a good example of high-impact messages that provided context. This ad campaign showcased montages of challenges a personal-computer user might experience. *Adweek*, a weekly trade publication, named it the best campaign of the decade in late 2009. PC manufacturers punched back at Apple with the "I'm a PC" campaign, which was all about the qualities of the individuals using the computer, rather than the functionality of the machine.

Once you've identified a *winning concept*, you can take your next step to create a communications strategy. The goal is to drive a consistent message to your customer through all your chosen media vehicles, regardless of whether you have a small focused campaign, one that covers many types of media, or rely on direct selling. One consistent, crisply articulated, *winning message* is what you want *every customer* to hear to drive the effective *sale of your offering*. **SSE**

Martha Guidry, aka The Concept Queen, is the principal at The Rite Concept, and author of Marketing Concepts That Win! *Visit www.marketingconceptsthatwin.com.*

ACTION: Communicate the consumer benefit.

MARKETING/EMAIL

The Blast is Past

Strategies for email marketing.

by Todd Bates

WHEN YOU TALK ABOUT email marketing, you hear people complain about the *hundreds of emails* they receive daily. They'll tell you sad stories about the endless *junk* they receive and how they try to *opt-out* from all of that *spam*.

With increased postage rates and the desire to reach prospects when they are attentive, *email is increasingly seen as the solution*. But with *so many messages*, how can you stand out and ensure that *your* message actually gets noticed?

To gain an edge, cut through the spam filters and ensure that your message is read, take these ***four steps***:

1. Examine your offer. Examine how people find out about your company or product before looking at the content of your emails. Did they sign up for a newsletter, for information about a product line, or for a white paper? Often *the same email messages* are sent to every prospect in a database. The person who signed up for the newsletter is looking for something different than the one who signed up for a white paper. Study what prospects sign up for to uncover the issues with your response rates. Ensure your offerings provide *high value*. The better *the offers*, the better *the response* from prospects.

2. Write an interest-piquing subject line. Carefully review marketing pieces *before* they go out—and notice the subject lines of the email. In fact, open your email now. Scan the list to determine if you should delete the message, save it, or read it? Since you have only a *few seconds* to grab a prospect's attention, taking the time to craft a powerful subject line is worth the investment. Try challenging your original thought as you look to craft engaging email subject lines by asking yourself three questions: 1) *Interest Piquing*: Is there an element of curiosity to the subject line that would make you want to find out more? 2) *Pain*: Does the email subject alleviate pain or pound on a bruise that is bothering prospects? 3) *Benefit*: Will your prospect experience a benefit of time, money, or wellbeing if they read on? Craft your email subjects and watch as your response rates increase.

Each Touch Must Add Value

While *the goal of email* is to bring more customers into your store, encourage more prospects to call for assistance, and push potential customers to purchase more of your products online, that can't be what your emails are all about. Sending emails that are only about sales, new products, or services is a sure way to ensure that your messages are quickly deleted. Look at the content of your emails and ask yourself: *If I were opening this email as a total stranger, does it add any value to my day?* Most emails received add no value! It's merely an ad delivered digitally. *Create emails that add real value.* For example, if you sell clothing, share fashion tips. If you sell exercise equipment, share fitness tips. Don't try to disguise helpful tips as sales letters—add *real value* and your emails will be eagerly anticipated by your prospects. That's a win for everybody.

Sending a big blast email is not likely to help you achieve your goals. Instead of *blasting* your database of prospects with offers, develop an email *follow-up sequence* to keep prospects engaged until they're ready to take action. A good *follow-up sequence* will appear personal, add value, and enable you to stay in-touch with a prospect for years. Have a different email follow-up sequence for those who purchase a product or service versus those who have not yet purchased anything.

The more time you invest in email marketing—from crafting subject lines to offering quality content—the more *success* you'll see from your efforts. SSE

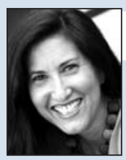
Todd Bates is a consultant, speaker, President of Todd Bates Systems, and author of 6 Steps to Making a 7 Figure Net Income in Any Economy. *www.toddbatessystems.com*

ACTION: Adopt new strategies for email.

MARKETING/MISTAKES

Desperate Times

Lead to desperate marketing.



by Paige Arnof-Fenn

CONGRATULATIONS FOR surviving *The Great Recesssion*. I know that d***esperate times can lead to desperate marketing that can bury a viable company***. A victim of *marketing malpractice*.

Here are ***six desperate marketing strategies*** to avoid:

1. Over-sharing via social media TMI (too much information). Unaware of the strategy involved with social media marketing, you might post about the *mundane details* of the business, and worse, your personal life. *Over-sharing* makes you look incompetent and irrelevant and pushes clients into the arms of your competitors.

2. Inconsistent blogging. A great way to gain visibility in a crowded marketplace is to start a blog. The problem is, you might put up a blog but neglect adding content! You start posting but then stop altogether. When blogging, consistency is key. If you neglect to post, your clients interpret you as flighty and unreliable.

3. Discounting. In times of pressure, you might hold a mega-sale to bring in cash. While this might keep you going for another month or quarter, once the sale is over, your clients won't want to pay full price again. They'll wait for another fit of desperation. Once you start discounting without reason, you introduce your new pricing structure. You are now merely a commodity.

4. Over-promising. Don't over-promise on deliverables just to get a sale. You dig a deep hole when you claim you did things you didn't do (it always backfires). Word of mouth gets out and clients stop trusting in your abilities. All you have is your reputation so make sure you can keep the promises you make!

5. Using buzzwords and jargon. Never buy products or services from people who try to intimidate you by using insider industry terms without adequate explanation. And when you're marketing to people outside your industry, don't get caught in the buzzword box—be able to explain to your customers the benefits of your service or product in plain language.

6. Not measuring what matters most. The purpose of marketing is to generate *qualified sales leads. You get what you measure so make sure you know which metrics really count.* Has your organization clearly defined what constitutes a qualified lead? If not, that would be a great place to start. Put that archetype and persona analysis on the back burner until you *master the basics*.

Don't get caught up in the insanity that desperate times can create. Focus on your goals and make sure your marketing strategies support them. SSE

Paige Arnof-Fenn is CEO of Mavens & Moguls. Paige was the VP of Marketing at Zipcar and Inc.com. Visit www.mavensandmoguls.com.

ACTION: Avoid these six desperate strategies.

Funnel Failure

Try lifecycle marketing.

by Troy Burk

IN THE LAST 20 YEARS, EVERY industry has experienced tremendous advances, but they all survive by generating *revenue* (sales). Interestingly, sales, the function responsible for driving revenue, is *stuck in a time warp*. The practices and strategies of sales and marketing managers haven't evolved, despite accessibility to powerful software applications and major shifts in the way customers buy products and services.

At the crux of this problem is the concept of the marketing funnel. The *funnel* was meant to illustrate the path prospects take from *awareness* to *evaluation*, to *decision*. For the marketing funnel model to work, all brand advocates at the bottom must first be fed into the top of the funnel through marketing.

Today most sales that close are not sourced from marketing. Nearly half of all B2B marketers say *they close fewer than 4 percent of all marketing-generated leads* (most companies attribute less than *25 percent* of revenue to marketing). The other *75 percent of revenue* comes from many sources, including *upsells* and *referrals*, which have nothing to do with the marketing funnel. Yet, companies allocate most of their marketing spend on filling the funnel with new leads.

This creates a problem for marketers, who are evaluated based on *sales resulting from marketing-generated leads*. Think of a sales rep who is introduced to a prospect through a mutual friend, and the prospect becomes a customer. That lead never goes through the marketing funnel, yet results in a sale.

Engagement Is Key

Marketers instinctively see the need to *build prospect and customer engagement*. But this can't effectively be done using the old funnel model. The two strategies do not align. Instead, *implement marketing plans to nurture prospects over their customer lifecycle.* Such marketing goes beyond generating leads and passing them to a sales team. It recognizes that nurturing relationships continues past the *qualification*, and even the *sale*.

Customer Lifecycle Marketing (CLM) recognizes that *prospects and customers move through phases in their relationship with a brand*, from initial contact to a fully engaged relationship. Marketers play a crucial role, communicating with prospects and customers across all channels to drive engagement and movement through the lifecycle. While every business has its own way of segmenting *prospects* and *customers* into stages of the relationship lifecycle, all include two categories: *lead engagement* and *customer engagement*. Companies should further define *stages* for each side of the buying cycle.

By looking at the *pre-sale* portion of the buying cycle, we can identify the *process* any person/company goes through in getting to know your brand in *the customer lifecycle*.

Typically, the lead engagement phase consists of three distinct stages: *Suspects*, *Prospects* and *Qualified Prospects*.

- ***The first introduction you have to a lead places them in the Suspect stage.*** This contains all leads that have been *touched by your brand* and *entered your database*, but haven't *engaged* with you.
- As a lead progresses through your marketing and nurturing tracks, you both collect more information on each other. Once you have enough info to identify them as an *ideal fit*, they become a *viable lead* and a *Prospect*.
- As people move forward in the relationship, and you track their interest in you by their *engagement* with you, they earn a spot in the *Qualified Prospect*.

Marketing and sales nurture leads as they move through the lead engagement stages. They do this using a *series of communications*, often automated, that may consist of case studies, white papers, webinars, regional events and online demos. Each time a prospect engages in one of these communications, a *point value* is assigned. The total points add up to an *engagement score*.

The *gate criteria*, which determine when a person moves to the next stage of the relationship, typically includes a lead scoring measurement. Once a person or company meets the *gate criteria*, the lead is moved to the next stage (either *Prospect* or *Qualified Prospect*). Then the sales rep manages customer communication until the lead closes, the sale is lost, or the lead recycles to a previous stage (back to *Prospect*).

The *customer engagement phase* also has several stages that signify movement from *customer* to *brand advocate*. Customer communication is individualized and personalized based on the current stage of the relationship, with the goal being to move the customer to the next more engaged stage.

Three Dimensions

Visualize your *scoring* and *measurements* stages through a *three-dimensional graphic*. This *customer lifecycle map* shows *engagement, target audience* and *lifecycle* stage. *Engagement* levels accommodate the ebb and flow of a relationship, while profiles can be measured and identified based on data you have on the person or the organization, such as job title, target customer revenue, employee count and product need.

Many solutions have incorporated lead scoring features that score *profile* and *activity* attributes. But, evaluating prospects and customers on three-dimensions, by considering *what stage of the relationship they're in*, is the key.

CLM can be used for any business, and the stages and gate criteria should be *customized* to fit the company.

Implementing the New Framework

Marketers can embrace a CLM framework by taking four easy steps:

1. Define the CLM programs. How will you market to individuals in each stage of the customer lifecycle?

2. Define the CLM campaigns and tactics for each marketing program. Each *lifecycle marketing program* consists of one or more campaigns that are sequenced, triggered and scheduled according to the campaign design and automation.

3. Define target audiences and stages of the relationship lifecycle. Segment audiences based on *attributes* (*behavior, demographics, action, time or lead score*).

4. Define the treatments and call-to-action (CTA) for each step in each campaign. *Treatment* refers to *the communication method* (electronic, physical, etc.). The CTA compels the individual to action.

Select a *marketing automation solution* that tells you how your prospects and customers are engaging with your brand and provides the *flexibility* to nurture *all sources of revenue*, including leads from marketing and sales, repeat customers, referrals, and upsells. **SSE**

Troy Burk is the CEO and founder of Right On Interactive, a lifecycle marketing automation software company. Email tburk@rightoninteractive.com.

ACTION: Build customer engagement.

MARKETING/REFERRALS

Long-Term Clients

Your source of evergreen referrals.

by Alan Weiss

LONG-TERM CLIENTS CREATE *long-term referrals*, an *endless* and *renewable* source of future business. So if it's so easy, why isn't it being done every day?

One reason is that *we don't recognize the criteria for high-potential clients*. Many successful people can point to a mere handful of important sources for all of their current business. Those sources may already exist for you, or could be just around the block or under foot, but if you don't know how to recognize them, they're no more important than any other client or prospect.

Also many successful professional services providers never change their original mentality of *business at any price or cost*. So, while once, when they were hungry, they intelligently sought and captured every piece of business on the radar screen (I remember doing $25 career counseling sessions), they still have that same nagging fear of never eating again even though the refrigerator is currently fully stocked (and isn't their only larder).

When you lose the *desperation mentality* and adapt *an abundance mentality*, and stop *fearing losing* and start *rejoicing in winning*, you don't need every single potential piece of business, you are not rejected and personally without worth if someone chooses not to do business with you.

Who are your ideal clients? That is, *which clients you currently work with or have previously worked with have the most value?* And *which prospects are the most attractive to you?* Here are some criteria that you should modify to suit your business, temperament, and strategy:

- ***Revenues:*** The likelihood of providing significant (six figure) income over the years from a variety of buyers.
- ***Profit:*** The ability to meet client's objectives with a minimum of overhead, such as personal visits, subcontracted staff, special technology.
- ***Referral Potential:*** The ability and willingness of the client to create relationships with other buyers internally and externally.
- ***Reference Potential:*** The degree to which the client will gladly serve as a reference point in writing, video, or electronically for other prospects.
- ***Prestige:*** The cachet and automatic credibility you garner from citing this organization as a client, and it's immediate recognition by others.
- ***Interest:*** To what degree is the work exciting, a challenging *stretch*, and a potential laboratory for you to try new methodologies and new approaches?

These criteria help you determine:

1. Which clients do you most want to retain, develop, and seek referrals from.
2. Which prospects you direct your marketing to and retain visibility with.

You emerge with a *personal gold mine*.

When I was 22 and newly married, I went to work at Prudential Insurance in home office management. My wife was a teacher, and between us we had zero money after paying the rent.

One day, ***Hal Mapes***, an agent from Prudential, informed me that *his main prospects include new members of management*. He convinced me of the logic of buying Prudential insurance and then asked me for *three names*. He prompted me about friends, colleagues, community acquaintances, and family members. Every six months he would return to see if we needed more insurance and to get his *three names*. Hal retired wealthy merely by asking people for *three names*.

Your high potential clients and referral sources can be deceiving. How many clients are you developing who can provide you with business and referrals well into the future? SSE

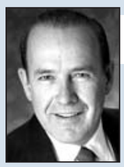
Alan Weiss is president of Summit Consulting (www.summitconsulting.com) and author of Million Dollar Referrals *(Wiley). Alan@summitconsulting.com.*

ACTION: Recognize high potential clients.

SERVICE/EMPATHY

Walk in Customers' Shoes

Are you easy to do business with?



by John Tschohl

HOW EASY IS IT FOR PEOPLE to do business with your organization? If you don't know, find out—and fast.

The customer experience determines whether or not you attract and retain customers and determines your sales, your profits—and your success. If you don't provide your customers with *the best possible experience every time they do business with you*, they won't stay with you.

I suggest that you walk in your customers' shoes, so you can see *first-hand* how they're treated by employees and what *obstacles* they must overcome to do business. What you learn will help you to identify where you must improve.

- ***Go undercover***. Be an *Undercover Boss.* Go undercover and spend time in the field, working in various positions with employees, to see *what your people encounter on the job and how they respond to the challenges of serving customers*.
- ***Take a picture***. When I was in Russia, I visited a client's retail store. Employees ignored me. They offered no greeting, no assistance, as I perused cell phones and computers. Using my cell phone, I took a picture of them. They wanted me to delete the pictures, and threatened to have me arrested. So, I sent the pictures to the owner, who apologized greatly.
- ***Assess how your employees treat your customers?*** Do you handcuff your employees with *policies and procedures* that prevent them from providing customers with great service? Do you train and nurture employees, build their service skills, and treat them the way you want them to treat your customers?
- ***Call your company***. How long does it take for your call to be answered? Is it answered by a live person, or with an endless stream of options—push 1 for company hours, push 2 for locations, and on and on and on?
- ***Pretend to be a customer or prospect.*** Say that you're having a problem with a product. How do employees react? Are they helpful? Do they respond to your questions in a knowledgeable manner? Do they empathize? Do they have the authority to solve your problem, quickly and to your satisfaction?
- ***Call at various times of the day during the week.*** Once, while trying to wire money from my daughter in China to Metro Bank in the UK, I had a problem. I called Metro Bank *at 4 a.m. on Sunday*. A *real person* answered and gave me the info I needed to do the transaction. Now that's service.
- ***Log on to your web site.*** Is it easy to navigate? *Ask for a response to a question. How long does it take for a response?*

If you walk in your customers' shoes, *you get the information you need to ensure they have a comfortable walk through your doors,* either physical or virtual. You increase customer loyalty and positive word-of-mouth advertising, which boosts *market share*—and *profits*. SSE

John Tschohl is a service strategist, president of the Service Quality Institute, and author of several books on customer service. Call 952-884-3311, e-mail quality@servicequality.com or visit www.customer-service.com.

ACTION: Walk in your customers' shoes.

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