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Excellence

THE MAGAZINE OF TEAM LEADERSHIP

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Ron Kaufman
Consultant

**Service
Strategy**

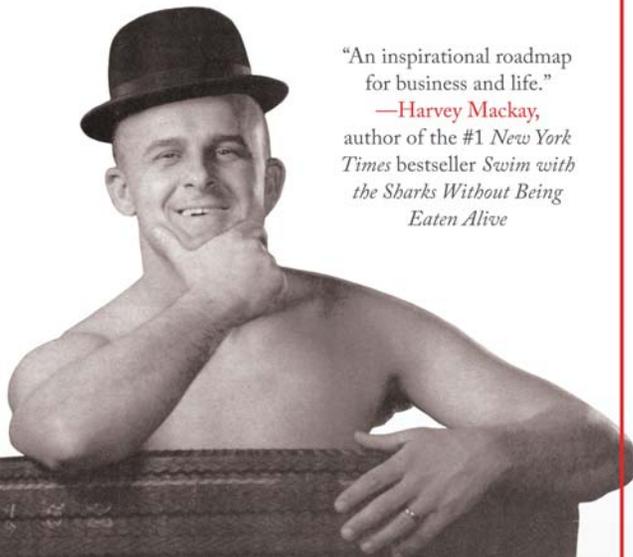
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SIX TIRES, NO PLAN

THE IMPOSSIBLE JOURNEY
OF THE MOST INSPIRATIONAL LEADER
THAT (ALMOST) NOBODY KNOWS

MICHAEL ROSENBAUM
Foreword by Rob Walton, chairman of Walmart

"...the value of this culture
is indisputable."

S. Robson Walton
Chairman, Wal-Mart Stores

"...should inspire any
would-be entrepreneur."

Edward B. Rust Jr.
Chairman and CEO
State Farm Mutual

"...Halle has achieved the
impossible."

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Sales and Service Excellence

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SERVICE/SATISFACTION

Serve UP Satisfaction

Take 10 tips for handling complaints.



by Ron Kaufman

SPIRIT AIRLINES RECENTLY flew into a big PR disaster. Sticking to a *no-refunds* policy, the airline refused to refund the airfare of a passenger who had to cancel his trip after finding out he has terminal cancer. The incident unearthed earlier cases of Spirit's difficulty handling customer complaints. CEO Ben Baldanza hit "Reply All" on an email from two customers who had missed a concert due to a delayed flight. Essentially, he told his employees and (accidentally) the customers that Spirit Airlines didn't owe the customers anything and the customers would be back the next time they wanted low airfare.

Spirit Airlines has a policy—and they are sticking to it. That's how the company chooses to handle customer complaints. Unfortunately, that approach might not be what's best for business. As the Spirit Airlines case shows, sticking to your guns is rarely the best way to handle customer complaints. Learn to handle complaints so that your *unhappy customers* become *customers for life*.

When any company receives a complaint, it has two choices: 1) treat the complaining customer like he's a pain

in the neck; 2) appreciate each complaining customer and use the complaint as an opportunity to improve.

One complaining customer represents many other customers who have the same problem, but don't complain. So, try to uplift them every time. For every person who complains to you, many don't complain but go off and tell somebody else, complain about you



online, and *take their business elsewhere*. If only 1 out of 100 of your customers comes to you with their complaint, shouldn't you value that person times 100, since *he is representing all the other people who never came to you?* You should be appreciative when someone takes the time to give you a second chance.

Here are 10 tips on using customer complaints to uplift your service.

1. Thank them for their complaint.

Give positive recognition by saying, "Thank you for reaching out." Show appreciation for the complaining customer's time, effort, communication, feedback, and suggestions. Remember that the customer didn't have to come to you—he could have simply taken his business to your competitor. When a customer gives you the opportunity to recover their service, be grateful.

2. *Don't be defensive.* It's easy to get defensive with angry customers. They may exaggerate situations, get confused, and lie about how things went down. It's tempting to blow off the customer or say, "No! That's not what happened. You're wrong!" But getting defensive or denying the problem will lead only to more problems. When customers complain, they feel wronged in some way. You don't have to agree with what they say, but you have to agree to hear them out. Keep the conversation moving in a positive direction.

3. *Acknowledge what's important to them.* Find customers' *value dimension* (what's important to *them*). Even if you think the complaint is unfair, there is something they value that your company didn't deliver on. *Embrace that value!* The customer wants to *feel* right. When you agree with the value dimension, you tell them *they are right to value this*

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thing. For example, if a customer says your service was slow, then that customer values speed. You might say, "You deserve quick, efficient service." Or if a customer says your staff was rude, you might say, "We agree that you *should* be treated with courtesy and respect." When you validate what a customer values, you aren't agreeing with them that your service is slow or your staff is rude. You're saying, "We agree with you on what you value, and we want to deliver in those areas."

The last thing customers with a complaint want to hear you say is: You're wrong. They want to hear that you *understand* them, *appreciate* them, and *agree* with them on the *importance of the value* they cite in their complaint. Your responses should make the customer feel *right*. You don't argue over the facts: rude staff, stiff policies, or slow service. You *actively agree* on the importance of what they value most. Customers are *not* always *right*, but they're always *important*; you make them feel better by agreeing with them on the importance of the service dimensions they value.

4. Use judo, not boxing. In *boxing*, you go after your opponent, trying to punch him to the ground. In *judo*, you work with someone else's motions to create a desired result. You use another person's speed and energy to spin him around and then end up together on the same side. *When you show a customer you understand what they value, you catch them off guard with your own movement.* They don't expect you to tell them that they're right. You've avoided a defensive confrontation and you can *spin them* and show the customer that you're now both on the same side and you can work together.

5. Apologize once, upfront. Every service provider knows that the customer is not always right. But the customer *is* always the customer. You don't have to tell the customer you were wrong, but you should apologize for the inconvenience or damage they experienced. When you do so, you show understanding and empathy for their discomfort, displeasure, or inconvenience.

6. Explain the company's desire to improve. When you understand what the customer values, show them *things your company does that helps you perform well in that area*. For example, if a customer complains that a package was delivered late, you might say, "We understand that quick, on-time delivery is important to you. We're working now to find a better solution." Show you are sincere about *doing well in areas the customer values*. You might say, "I'll make sure everyone hears your story. We don't want this to happen again." When you express a desire to improve, you rebuild credibility with the customer.



7. Educate your customer. Part of hearing the customer out is answering any questions and providing additional, useful information. If they ask a question that you can't answer, tell them you'll find out the answer and get back to them. And *follow through*. Contact the customer with the answers they requested. Even if they didn't request an update, get back to them with one anyway. These are chances for you to say through your actions: *We care about you. We value your business.*

8. Contain the problem. Suppose a family is at a crowded theme park on a hot day. The youngest child starts to have a meltdown. Suddenly, a theme park staff member whisks the family into a special air-conditioned room with water and other beverages, an ice cream machine, a bathroom, a comfortable sitting area. That's how you *contain a problem*.

Spirit Airlines could have educated a service provider in uplifting service in responding to the customer's complaint. They might have said, "No matter what our rules or policies are, we see that your circumstance requires flexibility. We want to handle your special situation carefully. Let's work together to figure out what's best. Thank you for reaching out."

9. Recover. Show customers you care about them—even if you feel the company did *everything right*—by making them an offer. Companies worry they'll be *taken advantage of* if they give vouchers, discounts, or freebies in their service recovery, but that rarely happens. Offer the customer *something as a gesture of goodwill or token of appreciation*.

Sears now has a team of specially educated and empowered staff to handle recoveries. Once an issue goes to them, what they recommend is what gets done. Sears sees that a recovered customer can become a most loyal advocate and ally.

10. Give serial complainers an out. Some people love to complain, not so that they can *become* satisfied but because they are never satisfied. With them, you must limit your liability and isolate them from your brand. Give your *constant complainers* an out. In dealing with *serial complainers*, that's the best thing you can do.

You and your customers are both on the same side. Your customer wants the product or service you provide, and you want to give it to them. When you treat *complaints* as *opportunities* to build loyalty, you create customers for life and uplift your company in the process.

SSE

Ron Kaufman is a popular keynote speaker and the author of the New York Times bestseller *Uplifting Service* (Evolv Publishing). www.UpliftingService.com

ACTION: Improve in handling customer complaints.

Building Trust

Communicate effectively.



by Helio Fred Garcia

TWO YEARS AGO BP CEO Tony Hayward inadvertently got his wish when, in the thick of the Deepwater Horizon disaster, he told the press, “I want my life back.” He was soon sacked. In the battle for public opinion—for trust, support, the benefit of the doubt—Hayward lost. It was a massive *failure of leadership*. And it began with a *failure of communication* and a *failure of discipline*.

Hayward’s blunder should be a *wake-up call* to other leaders, to all whose leadership responsibilities require inspiring trust and confidence verbally.

Whatever else leadership may be, it is experienced publicly. While it may emanate from within, it is a public phenomenon. And however technically proficient you may be, if you don’t communicate effectively, you can’t lead well. Communication has power. But as with any form of power, if not harnessed effectively it can backfire.

After 33 years of helping leaders build trust, inspire loyalty, restore confidence and lead effectively, I conclude that *many leaders misunderstand communication*. As a result, their companies lose competitive advantage; NGOs find it harder to fulfill their mission; religious denominations lose the trust and confidence of their followers; nations diminish their ability to protect citizens and achieve national security goals.

Most leaders think they’re already good at communicating. They’ve been speaking since before they were one year old; reading since age four or five; writing since soon after that. Unlike other disciplines that leaders have had to master, they’ve been communicating their whole lives. It seemed to be no big deal. Leaders often are unaware of their own communication abilities.

Many leaders suffer career-defining blunders when they don’t take communication as seriously as they take other elements of their jobs. Effective leaders see communication as a *critical professional aptitude* and work hard to get it right.

Effective communication isn’t about pushing information to an audience. It isn’t about facts, data, spin, what sounds good or makes the speaker feel good.

I define *communication as an act of will directed toward a living entity that reacts*. Let’s parse this definition:

- *Communication is an act of will . . .* Effective communication is intentional, goal-oriented, and strategic—not top-of-mind, impulsive, or self-indulgent. It isn’t just about what one *says* but about anything one *does* or is *observed to do*—any engagement with a stakeholder, including silence, inaction, and action.

- *Directed toward a living entity . . .* Stakeholders aren’t passive vessels

who simply absorb messages. Rather, they are living, breathing human beings who have their own opinions, ideas, hopes, dreams, fears, prejudices, attention spans, and appetites for listening. It’s a mistake to assume that audiences think and behave just as we do. Most don’t. Understanding an audience and its preconceptions, and barriers that might prevent them from accepting what you are saying, is a key part of effective communication.

- *that reacts.* This element is lost on many leaders. The only reason to engage an audience is to *change something, to provoke a reaction*. Effective communication provokes the desired reaction; ineffective communication isn’t noticed, confuses, or causes a different reaction than the one desired. Tony Hayward certainly got his life back, but not in the manner he hoped.

Your audiences will compare your words to your actions and prior words. The words set expectations; the actions fulfill or betray those expectations. Trust arises when expectations are met, and lost when they are not.

Effective communication requires discipline, understanding the desired reaction among the groups to which you communicate, which requires knowing all you can about that group. And then it requires saying and doing all that is necessary—and only what is necessary—to provoke that desired reaction. And it also requires understanding the predictable intended and unintended consequences of words,

silence, inaction, and action.

Communication isn’t about telling our story. That’s undisciplined, self-indulgent, and often illusory. We can’t move an audience if we don’t meet it where it is. But that means knowing where the audience is; what it cares about, what it fears, what its expectations are, and what it values.

An audience is a living, breathing entity. It is a collection of human beings. Collectively, an audience tends to care about certain things in certain ways, and tends not to think at all about the concerns of those trying to influence it. And at any given time any member of any audience can be distracted, inattentive, unconcerned with others’ concerns, and focused only on his or her immediate interests.

Influencing an audience requires active engagements that cause the audi-

ence to take notice, in ways we want them to. This requires knowing what the audience feels, thinks, is capable of, and cares about. And it requires us to care about those same things.

Since the power of communication is getting audiences to listen, an effective communicator never starts with *What do we say?* or *How do we tell our story?*

but rather focuses on the goal: *What is the goal? How will things be different when communication has taken place? Who is the audience: What does the audience care about now; what do we want the audience to care about when we’re done; what prevents the audience from caring about it? How should we engage the audience so that it does care? What does the audience need to see us do, hear us say, or hear others say about us in order to care about what we want it to care about? How do we make that happen?*

Leaders must grasp the force that words (or silence) can provoke at a time when information is shared faster than it can be controlled. All communication must be *intentional, interactive, and intended* to provoke a reaction. Leaders need to build trust, inspire loyalty, and lead effectively through *communication*. Leaders are judged on the fulfillment of expectations. Leaders must resist saying what merely sounds good in the moment and creating a *say-do gap*. SSE

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ACTION: Close the say-do gap.



Attract Top Talent

Avoid seven talent repellents.



by Terrina Troy Rishel

DOES YOUR ORGANIZATION attract and hire the best talent? Exceptional professionals always have options. To avoid losing *great opportunities* to attract the best talent, consider seven points:

- **You have an inflexible hiring process.** In many cases, highly seasoned professionals are *asked* to consider joining organizations. They may be happy in their current position. Asking top talent to submit their resume through the normal channels might not be the best approach, especially since *you* are pursuing *them*. When you have a seasoned professional interested, minimize the process so they become engaged.

- **You create a poor first impression.** You should create a great first impression, as soon as a resume is submitted. How long does it take to get a response? When and what form does the response come? What's the tone of it? Is the message: *What can you do for me?* Top talent use the HR process to assess if an organization is giving lip service to their mission statement and vision, or walking-the-walk. Treating them as if *they need you more than you need them* limits your chances of obtaining them.

- **You don't do the little things you say you will.** Even when top talent is pursuing the opportunity, the hiring process determines *how hard* they pursue it. If the interviewer tells the applicant "I'll call you in a couple of days," it leaves a poor impression if weeks go by without contact. Talent will think, *if you can't do the little things, you probably won't do the big things either!* When you don't do what you say you'll do, *this behavior speaks volumes about what it will be like to work in a sub-par culture.* People with choices don't beg for positions—they select other opportunities.

- **Your HR staff is in competition with each other.** If you compensate your HR staff like salespeople, they'll hoard the best resumes for positions assigned to them. Top talent falls through cracks if the HR team won't share contacts and resumes, the organization suffers from the loss of talent, and the organization's reputation is impacted negatively. If the perception is that it's more important for the HR person to achieve their goals and bonuses, *top talent won't join.*

- **Your hiring process needs updating.** *What message does your hiring process send?* Do you ask people to fill out an application after they have submitted a resume, cover letter, and created a profile on your website? Do you then ask them to take a *personality test, math skills test, and aptitude test* before anyone speaks to them? Such screening repels top talent. They are not interested in *jumping through your hoops*. They want to speak to someone about the opportunity *before being treated like students or interns*. They see these processes as major red flags.

- **Your hiring mentality is too narrow.** Top talent often gets passed up *because the job descriptions and hiring mentality are too narrow*. Recruiters tend to be creative in attracting exceptional talent. In many cases, it may be wise to

go outside the industry to find someone with leadership skills. You're losing top talent if your job descriptions and hiring mentality are too narrow.

- **You don't really want an entrepreneur.** You want to attract *entrepreneurial talent* because they are self-motivated and creative. But many interviewers ask: "Why would you want to work for us?" The tone is one of suspicion. Entrepreneurs are averse to rules, hoops and red tape. If you seek people with an *entrepreneurial spirit*, don't chase one off by questioning their motives—sell them on the chance to contribute their skills to a worthy organization!

When you *inspire* top talent, you give yourself a chance to *hire them!* **SSE**

Terrina Troy Rishel is a business development consultant. Call 480-823-5023 or terrinarishel@yahoo.com.

ACTION: Attract top talent to your team.

MANAGEMENT/SALES

Fire the Sales Team

Renew sales/marketing strategy.



by Mike Lieberman & Eric Keiles

THE IDEA IS NOT SIMPLY TO FIRE YOUR sales team, it is to then instantly *hire them back* in the new roles. Surround your sales team with *powerful, content-rich marketing* that drives *qualified leads* to your company, eliminating the need for telemarketing, cold calling, and the dreaded *hard sell*. You need guides who help clients make the right purchase decision and then wrap up the details of the deal. This new *guided sales process* is a match with the new buyer behavior.

Separating your business from the competition starts with integrating your sales and marketing. To create a company that gets people talking, you need to step outside of set patterns, think about your business in new ways, and *approach sales and marketing with a fresh perspective* by embracing *three big ideas*:

1. **Buyer behavior has changed.** The internet changed the way people make purchasing decisions. Instead of casting as wide a net as possible, it's time to bait your hook with the valuable information, resources and strong referrals that your customers are hungry for.

2. **Train people in the guided sales process, since buyers don't want to be**

sold. Retrain your sales force to act as consultants, taking the time to understand each prospective customer's pains, answering their questions and guiding them to appropriate solutions.

3. **Create the new Revenue Department by combining sales and marketing.** Combine S&M into a *single, cohesive entity* to ensure that every member of your team works together to reach revenue goals. Both functions *center on the prospect*; and to convert *prospects* into *customers*, S&M need to orchestrate a seamless series of communications direct to prospects. Today's buyers opt



for a *deeper connection* with companies. Transition *prospectors* in your sales department to *closers* who better match with the prospects' behavior. Stop trying to *sell to educated buyers*. Take these **three action steps**:

1. **Profile your buyer(s).**

Create a *concrete description* of your buyers. The more detailed your profile of your buyers, the more effective your marketing.

2. **Map out their buying process.** Do they require a written quote, require an in-person visit, purchase products and services at the same time? Identify all the nuances of their purchase process.

3. **Overlay your marketing to this process.** *How many times do you touch your prospect? How many marketing tactics do you have running?* To have a *Marketing Machine*, you need *10 unique marketing tactics* working at once. **SSE**

Mike Lieberman and Eric Keiles are coauthors of Fire Your Sales Team Today (Greenleaf), 617-202-4109.

ACTION: Reexamine your marketing methods.

Sales Is from Mars

And marketing is from Venus.



by Phil Fernandez

TWENTY YEARS AGO, A NEW self-help book by John Gray stormed the best-seller lists. *Men Are from Mars, Women Are from Venus*. The book outlined ideas about why it is such a struggle for so many men and women to meet each other's needs and develop more satisfying personal relationships. Whether the result of biology or culture, Gray explained, males and females often have different communication styles and modes of behavior. The failure to recognize and accept those differences leads to resentment, conflict, and a dysfunctional relationship. How does this theory apply to business?

Picture this: *marketing* runs a promotional campaign and hands over a stack of leads to sales. The *sales team* dismisses them as poor quality and either demands better leads or simply ignores them and continues cold-calling. Potential leads go cold, marketing lead generation budgets are squandered, sales misses their quota, and nobody is happy. Sound familiar?

It's a *common scenario*. Communication problems between marketing and sales are often so pervasive that their relationship becomes dysfunctional.

Opposites Don't Always Attract

Frequent disagreements, competing objectives, misaligned compensation systems, and different work styles cause marketing and sales to behave like bickering spouses. Their dysfunction may express itself in petty grudges or exaggerated claims. "Sales never calls any of our leads," says marketing. "Those marketing leads are no good, why bother?" sales answers. "Our leads are golden! We worked hard to generate them," replies marketing. "Go back to your pretty colors and press releases and leave us alone," sales responds.

Leaders are more than just the long-suffering observers of this bickering; they're often part of the problem. They often manage to stoke the marketing and sales dysfunction. When CEOs want a revenue forecast, they intuitively ask their head of sales without even considering what the Chief Marketing

Officer might say. CFOs talk about sales as the *revenue-producing* part of the organization in terms like *investing in salespeople*. But when they refer to *marketing* spending, they don't talk in terms of *investments*; instead, they refer to *costs*, and *questionable costs* at that.

None of this is news to seasoned managers. The strained relationship between marketing and sales has been around forever. Until recently, those strains have mostly served as a source of eye-rolling and irritation, not as a *major drag* on performance. But today, this dysfunction has metastasized to become the single greatest source of lost productivity and squandered revenue in the modern corporation.

A Better Relationship

It's not easy to encourage marketing and sales to communicate better, let alone see eye-to-eye and collaborate. But devoting time to achieving this goal is imperative, and can be a major competitive advantage, since so few businesses get it right.

Jim Dickie, Managing Partner with CSO Insights, a research/consulting firm that helps companies improve marketing and sales alignment, says: "I'm shocked at the number of companies that don't have an agreed-upon definition of what makes a lead *sales-ready*. The marketing team has its definition of what is *marketing-ready*. And sales has its own point of view on what constitutes a real opportunity. But there's often a disconnect between the views, and that carries forward into continuous conflict at the boundary between marketing and sales."

Here are *four small steps* you can take that will point your marketing and sales teams in the right direction:

- **Focus on value delivered.** Educate marketing and sales team members on each other's contributions to your company's short- and long-term revenue growth. Hold regular, well-defined meetings where key marketing and sales executives identify shared obstacles, develop common revenue objectives, and set strategies for overcoming barriers to growth.

Case in point: Wes Wasson, SVP/CMO of Citrix Systems, comments that his VP of Demand Generation also serves as part of the sales staff: "He is as much a part of the sales team as my marketing team. He attends all the sales meetings and seamlessly integrates his work with that of the sales group. And, he owns allocation of the worldwide demand-generation budget, giving him a level of control over what ultimately happens on the marketing side."

- **Agree on lead quality.** Have marketing and sales jointly decide *what makes a good lead*, and *when that good lead is ready for sales*. These definitions are crucial, as they're often a sore spot in the marketing-sales relationship. You must *address them head-on* in an atmosphere of shared responsibility and opportunity.

- **Take each other to work.** Try a "Take your colleague to work" initiative.

Marketing could listen in on sales calls, and salespeople could participate in meetings on marketing strategy and creative development. Such collaboration rarely occurs! Joint meetings and activities between marketing and sales should be standard procedure.

- **Take them out for a beer.** *People buy from people.*

Human relationships matter. While structured initiatives can improve the

alignment between your marketing and sales teams, salespeople and marketing people are, in the end, just people. *And the two don't mix much.* They might sit in different buildings, states or countries—or have different personalities and don't naturally socialize together. Encourage your marketing and sales teams to get to know each other. Sales may be from Mars and marketing from Venus, but magic happens when you mix them together.

The key to healthy communication and cross-functional cooperation is to embrace the strengths of both your marketing and sales teams. You'll need to shift your practice away from linear lead hand-offs and focus instead on *mutual and shared accountability* for lead generation, nurturing, conversion, and customer loyalty. With a little work, your marketing and sales teams will create a collaborative, symbiotic relationship that will turbo-charge your revenue growth engine. **SSE**

Phil Fernandez is President/CEO of Marketo, a global leader in revenue performance management solutions, and author of Revenue Disruption (Wiley). Visit www.marketo.com.

ACTION: Embrace the strengths of each team.

Experiential Marketing

Create a strong emotional connection.



by Dennis Boyle

TODAY CONSUMERS HAVE short attention spans, and that makes brand product campaigns more difficult and expensive. Experiential marketing enables brand managers to connect with consumers in a way no other media can. It creates an *emotional connection* that builds brand loyalty and drives purchases.

People interacting with other people in a real way creates an authentic and unique *emotional connection* that gives genuine power to experiential marketing efforts. Brand managers must create programs that effectively *engage consumers* and then utilize social media to *amplify the impact* to gain advantage.

Most brand managers agree that the uniqueness of experiential marketing is its ability to create a *true emotional connection* to people through live experiences and then share them with many people through social media. They also believe that emotional connections to a brand need to start in the real world to create true emotional connection.

Most consumer brand managers plan to increase their budgets and develop even more innovative marketing and operating plans to capitalize on an optimistic environment for real growth and ROI. Social media as well as *event-driven influencer marketing* have become a key aspect of marketing strategy.

More marketing dollars are being spent to maximize the ROI, while brand image spending is taking a back seat to selling product. The ultimate winners are those brands that capitalize on innovative experiential marketing opportunities and treat each prospect as a unique customer.

While social media greatly expand the reach of programs, at its core *experiential marketing* is a *people-to-people experience* that targets consumers where they live, work, play and shop. Think of social media as a magnifying glass held up to the live event. Social media makes the image clearer, larger, so more people can view it at the same time.

Over the last 15 years experiential marketing has gone from a catchy name to a true marketing channel recognized by brands for its power to engage in ways no other media can. Until now, its one true downside was its inability to engage large numbers.

The *social media marketing revolution* can drive more people to join the conversation, express opinions, and share their brand experiences. People are only driven to do this if they have made an *emotional connection*. Today's consumers are *not* interested in *brand messages* but in *telling the story of their lives*. Brands should enable consumers to tell those stories, since this is key to creating long-lasting brand loyalty.

Brand managers who hope to move to the forefront of today's *event-driven digital social media environment* see their experiential marketing partners taking on a greater role as they seek ways to cost effectively combine *social media* with *event-driven consumer experiences*. Clients demand that brand events *entertain, communicate, motivate and exceed goals*.

Brand manager should ask six questions of every experiential mar-

keting firm: 1) How does your firm integrate with other agencies (brand agency, promotional agency, and PR agency) to ensure a seamless integrated marketing approach? 2) How does your firm use social media to extend and strengthen your experiential programs? 3) How do you utilize influencer programs to meet program objectives? 4) What role does content play in programs your firm has designed and operated? 5) What systems do you use to insure effective communications? 6) What systems/metrics do you use to insure achieving specific objectives such as lift at retail, driving traffic and social media activation?

Select a firm that creates events that effectively engage consumers and then use social media to amplify the impact. **SSE**

Dennis Boyle has 30 years of consumer brand building experience and works as EVP of Under the Radar experiential marketing agency. Visit www.utrexp.com.

ACTION: Experiment with experiential marketing.

PUBLIC RELATIONS/VALUE

Create Shared Value

Focus on nutrition, sustainability.



by Heidi Paul

IN OUR *CREATING SHARED Value* report, we at Nestlé detail new accomplishments in nutrition, sustainable business practices, and economic and community development. Among the ways Nestlé creates shared value are by offering quality products, working to improve our environmental efficiency, providing stable jobs that contribute to our economic vitality, and remaining actively involved in our communities.

Creating Shared Value is Nestlé's business strategy based on the belief that for a business to prosper long-term, it must create value for society and shareholders. In the U.S. the company creates value by providing quality products supported by expertise in nutrition, health and wellness.

In the U.S. Nestlé consists of five businesses: Nestlé USA, Nestlé Purina PetCare Company, Nestlé Waters N.A., Nestlé Nutrition and Nestlé Professional. Last year, sales totaled \$24 billion, and we now have seven billion-dollar brands in the U.S.: Coffee-mate® Stouffer's®, Lean Cuisine®, DiGiorno®, Nestlé® PureLife®, Gerber® and Friskies®.

• **Good food, good life.** In 2011, Nestlé began operations with Nestlé Health Science S.A. and the Nestlé Institute of Health Sciences to pioneer science-

based nutritional solutions with a focus on *personalized healthcare*. Nestlé is committed to *reducing sodium* in its product lines. Stouffer's® is making recipe changes to decrease sodium by another 10 percent without affecting taste. New initiatives from brands such as Skinny Cow™ offer low-calorie snacks while still serving satisfying portions.

• **Creating shared value for sustainable practices.** In the U.S. Nestlé has greatly reduced water and energy use, along with greenhouse gas emissions. Recovered wastewater from the Madison, FL Nestlé Pure Life factory is used to spray irrigate neighboring farm fields, saving 55 million gallons of water from being withdrawn from the local aquifer.

• **Creating shared community value.** In the U.S., Nestlé has partnered with the NEA to launch *Healthy Steps for Healthy Lives* based on MyPlate, the USDA's new generation food icon. This program provides a variety of fun, easy-to-use activities that teach students about *nutrition* and *being healthy*. Nestlé Waters N.A. partnered with Keep America Beautiful to launch *Recycle-Bowl*, a nationwide recycling competition for students. AmeriCares recognized employees of Nestlé Waters N.A. for donating *one million bottles of water* to disaster survivors.

To become the best *Nutrition, Health and Wellness* company, Nestlé provides nutritious, healthy food for *every member of the family at every stage of life*. **SSE**

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ACTION: Create shared value for constituents.

Price Buzz Saw

There is a way out to win.



by Reed K. Holden

ONE BIG PROBLEM SALESPEOPLE face today is the procurement pricing buzz saw.

It happens to even the best salesperson. They do all the right things—identify customer needs, develop the right relationship, and include discussions of value with the decision maker. They gain the “necessary” agreement and prepare to start the final paperwork. Then, suddenly, someone from procurement takes over, stops returning calls, limits access to decision makers and threatens to put the deal out to bid unless the price discounting starts.

The process is relentless and sometimes brutal. After all, procurement tactics have been honed for the past decades to a precise and well-practiced attack on even the biggest and best global firms. The list of those tactics is long and distinguished and they’re all designed to rattle salespeople and their managers into giving bigger discounts. And they are working well.

There seems to be no way out but to give the discount. Most of us do just that. Sure, we try training salespeople on relationship building and value selling but it has not made the difference. Negotiations are getting tougher and tougher and more customers seem to be learning how to play the game to win additional discounts. So despite spending billions on sales training and customer information systems, the prices still plunge and the profits disappear.

Some believe that shortly, things will return to the way they used to be. But here’s the real news: *this is the new normal of selling.* In every company and industry, procurement professionals are gaining control of the purchasing process—worldwide—and it’s costing companies that sell high-value products and services billions of dollars of lost profits and wasted resources.

To make matters worse, procurement professionals are working with senior executives in their firms to help them gain discounts from even trusted high-value vendors. Those executives have learned the same tactics to garner discounts. Thinking they have a lock on the relationship, vendors continue to be blindsided and surprised by the process.

Fortunately, there is a way to dull the pricing buzz saw. The solution rests partly with salespeople, and it will take training and practice for them to execute the skills needed to succeed in the game being played with procurement. In fact, it’s best to think of that game as a game of poker. Procurement people have learned to play that game. They are expert at the art of the bluff while all we have done is encouraged salespeople to fold their cards and give the discount. To succeed, salespeople must learn *the art of the bluff* and sales executives will need to provide leadership as they execute their poker-playing skills with procurement people. After all, it is a negotiation, not surrender.

The solution starts with training salespeople to better assess customer situations. This goes beyond customer



needs and buying center and extends to what the real customer agenda is before procurement takes over. These are the *tells* or indications of the game being played. And they are indications of your position in that game.

If it appears that the decision was made and *you were the winner*, chances are that is it still true. The procurement people will still be inserted into the sales cycle and delay closing to bluff salespeople to get bigger discounts. To blunt that process, you need to learn to bluff back to put the pressure back on the procurement people by standing your ground, being confident in both your value and your prices. Finally, you must recognize that *procurement people are measured on their ability to get additional discounts as a cost savings to the company.* When those discounts aren’t forthcoming, it undermines their power and credibility. When you grant the requested discount, you give more power to procurement and guarantee that the process will get worse. The

buyer now expects a discount *every time.*

Here are *three strategies* you can use to win the game:

1. Know how your firm is different. Competitors will likely be used to help drive prices down (may be an idle threat). When you have confidence in the value of that difference, you blunt the poker playing tactics.

2. Play a waiting game. Delay is a common tactic procurement people use. They know that you are under pressure to close business and meet quotas—that pressure makes delay an effective tactic. Yet procurement people are often under pressure to get the deal done too and they worry that delay tactics don’t work. When procurement delays, you need to delay right back.

3. Budget Bluff: procurement people often go right to the heart of a negotiation—the budget. They’ll say that the item price or project will have a specific budget that is (surprise) *30 to 50 percent below the proposal quote.* You may try to limit the damage by going for a smaller discount, but that’s still a discount and it sets a precedent. A better tactic is to bluff right back: agree with their budget limitation and take away some valued features or services so that they can meet the budget limits. When you use this give-get tactic, the procurement person will come back and say they need those value services. Gain confidence in your skills and the value of your company so you don’t fall prey to the tactics of *poker-playing procurement professionals.* Such confidence comes with training, practice, and experience.

Such confidence also comes from leadership. Sales and firm executives need to provide the necessary leadership so that salespeople feel comfortable and supported when they execute these tactics. Lack of leadership is often a primary cause of poor sales negotiating skills. In fact, procurement people often try to get executives involved for two reasons: 1) they can provide larger discounts, and 2) they have a poor understanding of the elements of the game (they’re often worse negotiators).

If you’re tired or fearful of price negotiations, learn how to deal with the procurement pricing buzz saw. Adopt a process that empowers you with an understanding of the price and a defensible value proposition. Also, leadership has to learn the tactics so they can support the sales process. **SSE**

Reed K. Holden is CEO of Holden Advisors and author of Negotiating with Backbone: Eight Sales Strategies to Defend Your Price and Value. Visit www.holdenadvisors.com.

ACTION: Confidence dulls the price buzz saw.

Service Strategy

Learn from Bezos/Amazon.



by John Tschohl

AMAZON CONTINUES TO outperform most organizations. CEO Jeff Bezos understands speed, price, and technology. Everything in his company is built around *customer service*. In 1995, he started with two employees; they now have 56,000 employees and 164 million customers. In 2011 sales increased 41 percent to \$48 billion. Their stock is up 397 percent in the last five years. Jeff's net worth is over \$19 billion, and this 48 year-old is one of the 30 richest men in the world. He built Amazon on a no-frills approach—being frugal and passing the savings on to the customer. In their *Annual Report*, Bezos said, "We focus relentlessly on our customers . . . the principal competitive factors in our retail business include selection, price and convenience, including fast and reliable fulfillment to improve the *shopping experience*. We dramatically lowered prices, further increasing *customer value*. Repeat purchases and word of mouth contribute to make Amazon.com the market leader in online bookselling."

Bezos periodically leaves one seat open at a conference table and tells all attendees to consider that seat occupied by "the most important person" in the room—their customer. Bezos has a relentless focus on the *customer experience*. He understands the power of word-of-mouth advertising. He has a great grasp of price and is more interested in *value* than *short-term profits*.

Customer Loyalty

Service recovery is a key element of *customer service*. And yet many people—from frontline employees to senior executives—don't understand service recovery. If you don't understand it, you can't provide it.

Service recovery is all about turning a negative situation into a positive one and sending the customer home thinking he has just done business with the greatest company. *Word-of-mouth advertising* is the most powerful—and it costs you nothing. Before making a purchasing decision, most of us ask friends and coworkers for referrals. What they say influences us since they are people we know; *we trust their opinions*. When they have a good customer experience,

they recommend the service provider. People who don't have their problems resolved to their satisfaction tell *anyone who will listen* about their negative experience, often via *social networking*.

How you handle mistakes can make the difference between *earning customer loyalty* and *driving the customer away*. When a customer comes to you with a complaint, take these **four steps**:

1. Act quickly. Do all you can to solve the customer's problem on the spot. When you send that problem to a supervisor, the customer becomes frustrated. That frustration escalates with every delay in reaching a solution. If you can't solve the problem within minutes, you're in trouble.

2. Take responsibility. Don't get defensive and take the complaint personally. And don't challenge the customer. Instead, be empathetic. Offer a

sincere apology. You might say, "I am so sorry. I understand why you're upset. Let me see what I can do for you."

3. Make an empowered decision. Know the boundaries of your authority so you can solve problems and complaints. Make it clear to the customer that *solving her problem is your priority*.

4. Compensate the customer. When you offer the customer some compensation, it makes her feel *valued*; it makes her think he just did business with a great company. It increases his loyalty to you and the organization. And it creates *positive word-of-mouth advertising*.

Satisfying your customers to ensure that they return to you. **SSE**

John Tschohl, the service strategist, is president of the Service Quality Institute and author of more than 26 customer-service training programs. Visit www.johntschohl.com.

ACTION: Excel at service recovery.

MARKETING/SOCIAL MEDIA

Social Media Tips

Achieve your desired results.



by Steve Nicholls

TODAY YOU NEED A SOCIAL media strategy that communicates internally and externally to clients or potential clients. Take these *10 social media tips*:

1. Be the architect. Create a *vision* of what *social media* looks like for the organization so *everyone* knows their part and what they're trying to achieve. Create a *common language* so everyone can participate in discussions.

2. Create the model, bring everyone together. Develop a model of how to bring social media to the *entire organization*.

The *social media program* may reside in marketing, but to maximize results you need buy-in from *everyone*.

3. Define the business goals. Create *social media goals* that help achieve the *business goals*—for instance, to increase the *repeat customer percentage* in order to increase *revenue by a certain percent*.

4. Conquer the inside first. Social media can create diversified channels of communication among *internal staff* and *external customers* and suppliers and can be used for *formal* (company) and *informal* (employee) communication. It also allows the company to reach out beyond geographical limits, providing an alternative to face-to-face meetings.

5. Expand reach in online communities. Social media can create access to

online communities and your target markets: it increases brand awareness, builds trust, taps into global and local markets, increases visible market presence, generates leads, helps to have higher rankings on search engines and increases *search engine optimization* (SEO).

6. Improve international communication. Social media makes it easier for employees to *work together* across departments, geographical boundaries, and management levels, resulting in better relationships and productivity.

7. Collect intelligence effectively. Content generated by the *online community* becomes *business intelligence* that helps you gain insight on your customers, products, services, competitors, industry, and other aspects of interest. *Collect the intelligence and learn!*

8. Be interactive, hold online contests. *Social media can generate real value.* Cisco held a competition to generate *billion-dollar ideas*.

9. Keep the culture in mind. The more *open* the culture, the more social media will flourish. A more *closed* culture will seek to control social media and fail. Social media projects are crafted according to your type of culture.

10. Have a step-by-step formula. The *social media model* should consider how to integrate the existing conditions but also adopt a staged approach—both to keep in perspective business goals as the project moves forward, and to alleviate any risk along the way. **SSE**

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ACTION: Use social media effectively.

Compelling E-Mail

Craft subject lines and messages.



by Jean Van Rensselar

THE SUBJECT LINE IS KEY IN driving digital marketing results. You can spend hours composing an informative email for clients/prospects, but it's a waste of time if no one reads it. *Whether the email is opened on a desktop or a mobile device, a compelling subject line is the key—and it boils down to a basic formula.*

You have 85 characters in the subject line, and yet the average email subject line is only 45 characters. What a waste! The old thinking was that you want the subject line to be short and snappy. The new thinking is that, as long as you put the most important information at the beginning, use up as many of those 85 characters as you can (same goes for the email message).

So instead of: Subject Line: *The Best Cloud Solution* or Subject Line: *We're Offering an Industry-Leading Cloud Solution with Excellent ROI*, go with Subject Line: *Excellent ROI on Cloud Solution—Our Industry-Leading Access Software.*

You actually have two lines—not one. In addition to the subject line, you have the From line, which you can configure how you want. Most companies use the From line to clearly identify the sender opting for the company name or sender's given name.

People are more likely to open emails that have a personal name—if they recognize the name. If not, the email screams SPAM, and they won't open it. So, *don't send an email with only your given name in the From line.* And if you only include the company name in the From line, it will also hurt the open rate. Put your name first, without a title, followed by the company name. You only have about 40 visible characters to do this. So include your full first name, use only the initial of your last name, abbreviate the company name where possible by eliminating spaces and shortening or eliminating common words, and add some short ad copy.

The From line is another line where there's a lot of unused space. Use more than half of the From line, and put the most important info first and then use up as many characters as possible. So this is your formula for the From line: **Personal name + Company name + Ad.**

The Subject Line

The *subject* line should coordinate with the *From* line (don't mention the company name again in the *subject* line). The length of the visible subject line is about 85 characters, so you need to be straightforward and brief, avoid certain words, and convey *three messages*: 1) a clear feature or benefit; 2) ease of access; and 3) *immediate value.*

- **Offer a clear feature or benefit.** Know the demographics of your email list and offer a feature or benefit that the people on the list care about. You'll have to summarize the feature/benefit in a word or two. If torn between mentioning a feature or benefit, mention the feature if the benefit is obvious. If not, mention the benefit.

- **Promise ease.** Busy people are more likely to open something they're interested in if it looks like it cuts to the chase. You do this three ways. 1) Include a word such as *quick* or *easy*; 2) include a small number, "4 ways to . . ." 3) if you have room, include both, "4 Quick Ways to . . ." If you say it's *quick* or *easy*, it better be.

- **Promise immediate value.** Only promise *10 Tips for Reducing Packaging Costs* if you include those tips in the body of the message, in an attachment, or one link away. If there's room, include the words, *Here's How* or just *Here* at the end of the *subject* line. Don't provide a link to info that requires the reader to register, wait for confirmation, and then go back to the link. It annoys readers. Even worse is asking people to pay \$95 for a white paper or sign up for a \$300 course. If there's a cost, imply it in the *subject* line.

- **Be straightforward.** Do not make promises in the *subject* line about the email message that aren't true. No one will ever open your emails again. So, use the subject line for *telling*, rather than *selling* what's in the message.

- **Avoid certain words.** Avoid these three words/phrases: *Help*, *Percent off*, *Reminder*. And avoid other words that convey the same sentiments. For example, *Don't Forget* is the same as *Reminder*. Why? The click through rates on subject lines with those words

and sentiments are low (perhaps because *Help* and *Reminder* imply work and *Percent off* is always too good to be true) unless someone *opts in*.

Other subject line words and phrases will trigger a spam filter: *The recipient's name*, *Information you requested*, *Guarantee*, *Special Promotion*, *Winner*, *Free*. The list is long. You've been erasing email messages for years and likely know what these words are.

- **Send a test email/post to yourself first.** Don't copy words from a document and paste them into the *subject* line (the characters can mistranslate in sending). Always type in the *subject* line. Don't use all caps, exclamation marks, or imperatives such as *Must*, *Now*, *Always*, *Never*, *Immediately*, *Or else*. Approach your email subject line and message with the sincere desire to make people's lives better and easier.

Here are some good subject lines:

From a gift supplier: *Cut Company Gift Selection Hassle in Half With These 3 Tips* (64 characters).
From a law office: *5-Minute Summary of the New E-Discovery Law Attached—What You Really Need to Know* (82 characters).
From a bearing manufacturer: *Prolong Coupling Life—3 Quick Ways to Reduce Maintenance Expense Here*. (70 characters)

So, here's your formula:

Main Idea (and as fits) *Small Number* + *Feature/Benefit* + *Ease* + *Immediate Value*.

Optimizing the subject line and email message for mobile. Take this a step further and optimize your subject lines and email message for mobile devices, including smart phones and tablets. You don't need to shorten the *subject* line, the *From* line or the email message—just frontload the key info. You want the most relevant info at the start of *subject* and *From* lines and the top of email messages (and Web pages).

For the email message, summarize the key info in one paragraph at the top; on the next line add a *call to action*; and then one line of *contact info* (no spaces between any lines in this top section). Add a space, then add in the full text, and follow that with *complete contact info*.

It looks like this: *Summary* (about 50 words), *Call to Action* (Call or email now), *Name and Phone #* (they already have your email address), *Full text*, *Contact info*. SSE

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ACTION: Craft compelling subject lines.



Sales Lessons at Sea

Plot your course for success.



by Larry Jacobson

IMAGINE YOU'RE STANDING AT the wheel of your sailboat. You untie the lines, back out of the slip, motor up the channel, and head out to sea. What direction do you head? The compass offers you 360 choices; and if you don't choose, the wind and current will take you at their will.

Plotting a course requires *having a destination in mind*, and then you have to steer for that heading. Planning to sell to a prospect requires the same pre-planning. Without plotting your course, the forces of sales will carry you where they will and chances are that won't be where you want to go.

When planning a voyage, preparation is key. Before leaving the dock or making a sales call or presentation, ask yourself five questions: 1) Do I have the necessary skills, do I know who will do what tasks, and do I have the right equipment? 2) What obstacles am I likely to encounter, and am I prepared to deal with them? 3) Do I have an alternate plan in case of hazards? 4) Am I equipped with the time, manpower and materials to persevere for longer than expected? 5) Am I focused on the destination so that no matter what happens, I will achieve the goal?

When crossing a 3,000-mile ocean, *one degree off course can make you miss your landfall by hundreds of miles.* Before you set on your sales journey, follow these *five guidelines* to ensure success.

1. Practice. Before venturing out on a presentation to that big prospect you hope to win as a client, practice your presentation over and over again until you know it cold. If you're presenting as a team, know who will handle what portions of the presentation. Assign roles and plan the timing. Be sure your equipment including projector and presentation copies are in good order and are not in checked luggage.

2. Prepare. Are you ready for questions and objections from the prospect? Sure, you may have reviewed what you think are appropriate questions and objections, but have you looked at it from their point of view? They'll ask questions you haven't thought of because they're looking at things from a different point of view.

3. Persevere. Crossing an ocean in a small boat requires research, painstaking

planning, and enormous tenacity. You must study the winds, currents, tides, and try to predict through this research what will affect the voyage. There's equipment to install, learn about, and repair; and these studies never end. The *setbacks* that come from weather, equipment failures, and the emotional highs and lows of spending day after day at sea are enough to take the wind out of your sails—and keep you close to your home port.

Similarly, a longer-term sale is made with inquiry, patience, and perseverance. Certain sales can take months to close the deal. Study your prospect and calculate how your product can help them reach their goals.

4. Patience is a virtue in selling. It might take *hundreds of contacts* before finding *one prospect* who needs your services, and then it could take *months*

to get an appointment. Consider it a passage across an ocean and persevere to reach your desired destination.

5. Tenacious salespeople usually win in the end. When *selling*, keep your *final goal* in mind and know the processes you're using to achieve it. If a change throws you off of your plans, if a competitor undercuts your price, or the prospect postpones the purchase, stick with it. Come back to the course you plotted at first and persevere. *Try again.* As Winston Churchill said, "Success is not final, failure is not fatal, it's *the courage to continue* on that counts."

Use these lessons learned at sea to conquer fear and stay the course. **SSE**

Larry Jacobson is a speaker, executive coach and author of the award-winning best seller, The Boy Behind the Gate. Visit www.LarryJacobson.com, email Larry@LarryJacobson.com or call 510-500-4566.

ACTION: Prepare and persevere in sales.

MANAGEMENT/MOTIVATION

Motivate Talent

Use these six proven ways.



by Brad Remillard

MOTIVATING YOUR TOP TALENT is key to retaining them, and yet motivation is a low priority for most managers.

How do you motivate top talent to achieve company goals? The answer is *culture*. To keep top talent motivated, focus on six areas:

1. Cultivate a performance-based culture. In tough times there must be *clearly defined goals*, and these must be *clear to your top talent*. They must have quantifiable objectives that motivate them, so when reached, they feel a *sense of accomplishment*. Providing specific *time-based goals* with *achievable results* clarifies exactly what is expected. Your best talent will embrace the goals and not stop until they reach the goal.

2. Create a team culture. Can you define your *company's culture*? Does everyone define it the same way? If not, work on it. Once the culture is well defined, do the behaviors match the culture? Do all managers model this culture day-to-day in how they deal with employees, customers, and vendors?

3. Show respect/express appreciation. Small things can make a big difference with top talent. Respecting their contributions, listening to them, including them in decision making, asking for their thoughts and ideas all make them

feel respected and appreciated. Create a culture that respects your top talent so they feel appreciated.

4. Provide consistent feedback. This includes *regular and structured one-on-one feedback sessions* where you focus on them—giving them feedback, encouraging them, listening to their needs (even if you can't meet them), taking an interest in their career, and building a shared bond. This makes them feel their manager cares about them as a person, not just an employee.

5. Praise progress and performance. You might say: "Thanks, I appreciate *the pride you take in your work.*" Praise goes a long way to motivate people. When people are doing more than expected, demonstrating appreciation will be returned when the economy turns and they don't have to be working there any longer.

6. Encourage education and growth. Top talent insists on learning and getting better to prepare for future opportunities. They don't like to limit their growth potential. Ensure they grow and become more valuable employees by enabling them to take additional classes, lead a project, accept a challenging new opportunity, serve on a cross-functional team, or take an on-line class.

Practice these *six ways to motivate* top talent. They'll increase their productivity—and that's the best ROI. **SSE**

Brad Remillard is a speaker, trainer, co-founder of IMPACT HIRING SOLUTIONS and co-author of, You're NOT the Person I Hired: A CEO's Guide to Hiring Top Talent. Visit www.bradremillard.com.

ACTION: Practice these six ways to motivate.

Planned Serendipity

Put it to work for your business.



by Thor Muller
and Lane Becker

IT'S A COMMON CLICHÉ: THE ENRAGED customer, held hostage by a computerized phone tree, red in the face and screaming at the automated voice foisted on them by their service provider, begging for a *real person* to get on the line. Yet the image has staying power because there's a maddening truth to it: *most companies do everything they can to keep customers at bay*, often instituting various *customer deflection* solutions, like the ubiquitous phone tree, intended to keep customers from interacting with employees.

Why would managers want to *incite* this negative response? Few *intend* to create such strife via their customer service practices. Most would much prefer to *delight* their customers, as frustrated customers often lead to loss of future sales (especially if the situation enters the social media fray). Rather, our unfortunate current situation is the natural outcome of well-intentioned decisions about the best way to manage a thriving business.

A focus on responsiveness is a hallmark of many new businesses, but as they grow they start to formally segment responsibilities. *Customer service* becomes one department among many. While this segmentation allows the business to scale its growth, it tends to cut employees off from the customers.

Cost is also a factor. Each new customer comes with a service cost. This is less of an issue early, when these costs are part of building the business, but in conjunction with scale, they can become significant. And since they almost always come after the customer has paid, these costs are rarely seen as anything but a loss to be minimized.

Yet there are hidden costs to customer deflection—companies cut themselves off from all the immense value and knowledge their customers have. Our customers are our lifeline—paying attention to them helps us anticipate how our market will change, ensuring that our thriving business today will stay a thriving business

tomorrow. We can never predict what timely, serendipitous piece of information from a customer could potentially lead us in a new direction.

There is an alternative. If we can reconnect our workforce with our customers in a way that doesn't squeeze our resources, we make more room for *serendipity*—and the valuable possibilities it holds—along the way. We call this serendipity-friendly approach exercising the skill of *permeability*—the ability to engage with your customers throughout their product or service experience, and to weave the insights generated by these interactions and engagement into the daily practice of your business. Like a sponge, which continually ingests and expels water in order to hold its shape, permeability lets new ideas flow in when we carefully open ourselves up to the wide world that exists outside. Permeability is a skill that every employee can and should learn, not

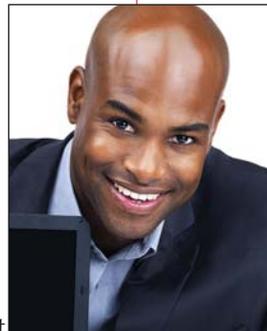
just the customer service team. It enables us to get at our customer's insights reliably. Any one of them could be the spark that leads to the next product breakthrough or marketing coup.

We've seen companies hone the skill of permeability with *Get Satisfaction*, the Web-based *customer community platform* we developed to support this approach to interacting with customers.

• **Pampers.** Pampers makes baby-care items, and cultivates an engaged customer community around their products. Every decision related to a baby can feel like life or death to a parent. This makes *Pampers parents* the kind of customer a brand manager at Procter & Gamble would refer to as *high engagement*: likely to spend time researching all available options before making a purchase. Pampers *markets* to its customers by giving them the space and opportunity to have a conversation with each other. On the Pampers *Get Satisfaction* community site, parents ask questions of each other, like how to get a teething baby to sleep through the night. Even employees who aren't participating can see and benefit from the conversations happening online.

• **Whole Foods.** Whole Foods is the leading *organic grocery chain* in the U.S. Its customers are also *highly engaged* consumers. Teresa, a Whole Foods employee, responded to a question about bottled water by explaining how their bottled water program works. Her response, 500 words long, addresses not only the various sources Whole Foods gets water from, but also delves into issues around filtration processes. The community platform allowed her to monitor concerns and choose to get involved when she came across a question she had knowledge about. Developing the *skill of permeability* doesn't just allow knowledge to flow *into* your organization—it also allows it to better flow *out*. The opportunity to share with customers that want to hear it can be powerfully motivating for employees, bridging the distance between your employees and customers.

• **Timbuk2.** Timbuk2's mission is making bike messenger bags. Their focus is vital to their success, but can also create problems, as they can *miss opportunities* as a result of tunnel vision. Timbuk2 has a type of customer they didn't used to think about—the *skate-punk mom*, who goes to Burning Man but also buys organic groceries. She loves her Timbuk2 bags,



but has kids and needs a diaper bag, too. When one mom asked in the community whether Timbuk2 would ever make a diaper bag, the initial response was negative. But as the community explored the topic, the group perspective evolved. The discussion showed that Timbuk2 moms knew what they wanted, because many had hacked their messenger bags to turn them into diaper bags. In response, Timbuk2 created a *diaper bag hack kit* on their site, making space for these moms to show off their own diaper bag hacks.

Once you embrace a new approach to talking to your customers, a new world of benefits opens up. Opening your business to connect with your customers opens you up to your customers' intelligence, inventiveness, creativity, and excitement. These qualities come from customers who choose to engage with your product or service and want to share that experience back with you. Who knows what insights will *serendipitously arise* as a result? **SSE**

Thor Muller and Lane Becker are cofounders of *Get Satisfaction* and coauthors of *Get Lucky* (Jossey-Bass). Visit www.getsatisfaction.com.

ACTION: Open yourself up to customers.

The Loyalty Leap

Are you ready to make it?



by Bryan A. Pearson

CUSTOMER DATA CAN INFORM decisions that make the difference between simply retaining your customers for now and developing long-term emotional loyalty. Don't be *casual* about putting the customer at the center of your purpose.

Organizations can be sorted into **three categories** of readiness: 1) *Customer Casual*; 2) *Customer Close*; or 3) *Customer Committed*. To learn which category your organization is in and how it drives your strategy, take this quiz:

- **Is your customers' transactional data used as a filter to making decisions in all areas of the business?**

a) every area uses transactional data in decision-making; b) most groups use the data, though a few do not; c) only a few groups use data; most of the organization doesn't; or d) we don't use customer data for decision-making.

- **What portion of your collected transactional data is analyzed and used to bring value to your customers?**

a) we actively review all transactional data and assess opportunities for use; b) we review most data; some is not; c) some is used, most is not; or d) very little of the data is analyzed or used.

- **How relevant are your communications/promotions to your most loyal and valuable customers?** a) we know exactly who they are and look to provide a customized experience by leveraging data; b) we know who they are and target them with generic promotions and discounts; c) we have a rough profile and try to target them with promotions; or d) we don't know who our most valuable customers are.

- **Does your company work to gain the loyalty of frontline employees?** Do you have ongoing training programs, and also give them the freedom to improve the customer experience in their area.

- **Is repeat business your definition of customer loyalty?** a) we measure it, but also use other measures to evaluate loyalty; b) it is our primary means of measuring loyalty; c) it is our only means of measuring loyalty; or d) we cannot measure repeat business.

- **How much customer data does your company believe it should collect?** As little or as much as possible?

- **Do you agree customer satisfaction**

is an accurate measure of customer loyalty? Do you look at both *satisfaction* and *engagement* to measure loyalty?

- **Do you collect and use spatial info?**

This refers to the physical location or neighborhood, in which the customer lives, his or her travel routes and the places where he or she does business.

- **Do you collect and use temporal info?** This means *timing* but can also reflect a *big lifestyle shift* such as a new baby, move or career change. These changes also can be small (home renovation project or family reunion).

- **Do you collect and use individual info?** This reflects consumers' unique personal interests, passions and values.

- **Do you collect and use cultural/cohort information?** This means any ongoing activities that regularly group

people together. This includes *standard demographics* and *lifestyle choices*.

- **Are data-analytics talent and data-base technology treated as strategic imperatives?** Do you champion them internally and invest heavily to ensure market leadership?

The *new normal* involves customers who jealously guard their privacy, yet also demand that all their unique needs be met. You need to deliver on the desire for *relevant connections that fulfill customer needs*. You make the loyalty leap by understanding your customers' needs, respecting their privacy, and having the tools to accomplish all this. **SSE**

Bryan Pearson is CEO of LoyaltyOne and author of The Loyalty Leap: Turning Customer Information into Customer Intimacy (Portfolio). Visit www.loyalty.com.

ACTION: Make the loyalty leap.

SALES/HUMOR

Win with Humor

It's the social catalyst at work.



by Eric J. Romero

HUMOR CAN CHANGE A dull organization to one where people like coming to work. *Humor boosts group cohesiveness, communication, socialization, leadership effectiveness, creativity, and stress reduction.* Yet many managers dismiss it as *irrelevant* at work. This is nonsense! Humor is highly relevant at work. Today's workforce is different. They expect work to be fun and enjoyable. Humor can help managers create an *enjoyable environment* and contribute to *employee retention*. Humor is a key element in the culture of Southwest Airlines, Google, Ben & Jerry's and Zappos—*unconventional companies* that beat competition.

Humor is essential to most relationships that we cherish. You enjoy being with your best friends because you can share laughs together. At work, humor can create a *positive culture* conducive to social interaction. *Where humor is discouraged, work is dehumanized.* Why would any manager want to do that? In fact, given the importance of the service and sales teams, *helping people work well together is crucial.* Leaders need ways to bring people together—humor does that in an enjoyable way.

Using humor is far cheaper than other approaches for bringing people together (retreats, parties).



How to Use Humor

To have fun at work, try these ideas:

- Joke about your faults or mistakes.
- Have fun costumes or funniest catch phrase competitions.
- Give funny names to things; meeting rooms, nicknames, or teams.
- Have a roast of top leaders (a panel of people make jokes about someone).
- Occasionally play fun games.
- Create a *fun room* where people can play games or just goof-off.
- Take and share *funny pictures* of work.
- Create *funny songs or rhymes* about teams, people, events, or competition.
- Tell funny stories of events at work; embellish/exaggerate for added humor.

- Watch a funny TV show (*The Office*) or movie (*Airplane*).

Since humor can cause problems or go too far, *set some reasonable limits.* Avoid using humor to intentionally upset or hurt people; avoid ethnic, gender and similar types of humor (since using such humor could be construed as harassment); avoid humor that distracts people from their work.

The benefits of using humor are far more than just fun—it's good business. Since humor is part of being human, it should not be discouraged at work. To the contrary, it should be encouraged so that people can enjoy its many benefits.

Humor is a key part of an *unconventional culture* and competitive advantage. It helps people work better together, resulting in better communication, leadership, teamwork, and creativity! **SSE**

Eric J. Romero, Ph.D., is an Unconventional Leadership Consultant and Speaker who helps managers beat the competition. He is the author of Compete Outside the Box. Visit www.CompeteOutsideTheBox.com.

ACTION: Add appropriate humor to your work.

Employee Service

It's key to sustainability.



by Michael Rosenbaum

ONE BY ONE, THE MEN IN THE Discount Tire T-shirts will describe what they see when they look up the corporate ladder—they see themselves. From store managers to regional VPs and operations executives, it's a parade of people who started their careers busting tires and, at the top, is chief tire buster Bruce Halle.

Halle was a poor kid and poorer student, overwhelmed at times by a bad temper and lacking most traits of a *young man to watch*. Today, his \$3 billion Discount Tire Company operates 820 stores, and Halle is ranked 96 on the *Forbes* list of 400 richest Americans.

His journey provides key insights into the most complex mission of any leader: attracting and motivating followers. Discount Tire's success—commanding a 10 percent market share while operating retail stores in only half of the states—demonstrates the measurable impact of Halle's simple approach.

Discount Tire sells a *commodity product* in a saturated market. Customers who visited Halle's first shop in 1960 could obtain the same or better tires at two other stores within 300 feet of his facility. The situation isn't much different today. People can buy tires anywhere and many retailers will match competitors' offers automatically.

In this environment, *competitive advantage must come from a source other than product selection and pricing*. Early in his career, Halle focused on simple things like clean bathrooms, then a rarity in the automotive business, and free mounting of snow tires. Instinctively, he emphasized the *customer experience* as much as *the product*, which led to success.

As Halle expanded to new stores and new states, he faced the same challenges as any founder. How could he obtain the same results in other stores when he wasn't the guy greeting customers and enhancing their experience?

According to S. Robson Walton, chairman of Walmart Stores, Inc., *the answer lies in finding the right followers*. As Walton writes in his foreword to *Six Tires, No Plan*, "the founder must enlist likeminded employees—true believers—to both adopt and fulfill the mis-

sion. Employees must be *convinced*, not *compelled*, to sign on to the founder's vision and values, to operate in a way that resembles or replicates his style. Employees must become missionaries for the personal brand of the founder."

Halle's personal brand, established the day he opened his first store in Ann Arbor, was *value-driven* and *customer friendly*. Early in the company's development, Halle extended this brand by simply finding other guys like himself—men who were willing to work hard and smile while doing it, men who appreciated that their success flowed from making the customer happy.

While these early recruits thought



Halle was a man to follow, they did not see him as much different from them and believed they could find success at Discount Tire as he had. Halle offered and delivered recruits a *roadmap to follow*.

Today, the *prototypical store manager or operating executive* at Discount Tire is an average Joe who had few expectations in life, never thought of a tire store as the place to build a career, and showed up one day for no other reason than to put food on the table. The typical employee starting out at Discount Tire will have much in common with Halle when he founded the company.

Finding *the right match* for employees is only one step in the process of creating followers for Halle. More important are the practices he implements to build loyalty among his teammates.

For example, Halle *never* hires a store manager from outside the company. The waiting list for store manager slots is long, and the *company bench strength* deep, so there's no need to raid the competition. Even stronger as an *incentive* is the *loyalty* among employees.

The same holds true in the upper management, where the vice chairman, CEO, president, and other operating

executives can trace their careers to the back of a tire store. The *leader/follower* relationship is a *shared faith*, and Halle's employees know he is committed to keeping that faith. "If I were to bring someone in at a high level without having worked in the stores, I may as well slap every store manager in the face—and I would never do that," Halle says.

Halle has built the company around its employees, not around the product or customer. While Discount Tire gets high marks for customer satisfaction, the path to those metrics flows through employee motivation. Among the tools Halle employs to build that motivation:

- When a store reaches \$200,000 in monthly sales, Halle sends the company jet to take all full-time employees and significant others on a day-trip.
- When the cost of living increased dramatically in one region, Halle boosted pay rates to close the gap. Similarly, when local economic conditions preclude strong financial performance, Halle has paid bonuses to workers who had not earned them—at least, on paper.
- Frequently, employees promoted beyond their capability are reassigned.

Each example here is relatively small in a company with 800 stores and thousands of employees. The long-term impact of these investments is similarly minor on the income statement. The power of these examples can't be overstated, however. Employee loyalty and commitment flow from corporate legends about Halle's loyalty to his people.

In turn, Halle expects his managers to *follow the same model* with employees. The role of managers is to *replicate and perpetuate* Halle's leadership style. When they face a challenge, they ask, *What would Bruce do?* The answer, Halle would say, is to *pay it forward*.

"We're creating jobs for many wonderful people," Halle reminds his executives. Halle sees *kindness* as a *trust to be passed on* to the next person in line. The more kindnesses one receives, the greater the responsibility to *pay it forward*.

The message is received clearly by the people who thrive at Discount Tire. They see *their personal path to success* in their role as followers—emulating the leaders' practices and becoming leaders, *paying forward* to their own employees.

The result is what many see as a *self-perpetuating and productive culture* at Discount Tire, with 18-year-old part-timers choosing to follow the *octogenarian tire salesman* who started it all. SSE

Michael Rosenbaum is a business consultant and author of *Six Tires, No Plan* (Greenleaf) the biography of Discount Tire founder Bruce Halle. Visit www.q5works.com.

ACTION: Excel in employee service.

Better Storytelling

Use these three techniques.



by Patricia Fripp

EVERYBODY LOVES A GOOD story. Stories are how we learn values and history. In sales, stories help us explain the complex and differentiate us from our competition. Wise leaders, managers, and salespeople develop an arsenal of great stories and good examples. To put your best foot forward, gain powerful, persuasive presentation skills.

Steve Ball of Microsoft was in charge of finding *the right music* to be the boot-up sound for the *Vista* operating system. He brought in three professionals with Hollywood experience—for *six seconds* of sound! Steve explained, “Part of the sound was used in our email program. That translated into this sound being heard more than any other music ever heard, including the Beatles.”

The *musician chosen* was **Robert Fripp**, guitarist/founder of King Crimson. Steve noted, “All the artists created a sound that would have worked. However, Robert *told the best story* of how his music best represented *Vista*.”

Sometimes, the most unlikely people tell great stories. Often a coworker will have you in stitches as she regales you with tales of what happened taking the bus to work. Then the CFO walks in, and halfway through his story everyone says, “It’s time to get back to work!”

Why is it so few have the skill?

When someone tells a rambling story that seems to go nowhere, you are left wondering “What was the point?” To turn simple stories into examples that will be remembered and frequently repeated, use these *three methods*.

1. Think chronologically. When did your story happen? Where’s your story set? From whose eyes is the audience seeing the story? Stories work best when told in the order they happen; it is easier for you and the audience to remember it. While you develop your example, add as many details as you can remember. After you have your outline, take the advice of Alfred Hitchcock: “A movie is like life with all the dull parts left out.” Meaning cut anything that is irrelevant or boring.

Classic *movie formulas* that can help you are: “A day in the life,” “Something happened . . .” “And the result of that is . . .” “And the result of that is . . .”

2. Use shorter sentences or phrases. Ron Arden, speech coach and director, told me “The written word for the eye, the spoken word is for the rhythm.” When we read it is easy to look back and read a paragraph again. When we speak we need to keep the audience with us. Present information in shorter segments than you would write.

3. Consider each sentence a scene. Present information in the way the audience *sees* the message. When putting together a story, *consider each sentence a scene as it would be in a screen play*. Try writing your notes down the page, line-by-line, rather than in paragraphs; it will be much easier for you to internalize. The audience will be transported to a different time and place and emotionally connect more.

Putting it together. One sales professional who impressed me by

using these three ideas is Mark, a Sales Manager who was preparing to moderate a panel at a National Sales Meeting and was nervous. He’d tried to understand new products, clients, and products, and his mission in the speech was to encourage people to embrace new jobs and *move fast to get up to speed*. Yet, Mark had no idea how to set the tone.

He remembered a story from last year’s sales meeting, how his wife came in for the weekend. They went to see David Copperfield, and he made her disappear. Using the three tips, Mark created a short, meaningful story that set the right tone for the panel and earned rave reviews. **SSE**

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ACTION: Tell stories better to sell more.

SALES/PROPOSALS

Sales Proposals

Why do customers want them?



by Tom Sant

EVEN WHEN YOUR SOLUTION is a great fit, the value is clear, and the customer knows you can and will deliver, they might still ask for a proposal. If you are dealing with a government agency, the rules governing procurement likely mandate proposals. By-passing those regulations to *sole source* a contract is difficult. And in the commercial world, buyers might insist on getting proposals for one of three common reasons:

1. Compare vendors, offers, or prices. Even if you are the only vendor, you might be asked for a proposal so that your recommendations, pricing, and evidence can be compared to a competitor’s. Buying products or services can be tough when the decision maker must deal with an array of options, conflicting claims, and little knowledge of the area. By asking for a proposal or issuing a formal RFP, the decision-maker can compare and contrast responses.

Your job is to emphasize your differentiators and how they add value. Show customers that they’ll get the results they value most by choosing you based on capabilities, features or other factors that differentiate you from competition.

2. Clarify complex information. If you sell something complex, your prospects

may not understand it. Many products and services involve new technology, complicated processes, or elaborate financial arrangements. Your customers may think that they need to understand every aspect of the deal before they can make a decision. If they don’t understand what you’re talking about, they’ll likely request a proposal. A proposal gives customers a chance to read, analyze, ponder, get help, and understand.

Your job is to offer an overview up front. The *executive summary* should focus on the customer, not your technology or history. Show understanding of the customer’s business, what they need, and why. Then recommend a solution that links to their needs and how you’ll address them.

3. Add objectivity to the buying process. Clients often issue RFPs and set elaborate scoring tables, weight various parts of the proposal, and then assign points to each of your answers. To add *objectivity*, they may divide the price you quote by the number of points you receive to determine which vendor has the best dollar/point ratio.

Your job is to write a proposal that is easy to recommend. Avoid lapsing into marketing fluff and vague claims. Be specific. Link your recommendations to what the customer cares about.

Writing proposals is a *strategic part of your sales process*—a chance to set yourself apart and win business. **SSE**

Tom Sant is CEO of Hyde Park Partners and author of *Persuasive Business Proposals, The Giants of Sales, and The Language of Success*. Call 805-782-9290.

ACTION: Create winning proposals.

Service Attitude

It affects client actions.



by Leslie Groene

AS A SALES COACH, I'M always evaluating a company's sales and service personnel. I often wonder, *Do they treat all of their customers like that? Why did they say that? Do they have any clue what conclusion I come to when I hear that?*

On one recent trip, I boarded a one-hour flight at 9:30 a.m. out of the Los Angeles area. Once in the air, I requested coffee and was told by the flight attendant that they no longer served coffee on short flights after 9:30 a.m. (new policy). I was disappointed that I could no longer get coffee, but I was more displeased with the flight attendant's dismissive attitude and demeanor.

Upon my return home, I realized that I had left a small but expensive travel case behind at the hotel. I called and was transferred to the hotel security department. They said that they did have the case and would send it to me. I received it via registered mail a few days later with all of the contents intact. I sent a letter to the manager of the hotel to express my thanks to his staff for not only turning in the case but sending it to me promptly.

There will always be *revenue attrition* in any company—sometimes through no fault of your own—but other times it is directly linked to your customer service. Do you know your attrition percentage and why you have attrition within your current customer base? Become aware of how your service and attitude affects your clients! Here are five stats about clients and what drives them away: 1) it takes **6 to 10** times more to attract a new customer than it does to keep an old one; 2) **96 percent** of unhappy customers don't complain—they just stop doing business with you; 3) **91 percent** of those who don't complain will share the negative story with at least nine other people (and **13 percent** will tell more than **20** other people about their experience); 4) the average unhappy customer will remember the incident for **23 years**; 5) the happy customer will talk about the pleasant experience for **18 months**; and 6) for every complaint heard, the average company has **25 other customers** with the same problem.

One way to minimize declining revenue is to call the client and see how they experienced your team and service level. Ask them if you met their expectations and how you could improve the buyer/seller relationship. I suggest to my clients that they personally check in with their top 50 customers regularly to keep relationships strong and ensure that they're providing the best possible service. This personal touch also enables you to learn what market changes are occurring within your clients' industries.

Customer service is a series of activities designed to enhance customer satisfaction—the feeling that a product or service has met the customer expectation.

Note **four rules** of customer service:

1. Honesty is the best policy—integrity. Be honest; own up to mistakes. Tell what you'll do to change or prevent the same mistake from happening again. Don't think that a *mea culpa* will get you off the hook. Make and implement a plan to fix the problem!

2. Break glass in case of fire—response time. The best tact is to quickly get on the phone with the customer to explain your company's mistake. Don't rely on email if it can be done quickly one on one. When communicating to a large customer base, email is the fastest and most effective way to notify customers that you are aware of the problem. *Frequent updates* if there is a protracted issue and a *brief overview* of how you'll prevent it from happening again will give your customers confidence that you are aware of the customer impact.

3. Keep it real—set a realistic expectation. Customers who are promised something that isn't delivered as promised are far more frustrated. *Under promise and over deliver.* This may take some arm wrestling with other departments who want to take a feature or product to market before it is ready. Set the expectations correctly internally as to what the fallout may be so everyone understands the impact to customer satisfaction and customer retention.

4. Show respect. Everyone in your company should love your customers. Without them, you have no company.



This doesn't mean you won't have difficult customers who will push the limits and try everyone's patience. But if you don't have a company philosophy to respect and appreciate your customers, the opposite tone will infect customer interactions from all departments. All departments, customer facing or not, should care about customer satisfaction.

Retain Best Customers

Here are four reminders to reinforce ways to retain your customers so you can increase your revenue.

1. Know your product. Know what products/service you are offering back to front. Be an expert. It is okay to say

"I don't know," but follow up with "let me find out" or "my friend knows!" Whatever the situation, don't leave your customer with an unanswered question.

2. Body language/communication. Most of the communication that we relay to others is done through body language. If we have a negative body

language when we interact with others it can show our lack of care. Two of the most important parts of positive body language are smiling and eye contact. Make sure to look your customers in the eye. It shows that we are listening to them, not at them. And then of course smiling is just more inviting than someone who has a blank look on their face.

3. Anticipate customers needs. *Nothing* surprises your customer more than an employee going the extra mile to help them. Always look for ways to serve your customer more than they expect. In doing so it helps them to know that you care and it will leave them with the *Feel Good Factor* that we are searching for. Warren Buffett said it best: *"It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently."* Stay focused on your client's satisfaction and remember that *our main focus needs to be retaining and attracting new customers.*

4. Be a good sport and treat others fairly in competitive bidding situations. Your industry is a small world—so be fair with others, even competitors, and treat them the way you would want to be treated. After all, by next year, you might want to work with them. *It's the right thing to do—and it's good business!* SSE

Leslie Groene is author of *Picture Yourself & the Life You Want*. Visit www.groeneconsulting.com.

ACTION: Apply these rules of customer service.

Contacting Prospects

Use the General Benefit Strategy.



by Bryan Flanagan

WHEN YOU CONTACT PROSPECTS, prepare what to say in advance. You'll gain more confidence and competence when you dial the phone, and you'll make more calls and generate more activity.

At this point, you don't know the prospect well enough to state a specific benefit. So, you need a general benefit strategy (GBS) as a compelling reason to meet. The more you know about your prospect, the stronger your benefit statement will be. For example, if you discover he is opening new offices, use this information in your GBS.

The GBS consists of four steps:

1) introduce yourself; 2) briefly describe the problem(s) you solve; 3) communicate a compelling value-advantage-benefit; and 4) state the purpose of your call.

Here's one GBS Example: "Mrs. Watts, this is Nancy with Acme Advertising. We're a local advertising firm specializing in solving business problems caused by marketing challenges. We've assisted businesses such as yours in profitably promoting themselves. I'd like to schedule an appointment so we could explore the benefits you can receive from our services."

Here's another example: "I'm Ed Samson with Protection Services. We specialize in solving problems caused by data security issues. We assist insurance companies in getting confidential material off of their property and off of their minds. I'd like to meet with you and discuss the value you can receive."

The GBS is flexible—you can revise it to best fit your needs and your sales culture. You may rearrange or combine steps: "I'm Kathy Smith. I work with women in small business. They find value in our business planning as well as managing their personal wealth. The purpose of my call is to schedule a time to discuss how we could work together to achieve your financial goals. When is a convenient time to meet?"

Now, create your own GBS: Introduce yourself; briefly describe the type problem(s) you solve; communicate a compelling value-advantage-benefit; and state the purpose of your call. You might have more than one GBS since you may find various types of prospects. So, have various strategies. Update the GBS as needed to keep it fresh.

Professionalism in Sales

You can be *less than perfect*, but never *less than professional* in sales. Since sales pros must be *persuasive and convincing*, we must be professional and ethical at all times. Assure them that those investments will reap a positive return by exhibiting *trustworthiness* on each client interaction. *Trust is about meeting expectations over time.* How do you build trust in interactions with clients? Do you have a process in achieving this, or hope for the best? A process is better—*hope is not a tactic.*

To show professionalism, take the attention off of you and place it on the prospect and his or her needs, issues, and concerns. Ask quality questions, listen effectively, and search for the prospect's point of view. After you

leave a sales interview, ask yourself: *do I know more about the prospect or does the prospect know more about me?* Seek to know more about the prospect.

Prospects don't demand *perfect*—just *effective*. So, make effective sales calls. The prospect doesn't want to see you struggle to ask the perfect question, to conduct the perfect presentation, or to use the perfect closing technique. Your prospect wants a professional who will listen to his or her needs and solve his or her problems. Selling is something you do *with* prospects, not *to* them. If your *intent* is to *serve*, develop effective and professional ways to serve. **SSE**

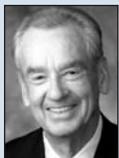
Bryan Flanagan is author of So, You're New to Sales and Sales Ambassador/Premiere Sales Trainer at Ziglar, Inc.

ACTION: Try using the general benefit strategy.

SALES/POSITIVITY

Getting Up

It's a choice you make.



by Zig Ziglar

YOU HAVE WATCHED MOVIES and laughed or cried. Your tears and laughter are brought about because something shown on the screen enters your mind, affects your emotions, and produces the tears or laughter.

You can always do something about your emotions, whether you are *up* or *down*—and the choice is yours. Most people who are *up* don't want to do anything to get *down*, but, surprisingly enough, everyone who is *down*, does not necessarily want to get *up*. Maybe there is some truth in the old saw that "misery loves company" or that some people enjoy having *pity parties*. At least they seem unwilling to take positive actions to cure the *doom and gloom* feeling which they have.

My question is, why would some people elect not to change their gloomy state of mind? It has to do with self-esteem. Those who feel good about themselves, even when they are in a foul mood, feel they deserve to feel better and take positive action to accomplish that objective. Those with poor self-esteem tend to maintain that foul mood by pursuing their negative thinking, which produces the feeling.

One cure for overcoming gloomy feelings is offered by Karl Menninger.

He stated that when you are down, if you will seek out someone else who has a problem and get involved in helping them solve theirs, you quickly forget your own. So the solution is simple. When you're in a blue mood, help someone else solve their problem. Both of you will feel better!

Positive Is Better

We are most influenced by the opinion of the most important person in our lives. As we grow up, our parents are the most important people in our lives. Unfortunately, too many times parents take the negative route instead of the positive one, and the results frequently are disastrous. Bill Glass, who has conducted revivals in over 350 prisons in America, says that 90 percent of the people who are incarcerated say their parents constantly harped on the negative, often saying things like, "You'll never amount to anything."

Negative statements many managers verbalize is, "Can't you do anything right?" "You always mess up! Can't you learn how to close a sale?"

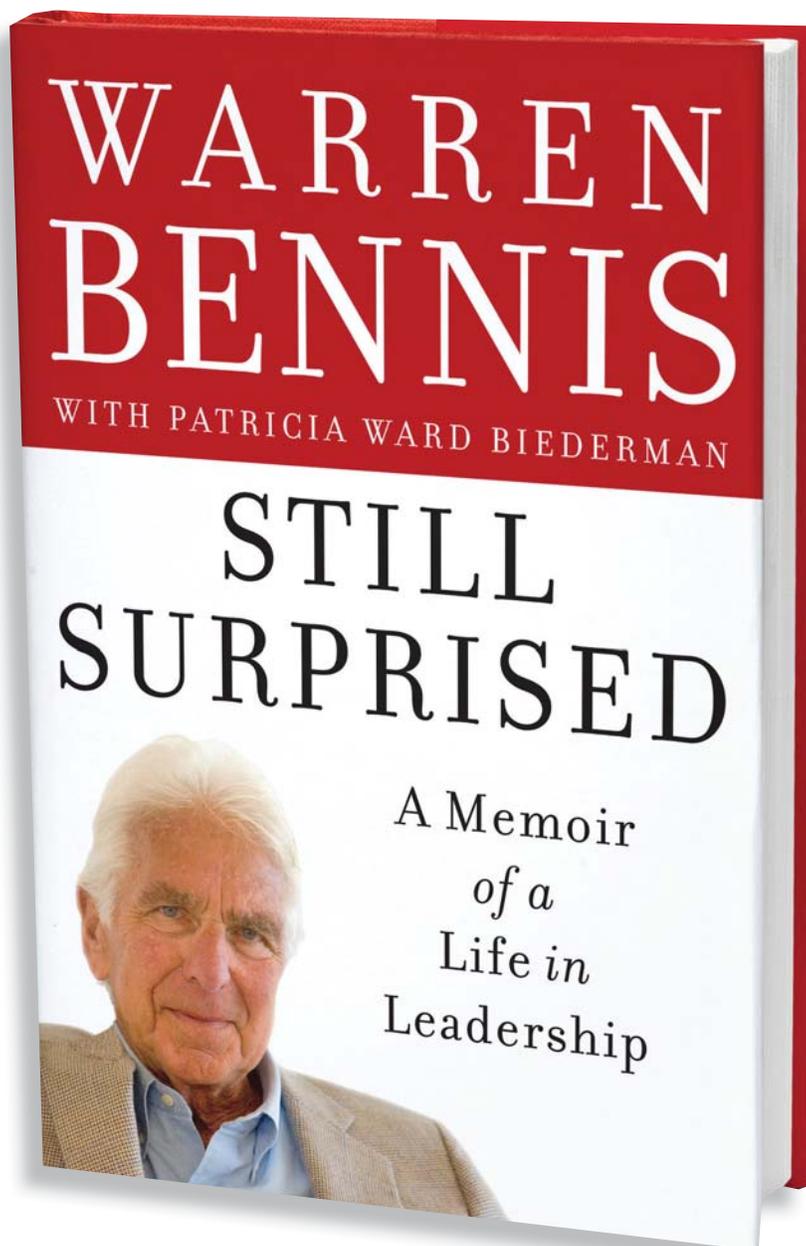
The solution is to change from the negative to the positive. Failure is an event, not a person. A colleague might make a mistake, but *the person is not the mistake*. Correct the mistake, and teach the person a better way to behave or perform. *Concentrate on positive actions and good behavior* before reviewing errors and talking about the right answers. When you emphasize the positive, you'll see more positive behavior! **SSE**

Zig Ziglar is known as America's motivator. He is the author of 30 books. Check out his latest book, Born to Win. Visit www.zigziglar.com.

ACTION: Cultivate and express your positivity.

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