

# SALES AND SERVICE Excellence

THE MAGAZINE OF TEAM LEADERSHIP

JANUARY 2009

**Sales**  
Confidence

**Strategic**  
**Planning**

**Incentives**  
Purposeful Choice

**Leadership**  
in Hard Times

**John Golden**  
CEO Huthwaite



*"Sales and Service Excellence is a phenomenal resource for sales professionals who want to grow and achieve more in their careers."*

—TOM HOPKINS, AMERICA'S #1 SALES TRAINER

[www.LeaderExcel.com](http://www.LeaderExcel.com)

# Climate Change is Here

Today's business climate has changed.

The political climate is changing,

The economic climate is changing,

The financial climate is changing,

How do you keep up? How do you stay afloat? Ask Alan.

Individual 1-on-1 private coaching and team workshops.

## Call Alan today

### Crisis Coaching

- Response Strategies
- PR & Media Coaching
- Presentation Training

### Executive Coaching

- Leadership Effectiveness
- Relationship Success
- Customer Retention

*Call Alan today for a  
confidential consultation.*

*Find out how his coaching system can help  
your organization navigate the changing business climate.*



**Alan Stafford, MBA**

*Executive Coaching / Crisis Coaching*

**Stafford Executive Coaching**

*[www.staffordexecutivecoaching.com](http://www.staffordexecutivecoaching.com)*

*[alan@staffordexecutivecoaching.com](mailto:alan@staffordexecutivecoaching.com)*

**704.688.7122**

# Sales and Service Excellence

Volume 9 Number 1

The Magazine of Team Leadership

January 2009

MANAGEMENT/REWARDS

## Purposeful Choice

*The what, why, and how.*



by Paula Godar

**A**N EFFECTIVE SALES INCENTIVE program is based on the principle of purposeful choice. Sales reps who achieve goals should choose from a collection of meaningful, memorable, and motivating items and show off their hard-earned awards to family and friends. These rewards tell everyone that the company values their work enough to use high-quality awards.

At Maritz, our rewards program encompasses thousands of items, covering multiple categories and brands, but quality and cutting-edge remain hallmarks of the rewards we provide. Purposeful choice is especially important today with a more diverse workplace and a global economy that is moving toward parity in reward and recognition practices worldwide.

Reward effectiveness is not only a matter of providing choice. If choice was all that mattered, cash would be the preferred reward. But rather it's choice with four purposes: 1) offer every participant a compelling selection of rewards that encourages change in behavior; 2) help every individual connect their actions with a reward they

personally value; 3) link the reward with a lasting memory of achievement in a way that is consistent with the company's brand image and creates an ongoing positive bond with the company; and 4) provide rewards that will measurably improve performance, engagement, and loyalty among employees, sales partners, and customers.

Purposeful choice enables a critical



element of motivation—goal setting. A reward collection with enough choice for every individual to select meaningful rewards and to add those items to their "Wish List" creates psychological advantages over the limitless choice seemingly offered by cash.

A study by Scott A. Jeffrey showed that, on average, program participants motivated by non-monetary rewards

thought about their unearned reward nearly 40 percent more than those working toward a cash reward of equal value. Those working toward the tangible incentive also had 25 percent greater commitment to the goals and offered 10 percent higher performance.

This study shows three important points: 1) Employees visualize tangible rewards more frequently than cash rewards; 2) employees who visualize rewards have greater goal commitment and performance; and 3) low-income earners are not best motivated by cash, but by tangible rewards.

Many companies agree that cash is not appropriate for incentive, recognition, and loyalty solutions, but instead offer a debit card that can be used anywhere. Again, this option presents recipients with too much choice. Most feel obliged to use the reward card for practical items like gas and groceries or just to put a little spending money in their pockets. This isn't the meaningful, memorable reward the sponsoring companies have in mind.

### Redemption Analysis—Cash Card

So why offer any choice? Why not just pick the most appealing item you can find and have everyone work toward that? "Most appealing" is in

### CONTENTS

JACQUELINE THROOP-ROBINSON <i>Motivating People</i> . . . . .	LIZ TAHIR <i>Master Negotiation</i> . . . . .	GEORGE LUDWIG <i>Bail Yourself Out</i> . . . . .
3	8	12
JAMES R. FISHER, JR. <i>Confident Selling</i> . . . . .	DREW STEVENS <i>Optimizing Sales Leads</i> . . . . .	JEFF THULL <i>Quality Referrals</i> . . . . .
4	8	13
MORRIE SHECHTMAN <i>Water Cooler Woes</i> . . . . .	HOWARD HYDEN <i>Fuel the Employee Fire</i> . . . . .	DAVE KAHLE <i>The Practice of Sales</i> . . . . .
4	9	14
PHIL FRAGASSO <i>Stay Up, Sell Out, Cash In</i> . . . . .	DENNIS LADD <i>Personal Touch</i> . . . . .	KELLEY ROBERTSON <i>Inadequate Salesmen</i> . . . . .
5	10	14
KEVIN CLANCY AND PETER KRIEG <i>Five Marketing Tips</i> . . . . .	JEFF MOWATT <i>Multiple Customers</i> . . . . .	GAVIN FINN <i>Experiential Marketing</i> . . . . .
6	10	15
REBECCA STATON-REINSTEIN <i>Strategic Planning</i> . . . . .	JOHN GOLDEN <i>Leadership in Hard Times</i> . . . . .	GEORGE HEDLEY <i>Don't Wait</i> . . . . .
6	11	16
RON MORRISON <i>Mantra Smantra</i> . . . . .	PATRICK MCCLURE <i>The Abundance Principle</i> . . . . .	JOANNE BLACK <i>Just say No to No's!</i> . . . . .
7	12	16

the eye of the beholder. Demographic differences, life stage, and lifestyle play a role. A 20-year-old sales rep who loves to cook and decorate her home probably doesn't want a set of golf clubs if she doesn't golf. Or, think about the boomer who likes to splurge on the latest electronic gadget and is offered a basic MP3 player that is two models below the one he already owns. Or, imagine a single parent who has a seven-day luxury travel award to work toward—and can only guess how much a sitter will cost for that week—when what he really values is more time with his child. Rewards must connect with each individual, and purposeful choice is necessary to make that connection. Incentive programs are more successful when participants can pick personally meaningful rewards at the beginning.

### How Do You Achieve Purposeful Choice?

In addition to covering a wide range of categories, a rewards collection must address diversity in today's society. Selecting all the right brands, features, functions, styles, and price points is a monumental task, but is doable with the right mixture of science and art.

Invest in a team of merchandise strategists and sourcing professionals. At Maritz, our team spends countless hours studying trends, demographics and psychographics, past redemption patterns, and focus group results. They attend merchandise shows to find out the up-and-coming items that belong in the best rewards collection—cutting-edge electronics, trend-setting jewelry and giftware, home furnishings, and more. They partner with companies who offer unique experiential rewards like red carpet events, cooking and racecar-driving schools, family adventures—even a chance to attend the presidential inauguration. Our merchant selection team finds the leading retail, catalog, and hospitality companies featuring rewards that deliver lasting goodwill and memories.

A wide range of choice is necessary to fit a diverse population, but the unifying concept is to provide rewards that are meaningful, memorable, and motivating. And it's not just about having plenty of selection. Brand names are critical to making people feel special about their accomplishments. Companies show their employees, channel partners, and customers how important they are when names like Prada, Movado, Sony, Taylormade, Dyson, and Thomasville are represented in a rewards collection. When the nature of a client need requires a special selection of items, Maritz buyers gain an understanding of the people who will receive the rewards, as well as the pro-



gram goals, so they can choose motivating rewards to ensure goals are met. It's also important to have world-class fulfillment and customer service so that everyone who receives a reward feels like an achiever, not just one of thousands of faceless orders.

Maritz had been managing a merchandise reward fulfillment for a leading hospitality consumer loyalty program for two years. In May 2007, Maritz and the company initiated a project to enhance the redemption process by implementing a new rewards shopping mall program with real-time point redemption via a Maritz operated 24/7 e-commerce site. This move reinforced this company's strategy of offering an improved customer experience with more reward options (now over 3,000) and increased flexibility. The first month's redemption with the new approach was over 40 times average monthly redemption in the previous program.

With a professional team of buyers doing all the research, Maritz can offer the best few items at various price points and feature-sets, so that achievers can enjoy choice without confusion. With a carefully chosen set of items covering "good, better, and best," selecting a reward becomes a delight, not a chore. The process of reward selection and delivery should be a special experience for special performance.

Why is all this necessary?

Because people are different. Some people prefer traditional rewards that offer timeless elegance; others want the latest handbag, perfume, golf club, or cookware set. Some people only want items that are environmentally friendly and contribute to society. Some want to see and be seen where the celebrities go, and others prefer to entertain, stylishly, from their backyard. A points-based program providing purposeful choice is the best way to reward people. And it's not just about what you can get with those points—it is how people want to save and spend them.

Providing reward and recognition that isn't personally meaningful is like providing no recognition at all! Purposeful choice provides meaningful recognition. The objective of a rewards program is to help people realize their potential. Whether you're motivating a sales professional to stretch for a sales goal, recognizing an associate for a stellar accomplishment or rewarding a customer for ongoing loyalty, the reward must be meaningful to inspire performance and create lasting goodwill toward your company. **SSE**

*Paula Godar is Director of Brand Strategy for Maritz, dedicated to the science and art of people and potential. Visit [www.Maritz.com](http://www.Maritz.com).*

**ACTION: Improve your rewards program.**

## Volume 10 Issue 1

*Sales & Service Excellence* is published monthly by Executive Excellence Publishing, LLC (dba Leadership Excellence), 1806 North 1120 West, Provo, UT 84604.

### Editorial Purpose:

*Our mission is to promote personal and professional development based on constructive values, sound ethics, and timeless principles.*

### Basic Annual Rate:

\$59 (12 issues)  
\$119 two years (24 issues).

### Article Reprints:

For reprints of 100 or more, please contact the editorial department at 1-801-375-4060 or email [custserv@eep.com](mailto:custserv@eep.com). Permission PDF: US \$50

### Submissions and Correspondence:

Please send any correspondence, articles, letters to the editor, and requests to reprint, republish, or excerpt articles to Editorial Department, Sales & Service Excellence, 1806 North 1120 West, Provo, UT 84604 or email [editorial@eep.com](mailto:editorial@eep.com).

### Customer Service/Circulation:

For customer service, or information on products and services call 1-877-250-1983 or email: [custserv@eep.com](mailto:custserv@eep.com).

**Internet Address:** [www.eep.com](http://www.eep.com)

### Marketing Offices:

**Leadership Excellence**  
1806 N. 1120 W.  
Provo, UT 84604  
1-877-250-1983  
1-801-375-4060

### Sales & Service Excellence:

*Ken Shelton*, CEO, Editor-in-Chief  
*Scott Spjut*, Asst. Editor  
*Craig Cheek*, Circulation Manager  
*Nancy Low*, Marketing Manager  
*Rob Kennedy*, Business Manager  
*Geoff Pace*, Sales

### Contributing Editors:

*Debbie Allen, Curtis Bingham, Tom Hopkins, Dave Kahle, Richard Ilsley.*

### Copyright © 2009 Executive Excellence

*Publishing. No part of this publication may be reproduced or transmitted in any form without written permission from the publisher. Quotations must be credited.*



# Motivating People

Focus on meaning and progress.



by Jacqueline Throop-Robinson

**I**N THIS ECONOMIC ENVIRONMENT, when people are apprehensive, even anxious, and overworked, how can you as a manager keep your team positive, productive, and passionate? It's not easy. But there are resources available to you! When you embrace key drivers and get creative about how to apply them, amazing things can happen.

**Strategy 1: Start with locating meaning.** What's the purpose of each position on my team? If you can't describe how a person's work supports current concerns and objectives, re-think the employee's responsibilities. Determine how best to use your human resources to infuse your team with a tremendous sense of purpose and meaning.

But how do you locate meaning within routine, non-core work? Every organization requires the support of day-to-day operations. How do you motivate these people? While cynics will say some jobs are simply "not sexy" and you shouldn't expect people in these positions to be passionate, having interviewed filing clerks through to CEOs, I can definitely say that anyone can find their work meaningful.

Donna, a records-keeper, takes tremendous pride in organizing documents so they are easily accessed when needed. Vernal, a meeting room organizer, ensures his set-up is perfect so the training sessions can unfold without distractions. But it's not just about the product or output. For many people, the product is less important than the process. For example, George, a parking lot attendant, sustains his motivation because he develops relationships with everyone in the community, knows people by name, gives children treats, and supports a local business.

Leaders often miss opportunities to make explicit the meaning in each person's work and, even more importantly, help people see it for themselves. No one wants to live a life in which their work is seen as insignificant. It's a leader's duty to ensure every contribution to the organization is appreciated.

**Strategy 2: Locate untapped resources.** Motivating leaders recognize untapped resources. For example, one of

my clients deployed a small team of managers to help stabilize the organization financially. Their time was made available by re-allocating much of their work to more junior managers, who were up for the task. The solution was perfect: a development opportunity for high-potential managers, while creating an implementation team for a short-term risk management strategy.

How could such a group support your goals in tough times? How could it contribute to viability? Could it streamline processes, make recommendations for reducing costs, or cross-train



to support others? How could this team support the organization's survival or prosperity? A leader needs to ask these questions of the team and enable them to move their ideas forward.

**Strategy 3: Take action and locate signals of progress.** Leaders must enable action. If an employee does not know how to move something forward or if they become mired in bureaucracy or if things are changing so quickly that they aren't sure what action to take, they will quickly lose their motivation. Leaders need to coach their employees through these obstacles and support actions that will create forward movement. Sometimes this is straight-forward, but sometimes it requires out-of-the-box thinking.

But here's the rub: all action does not feel like progress! Leaders need to help employees discern what action will produce meaningful signals of progress—meaningful to the organization and to them personally. Some sales people are motivated by numbers, while others may be motivated by client retention, knowing that their service has led to repeat business.

Action must lead to a sense of progress. Leaders must point out the

progress they see in their environment. Even in difficult times, when people might not be making their numbers, leaders can still look for progress.

One of my clients, an investment company, has missed their target the last two quarters; their clients' investments have been losing ground. But the leader quickly recognized, after reviewing competitor results, that her team had performed better than the market average by a significant percentage. Definitely, a reason to celebrate! So while the results weren't great, their performance—relative to the market—was solid. This goes a long way to motivating people in tough times!

Leaders who want to motivate help people see the positive and ensure everyone can see what has been achieved—even when there are many other obstacles left to overcome. Seeing your progress during difficult times, even if it is incremental, is essential to maintaining a team's motivation.

## Five Motivational Strategies

Here are five supporting strategies that will help you maintain productivity with key drivers of passion:

**Be Honest!** People don't want to hear spin and half-truths in tough times. Share the realities of the situation. If something is confidential, explain why. Good, honest communications will see you through the toughest of times!

**Talk shop!** Make sure that every day you talk about the company's key short- and long-term goals, why they are important, and how your team is helping achieve these results.

**Focus on relationships!** In tough times, people look to their colleagues for support. Nurturing good relationships and providing emotional support is more important than ever! Let everyone know that "we are in this together."

**Brag and appreciate!** One manager held sessions every Friday where his team would share their successes of the week (big and small) and express appreciation for each other. This buoyed spirits, offered realistic hope, and helped people see that things were moving in the right direction.

**Learn creative thinking techniques!** Don't approach business in the same way. Managers need to help their teams think creatively and not be motivated by fear. Managers can learn the skills and techniques to help their teams think and see differently. **SSE**

Jacqueline Throop-Robinson is CEO of PassionWorks. Visit [www.passionworks.ca](http://www.passionworks.ca) or email [jacqueline@passionworks.ca](mailto:jacqueline@passionworks.ca).

**ACTION: Motivate your team the right way.**

# Confident Selling

## What can it do for you?



by James R. Fisher, Jr.

**I**N SALES, YOU REACH AN impasse whenever something gets in your way to making progress. When this happens, you tend to lose confidence in yourself and in the future—engaging in unnecessary worry, doubt, and frustration.

You may feel you are close to a breakout sales month, but you can't make it happen. Or the big break that once seemed just around the corner continues to elude you. Perhaps you are blaming others for not making the sale, not realizing the big promotion, or not finishing what you start. You may feel that you are locked in a cage or feel like a slave to fear.

I have known this fear at different stages of my career—as a chemist, a salesman, a manager, and as a corporate executive. Though the nature of my work would change, the battle remained the same—a never-ending contest with self.

This battle became so intense that I retired in my thirties, taking time off to consider my future. Life made no sense to me. This break resulted in my asking several why questions: Why are we our own worst enemy? Why do we fail to find fulfillment in our work? Why is most work accomplished by the busiest people? Why do so few have a clear notion of a purpose in life? Why do we fail to challenge our potential? Why do we torture ourselves with self-doubts giving others the benefit of the doubt?

It is a matter of fear. Fear is corrosive; it eats into your energy—finding you ill-tempered, pressing, and behaving uncharacteristically—which success will not condone.

Can you see yourself in the job of your dreams, taking responsibility, dealing with complaints, crises, problems, surprises, and daunting situations? Successful people are tested every day. They are only as good as their last report card. There is no resting on laurels. Before you can manage others, you must first prove a good manager of yourself.

*Confident Selling* requires you to see yourself from the inside out. Much of what you are has been programmed into you from outside in. Once you see

yourself clearly, others no longer are a puzzle. You see the landscape of work and life as a recognizable collage. You understand the difference between loneliness and being alone. Anyone who accomplishes much spends much of his or her time alone.

What you think you want now confronts what you need to find contentment. The life you have may not be the life you want, but needs always govern behavior, while wants remain a figment of the imagination.

You must need what you want to be: confident, competent, and successful. Wants hide the truth of yourself from you. A person of "want" can never be satisfied. A person of "want" deludes him or herself that this is a healthy state when it just the opposite. The joy of work and life is killed. If something isn't done to correct this,

your world can suddenly come apart. Step in and take charge. Square yourself with yourself. Discover confidence.

Fear is embedded in self-ignorance. Confidence is discovered in self-knowing and self-acceptance. Show compassion and humor for your ineptitude and you'll be more likely to show the same compassion and humor toward the foibles of others. Confidence is not a mask but a mindset, comfortable in the company of self-doubt and misgivings, disappointment, and occasional failures—all products of a life worth living. Only you can knock the monkey off your back. Good luck in that venture from someone who is still busy knocking his monkeys for a loop. **SSE**

James R. Fisher, Jr., is the author of *Confident Selling* and six other books. Visit [www.fisherofideas.com](http://www.fisherofideas.com).

**ACTION:** Have a confident selling mindset.

## MANAGEMENT/COACHING

# Water Cooler Woes

## Counter underground anxiety.



by Morrie Shechtman

**S**OMETHING IS GOING ON. Employees are terrified of companies failing and of losing all they've worked to achieve. What can you do to help them deal with their fear? I offer eight strategies:

**1. Don't try to cajole people out of their anxiety.** Stop using thinking to talk people out of their feelings. People can't be logically disabused of their fears of failure.

**2. Get real.** Openly talk about reality instead of pretending everything's okay. Tell employees, "The economy stinks, it won't get better soon, and it's hard on everybody."

**3. Address fear and failure.** Talk about what it means to fail. Does it mean they're worthless? Does it wipe out everything they do well? Or does it signify a missed opportunity and a painful lesson learned? Address the feelings of having disappointed others and of being disappointed in others.

**4. Don't assume all conflict is bad.** Disagreement is not the problem. But when employees argue pointlessly over non-productive issues, they act out of fear. Address the cause, and the symptom will resolve itself. Effective teams care enough about each other to generate conflict and confront tough issues.

**5. Encourage and reward those who**



**act in counterintuitive ways.** Sales people are doing everything short of pleading and begging; they're desperate. The only way out of this is to challenge the prospect. When a sales person takes a risk, praise them. If the risk yields results, reward them.

**6. Live by the theory of abundance.** There are infinite resources available to you. If you start making decisions from a place of desperation, you'll cut your own throat. Focus on being the best at what you do and move forward confidently. You'll keep your customers and gain new ones.

**7. Review employee skill sets.** Ask your key leaders which of their skills have made them successful, which fit the current economic climate, and which do not. Your historical skill base may not be enough—you may need to develop a new skill base involving self-disclosure, transparency, and vulnerability.

**8. Help employees to find their familiars.** A *familiar* is an emotional pattern that holds power over our choices, relationships, and careers. Encourage your people to learn about, identify, and diminish their own familiars. If they run counter to what it takes to make it in tough economic times, you've got a big challenge to overcome.

Implement these strategies, and remember: the sky's the limit, no matter what the economy looks like. **SSE**

Morrie Shechtman is CEO of Fifth Wave Leadership, and author of *Working Without a Net* (Prentice Hall). Visit [www.FifthWaveLeadership.com](http://www.FifthWaveLeadership.com).

**ACTION:** Address the fears of your team.

# Stay Up, Sell Out, Cash In

Six steps to making your own infomercial.



by Phil Fragasso

I LEARNED TWO THINGS WHEN my daughter was a baby: 1) nothing can prepare you for the miracle of birth and the feeling of all-consuming joy that comes from nuzzling your newborn's cheek; 2) today's best marketing occurs between midnight and four o'clock in the morning—infomercial prime time.

To a lot of people, infomercials exemplify everything that's wrong with modern society. They're crass, materialistic, demeaning, and manipulative. On the flip side, however, they're also passionate, interactive, fanatically single-minded, jam-packed with reasons to buy, and exude a palpable sense of urgency to buy now.

If I ruled the world, I would require every business to create an infomercial about their products or services. Why? It would crystallize your story. It would force you to imbue life and energy into your brand's value proposition, your unique selling proposition, and all the other BS propositions that marketers spend far too much time developing and hiding behind.

It would force marketers to hold themselves accountable for results because infomercials are easy to measure. They either work, or they don't work. People either call the 1-800 number or visit the Web site on the spot, or they don't do it at all. The ROI of infomercials is either positive or negative, and that buck-nakedness for all to see is one scary proposition for most professional marketers.

Writing and storyboarding an infomercial requires a fresh look at everything you do to promote your products and services. It forces you to put yourself in the place of your customers, develop a well-rehearsed and choreographed elevator pitch, and focus solely on what your customers will see and hear (and what they feel about what they see and hear).

## Take Six Steps

In developing your infomercial, take these six steps:

**Identify the make-up of your audiences**—both the in-studio audience

who will gasp and applaud on cue, and the at-home audience who'll be watching on television while munching snacks and being distracted by kids, chores, pets, insomnia, and the headaches of daily life. Identifying your audience will drive every other aspect of your infomercial.

**Determine the format** for the infomercial. Will it look and feel like a talk show, a small group discussion, or a lecture? Will it feature a product demonstration, testimonials, and/or hands-on training? Will it be informative, entertaining, or sentimental? Select your spokesperson. Should it be a man or a woman? Young or old? Should she be dressed casually or formally? Street clothes or specialized dress (e.g., like a scientist, a healthcare provider, or a nerdy academic)? Should she speak with a down-home twang, an aristocratic air, or a pedantic drone?

**Zero in on the number-one benefit your product or service provides.** This is your hook, so choose it carefully. Then identify half a dozen corollary benefits that build off of or tie into this primary benefit.

**Determine your selling price.** Make sure it's neither too high nor too low and that it appears to provide exceptional value. Rather than use your company's existing pricing structure, I encourage you to start from scratch, revisit all your old assumptions, and accept that price is a key part of every sales/marketing equation.

**Articulate why the purchase decision needs to be made today, on the spot,** while the 1-800 number is being displayed on the screen. It doesn't matter if you're selling a complex multiplatform enterprise-wide system that normally requires a six-month RFP process and a papal blessing. Make believe the decision can be made today—and then state why it should be made today.

**Identify an act-now incentive to appeal to the fencesitters.** Assuming a set of steak knives won't pass muster, how about a free consultation, a 10 percent discount, on-site training, an

extended warranty, dedicated telephone support, below-rate financing, or free installation. The key thing is to be creative, understand what would motivate your audience, and then package it in an irresistible offer that even the Godfather couldn't refuse.

When you're done outlining your infomercial, you'll have created a roadmap for all your subsequent marketing efforts. What may have felt like a sellout at first will, in the end, help you sell out your products and services.

## Follow the AIDA Model

Your infomercial should follow the classic AIDA model (Attention, Interest, Desire, and Action)—it provides a useful checklist for building and delivering a compelling sales script and can be used as a guide for all your marketing efforts. The AIDA model works like this:

**Attention:** We live in a world of information and sensory overload. To grab someone's attention, you need to divert it from something else. If you don't engage the audience during the first few moments of your interaction, then your first impression will be your last.

**Interest:** Once you've gained someone's attention—typically via a monologue—your communication needs to evolve naturally into a dialogue that's focused on the customer's needs. Forget about what's important to you, because that's of interest only to you.

**Desire:** The next stage in the selling process is to engender desire. Most marketers and sales people skip or gloss over this step. They confuse need with desire. The customer may recognize his need for what you're offering but, for any one of a thousand reasons, not feel compelled to satisfy it. Desire is the emotional manifestation of a need, and it's best generated via visualization of what life would be like after satisfying the need (e.g., via testimonials, before-and-after scenarios, and other storytelling techniques). Once you create desire, the next step is a cinch.

**Action:** This step closes the deal. It has to be straightforward and simple: "Do this and get that." Anything more and you risk losing all the goodwill you're created. **SSE**



Phil Fragasso is president of I-Pension LLC and author of Marketing for Rainmakers. Visit [www.MarketingForRainmakers.com](http://www.MarketingForRainmakers.com).

**ACTION: Create a company infomercial.**

## Five Marketing Tips

*Start the New Year off right.*



by Kevin  
Clancy and  
Peter Krieg

**M**ANY STANDARD MARKETING RESPONSES to tough economic times focus on the old method of short-term marketing—concentrating too heavily on hitting the numbers now, no matter the costs to long-term financial and brand health. For the new year, why not embrace the better long-term alternative?

Here are five marketing strategy do's and don'ts to help move the sales needle and keep your brand strong enough to take out the competition, both during and after the recession.

**1. Maybe do/maybe don't increase your marketing spending.** Whether you see any bottom-line benefit in the short- or long-run depends on a lot more than the size of the budget increase. No matter the condition of the economy, the buyer target, the brand's positioning, the ad copy, the ad executions, and the media vehicles are more important than the budget to driving revenue. In one Copernicus analysis, the firm discovered Three Sigma targeting/positioning/copy/ad execution/media vehicles yield greater effects on market share and brand equity than doubling the budget. So get all the elements of your marketing strategy lined up before considering this bold move.

**2. Don't enter into the more-for-your-money race.** Price is the primary consideration for only 15 to 35 percent of buyers in most product and service categories, even during a recession. Price cuts can cause serious problems if they reset buyer expectations about prices or go against a brand's image. The halls of marketing history are littered with brands that dropped their pants to make a sale in a recession only to find they couldn't pull them back up again once it was over.

**3. Don't get ugly with your advertising.** Going negative with your advertising and poking holes in competitors' products doesn't offer much in the way of a defensible positioning—it is quite easy for your competitor to come right back and do the same. The back and forth starts, and soon buyers have no idea who the ads are for—never mind why they should buy

either brand. If your advertising raises more questions than it answers, you're going to get tuned out.

**4. Do walk two miles in your customers' shoes.** Marketers should not guess at what will or won't work to motivate buyers during a recession, and instead go beyond the customer information basics that everyone in the category likely has. The brands that will win are those that know the twists and turns of the course.

**5. Do find the Blue Sky/White Space/Big Hairy Opportunity.** If ever there was a time when people are aware of their problems and are willing to talk about them, it's now! Figure out what people are missing and determine if you can deliver it to them profitably. In your advertising, explain how and why your brand is uniquely qualified to solve their problem. Give

people a reason to listen, and you will break through—now in tough times and when happy days are here again.

When the buyers of your products and services are struggling, your marketing efforts need to have pinpoint accuracy. Get customers to pledge patronage and loyalty to your brand and not somebody else's.

Now and for the new year, marketers can use the pressure they are under to help the company make their numbers and channel their nervous energy—not into one-off, quick and dirty marketing tactics, but into a thought-out marketing strategy to drive sales, profits, and growth. **SSE**

*Kevin Clancy and Peter Krieg of Copernicus, a research-driven marketing consulting firm, are authors of Your Gut Is Still Not Smarter Than Your Head. Visit [www.marketingpower.com](http://www.marketingpower.com).*

**ACTION: Make 2009 a great marketing year.**

## MANAGEMENT/PLANNING

### Strategic Planning Observe the Do's and Don'ts.



by Rebecca Staton-Reinstein

**M**ANAGERS AND LEADERS can stumble creating and executing strategic plans. These do's and don'ts will help.

- **Do follow this KISS principle:** Keep it Simple and Sustained. Your goal is to create objectives that focus your work. Limit the goals to one page.

- **Don't set too many or too detailed goals.** This leads to confusion, conflicts, and failure to execute. Don't measure your plan by the pound.

- **Do follow the plan methodology as designed.** You chose it because of its reputation. Learn from others' success.

- **Don't skip steps or do them partially.** Don't tinker with the process. You have no data to justify your changes.

- **Do focus on the mission.** It's central for planning. Before you accept a goal, ask, "How will this help the mission?"

- **Don't do things that don't fit your mission.** If you do, you will miss innovative solutions, drift off course, and become reactionary.

- **Do use brain dump to avoid starting the tactical plan prematurely.** At the beginning, list every idea people have then set them aside until you're ready to create the detailed plan.

- **Don't lay out the tasks before the mission is clearly stated.** Choose tac-

tics from the brain dump to achieve each specific, measurable objective.

- **Do measure.** Select useful measurements for all goals and tactics.

- **Don't avoid measurement because it is hard—especially when dealing with customer satisfaction, employee morale or effectiveness.** Define how to measure these intangibles to gauge progress.

- **Do measure quality of results.** This provides the best information for strategic decision making and keeps you focused on the mission.

- **Don't select productivity measures just because they are easy to define.**

Productivity doesn't tell you about the customer. Focus on quality, reduce costly rework, and be more productive.

- **Do provide resources, training, and coaching to assure everyone's success.**

People can't perform well unless they have all they need to do the job.

- **Don't dump people into situations without preparation.** Understand what the person needs to get the job done and provide it.

- **Do manage by fact.** When you are not getting the desired results, investigate the root causes, and modify your plans or targets appropriately.

- **Don't manage by intimidation, blame, or gut feel.** Find the root cause, devise a solution, and re-plan.

Harness the intellect of all employees and guide them in a clear direction. **SSE**

*Rebecca Staton-Reinstein is President of Advantage Leadership and author of Conventional Wisdom. Visit [www.AdvantageLeadership.com](http://www.AdvantageLeadership.com).*

**ACTION: Learn the Do's and Don'ts of planning.**

# Mantra Smantra

*It's about employee behavior.*



by Ron Morrison

**H**AVE YOU EVER RECEIVED incredibly poor customer service or paid for an experience that was terrible? While you were receiving that fantastically poor service, or having that uniquely bad experience did you observe the company's "mantra" posted on the wall? Perhaps they were on posters, buttons, napkins, pens, pencils, or receipts. You may even know some of them like "We try harder" or "Work hard fly right" or "Catch me doing something right."

As an OD expert, I will tell you that mantra is important, in fact, it is essential in driving superior performance. However, it's not a mantra that creates a satisfying customer service or guest experience—it is employee behavior.

## Buzz Light Year: Visionary

In the movie "Toy Story," Buzz Lightyear's highly acclaimed mantra was, "To infinity and beyond." What I admire most about Buzz is that he actually behaved according to his mantra. I found myself rooting for him throughout the movie because his behavior was an extension of his mantra.

As our economy continues to remain unpredictable at virtually every level, more people are beginning to assess when, where, and how they will be spending their diminishing discretionary dollars. It is more important than ever to realize that everyone who operates any type of business whatever is, first and foremost, in the customer service business. Your "customer service" competitors may not be in the same field as you but they are impacting how your business is perceived.

When I think of a company that gets it, I think of the Seattle Space Needle—known for its stellar, above-average, out-of-this-world, customer satisfaction. When you combine a single Space Needle employee's customer service behavior with a 600-foot-high dining experience, you have all the elements to achieve a superior guest experience virtually every time. Patrons who receive the Space Needle's out-of-this-world service experience something rare: customer satisfaction.

The Space Needle does not own the

market on customer satisfaction, but we are in a time when truly satisfying customer service experiences are diminishing. So as more consumers experience out-of-this-world service at the Space Needle or at a variety of other places, they will begin to expect such service from you. And if they don't get it, they may look to take their discretionary dollars elsewhere. Quality services or experiences creates a similar expectation from various other businesses and their employees.

## Quality Guest Experience

I love my bank. It is Amegy Bank of Texas. My bankers know my name, they say "hello" to me when I walk in, and when I have an issue they work to resolve it. They are not perfect, but



they treat me well. As a result of my experiences at Amegy Bank I compare everyone to them, and not many stack up. My bank understands it is important to keep and hold onto me. They understand the fierce competition in their industry. They understand it is much easier to keep me in hard economic times than it is to convince me to come back or give them a trial run.

Your competition may not always be a company that provides a better product, but does provide a superior service experience. So you need to develop a Q-GEM philosophy—a Quality Guest Experience Management philosophy, not just another mantra for the wall. A Quality Guest Experience accelerates spending of the discretionary dollar, brings guests or customers back, and produces patron testimonials that are often shared with friends, family members, and neighbors.

The ingredients of Q-GEM are physical and emotional touch points. Physical touch points are easily identifiable: clean restrooms, appropriate music,

pleasing aromas, etc. Is the physical environment appealing to the senses? Emotional touch points are less obvious and occur as guests and employees have either direct or indirect interaction. These interactions create an emotional connection imprinting the guest with either a positive or negative experiential memory. Employee behavior dictates these experiences and ultimately defines a moment in time when your guest's perception of service sinks or swims.

How do you ensure a positive memory through service? By defining, teaching, modeling, and measuring guest service expectations. Consider this three-step Q-GEM approach:

**1. Define and create a desired standard behavior.** Expected behavior must be repeatedly taught, modeled, and rehearsed or it will not happen. An excellent, and often overlooked, modeling opportunity exists in services areas where employees provide service to employees. These areas should not be ignored but in fact should be a modeling and teaching ground for exceptional quality service!

How are employees treated at work? As employees pass through security check points are security officers smiling, waving, and providing a greeting appropriate to guest service standards? In other words, are they treated like a guest? If not, a tremendous opportunity to showcase the expectation of guest service is being missed and employees may treat guests in a similar fashion to how they are treated.

**2. Inspect what is expected.** Managers cannot rely only on mystery shoppers and guest satisfaction surveys. Managers need to create formal and informal measurement processes that are tied directly to what has been taught and modeled. During inspection, managers need to correct poor behavior immediately. Then re-inspect the guest service process.

**3. Capitalize on good performance.** I frequently teach "what gets rewarded gets repeated." Managers and company leaders need to show public praise and recognition! A celebratory process creates a desire within employees to provide positive service moments in order to be recognized. When these elements become reality, then in challenging moments your Q-GEM will maintain because it is behavior based and not driven by environmental or conditional factors. **SSE**

Ron Morrison is the CEO of the Docentus Group. Email Ron@docentus.com or visit [www.docentus.com](http://www.docentus.com).

**ACTION: Create a quality guest experience.**

# Master Negotiation

*Getting results beyond words.*



by Liz Tahir

**D**O YOU OFTEN FEEL YOU are communicating clearly, only to find you sent the wrong message? This happens when you are concentrating on what you say (verbal) instead of how you are saying it (nonverbal).

The delivery of a message is as integral as the words in a message. You can't persuade others to your point of view when you send a mixed message. Remember that 75 to 90 percent of communication is nonverbal, yet we spend most of our time and effort on the verbal part of our negotiation.

## The Ways We Communicate

Vocal performance is the intonation, the projection of your voice, combining words with the way you deliver them. If you speak in a dull monotone, show little energy, and have an expressionless face, you won't convince anyone. But the same words spoken with real enthusiasm, maybe with a dash of urgency, have a much greater chance.

Gestures are so important that you can throw your opponent off by using them. Years ago, as a retail buyer, I was sent to discuss a less-than-satisfactory bonus with the company CFO, Frank Buescher—the final word on such matters. I carefully prepared and was confident in presenting my case for why I was due a higher bonus.

Buescher invited me to sit down and then he lit a cigarette. I started talking, and noticed that he never flicked the ashes off the cigarette. Soon I was enthralled in this cigarette with the long ashes. Was he going to burn himself, or the carpet, or maybe the store? Why didn't he flick off the ashes? Soon my complete attention was diverted, and I lost my focus. Lesson learned. A well-calculated gesture can throw your counterpart off base and help you win a negotiation. (Years later, Mr. Buescher admitted that this was his favorite negotiating tactic!)

## The Eyes Have It In the Bag

We tend to feel someone who avoids looking us in the eye is trying to hide something or isn't telling the truth. On the other hand, someone who wants to convey anger or intimi-

ation can do so by maintaining piercing eye contact.

## A Few Tips

Play a game with yourself the next time you greet someone. Tell yourself you want to remember the color of that person's eyes. You will have a direct, interested gaze that will draw that person to you because you have just made them feel important.

One way to disagree with a message is the wince. Wincing at the right time can help you get what you want. Don't say anything after your wince. Wait for a reaction. The other party will likely change something to invoke a more favorable response from you.

Suppose someone winces at you. How should you react? With silence. Don't jump in with a counter offer. The person who speaks first will like-

ly be the one who gives in.

When someone likes you or agrees with you, they tend to stand close or lean in. Someone who is uncertain or in disagreement with you will do the opposite. If you want to convey that you're interested in your counterpart, lean slightly toward them—without, of course, getting unsociably close.

Draw attention to yourself to show you're in control. If speaking in public, maybe insist on speaking from a raised platform to be seen as the authority.

In a negotiation, language can take two forms: verbal and nonverbal. Make these elements compatible, and you'll strengthen your chance for success. **SSE**

*Liz Tahir is a marketing consultant, speaker, writer, and presenter of seminars on improving negotiating skills. Visit [www.liztahir.com](http://www.liztahir.com) or call 504-569-1670.*

**ACTION: Master verbal and nonverbal cues.**

## SALES/LEADS

# Optimizing Sales Leads

*Move from inquiry to lead to closure.*



by Drew Stevens

**A**GROWING CONCERN FOR many sales managers is optimizing sales leads.

Each year, salespeople get a plethora of business development leads; sadly, they contact less than half of them.

Managers complain, but sales and marketing leaders need a plan. Here are five ideas:

- **Content is king.** Clients get more information about your organization than you realize. Press releases, news, earnings, and ads all provide fodder.

- **Solution:** Sales and marketing must formulate strategic questions that take new leads through a needs analysis. An exemplar might provide competitive product samples or packaging. Competitive firms can then provide alternative means and find gaps.

- **Mom always liked you best.** The quality of leads impacts the conversion rate of leads to first calls. Marketing and sales must collaborate on lead completion strategies that move leads through the pipeline. Develop ways to understand demographics, geographic, psychographic, and behavioral issues to make a better initial call.

- **Solution:** Provide sales reps with data to move the lead to a next step. Clients require multiple touch points. Produce value for prospective leads



with white papers, analysis, industry trends, market data reports, EPA analysis. Gain an email or physical address to send updates to prospects. Constant contact with leads helps close them.

- **Technology for technology sake.** People are inundated with technology, and tired of e-commerce. It is fast and inexpensive, but intrusive.

- **Solution:** To increase lead conversion rates, remain in contact with leads in ways that capture attention. Personalize pieces. Develop a cover letter that discusses previous conversations and outlines plans for future action.

- **Analysis, not paralysis.** Few leads are closed for many reasons—some sales reps lose interest in the leads; other reps can't discern a good lead from a bad one.

- **Solution:** Discern what constitutes a qualified lead and how to move the lead to the next step. Each B2B process is

different; know how your process works from beginning to end. Do not over analyze—try different scenarios until you identify what works well.

- **No Pain, No Gain.** Salespeople can get frivolous with leads and inquiries. Blame is easily thrown to marketing. Yet inquiry management is a team effort.

- **Solution:** Provide incentives for salespeople. Performance reviews must include inquiry management. Rather than count leads, remove the morass that clogs the sales pipeline. **SSE**

*Drew Stevens is the author of Split Second Selling and assists organizations to dramatically accelerate business growth. Visit [www.DrewStevensConsulting.com](http://www.DrewStevensConsulting.com) or call 877-391-6821.*

**ACTION: Improve how you handle leads.**

# Fuel the Employee Fire

Seven ways to increase performance.



by Howard Hyden

**I**N A DOWN MARKET, YOU NEED to do an awesome job for your customers. Retaining your customers and attracting new ones is the key to having a good year. If you want your service people to be awesome with customers, you must be awesome with your employees.

Here are *seven key strategies* to increase employee performance.

**1. Change management behavior:** Einstein defined *insanity* as “doing the same thing over and over and expecting different results.” If management doesn’t change its behavior, why should you expect different results from your employees? If you tell your employees “the market is tough, and we will probably have a tough year” they will probably prove you right. However, if you communicate that the market is tough, but the good news is that the competitors think they’re going to have a tough year. Since they believe that they are going to have a tough year, why don’t you put the pedal to the metal to bring more value to your customers so that *you* can have a good year! You just might become what you think. Communicate a strategy that it is important to go the extra mile for the customer so that you can minimize the risk of losing customers. Additionally, if you are awesome with customers, they may spread PWOM (positive word-of-mouth) so that you can attract new customers.

**2. Hire the best:** All too frequently, employers run a classified ad, get marginal candidates, and then hire the tallest twerp. If you want to motivate your current team, you must add new hires who bring the right attitude and work ethic to the party. Hiring wrong can be a bad motivation for your current employees. You, as well as your team, can look for hard-working, dedicated employees with the right attitude in their personal life. Everyone is a customer of numerous organizations, so when you are a customer and when employees go the extra mile and demonstrate the right behavior—hire them! It is easier to teach them about your business than it is to try to fix poor attitude or a weak work ethic.

**3. Weed the garden:** The strategy here is to *hire the best and leave the rest*. If you do not weed the garden the performance of the team will go down. When you finally weed the garden, the other employees will probably cheer as well as say, “What took you so long—we figured that out 10 months ago.” If you do not weed the garden, the employees just might be standing at the water cooler complaining about how tough it is. If they are doing that, they certainly are not focused on going the “extra mile” for the customer. This often leads to NWOM (negative word of mouth), which can lead to either lost customers or fewer sales opportunities. When you weed the garden, the performance of the team will go up.

**4. Provide the right environment including tools and equipment:** To better service customers, a company installed GPS systems in the field rep’s vehicles.

When a customer called for service, the company dispatched the closest technician to that customer. Another company had many catalogs with various products from their suppliers, but the information quickly became obsolete, and salespeople did not have current information at their fingertips. The company put all of their catalogs and pricing information on CDs and equipped the field reps with laptops, enabling them to give accurate product and pricing information to customers on the spot.

**5. Using WIIFM (what’s in it for me) as a key strategy to light the fire in your employees:** Employees can see what’s in it for the customer when the employees give up their lunch hour or stay late to go the extra mile for the customer. Employees are also good at understanding “what’s in it for the company.” The company makes more profit. In tough times, it may be even more vital to use WIIFM to stoke the fires in your employees. Positive kicks in the posterior (+KITAs) change behavior more than -KITAs. Most employees feel under-appreciated. If they felt appreciated, imagine the level

of performance that could be obtained.

**6. Train, Train, Train.** In tough times, the variable expenses of marketing and training are the first to get cut. Maybe doing the opposite would be a better approach. These are counter-intuitive marketing strategies. When the rest of world goes south, try going north. This might be a great time to resist the temptation to cut training and instead increase your investment in this area. Employees must be viewed as “an appreciating asset.” This means that their ability to add value to customers must continuously increase. Employees will work hard for companies that make an investment in them, and training can be an inhibitor to turnover. If you have higher turnover relative to the competition, you’ll have lower customer satisfaction. Therefore, companies that make an investment in their employees just might have lower turnover, which increases their customer satisfaction.



Training can also be a magnet to attract top talent in the marketplace. The best employees want to work for organizations that will help them grow.

**7. Celebrate:** Don’t wait until the end of month or the end of the year to celebrate success. “Sweat the small stuff.” Frequently hold gatherings to celebrate

the small wins. This will not only recognize those people who are going the extra mile, but encourage others to do the same. It is also focusing on the positive versus negative. Focusing on the negative may only lead to more bad news. Change your management behavior to focus more on rewarding the behavior that you want. “What gets rewarded gets done” is an axiom that has been around a long time.

The biggest change must be in management behavior. If management does not change its behavior, what are the odds the employees will change theirs? Whose behavior do you have a better chance of changing—yours or someone else’s? The answer is obvious. If you want your employees to go the extra mile for the customer, then go the extra mile for your employees. “There is no traffic jam on the extra mile!” Get your employees out there on the extra mile because it’s a lot of fun—and you will reap the rewards. **SSE**

Howard Hyden is the founder of The Center for Customer Focus and a keynote speaker. For more information, please visit: [www.howardhyden.com](http://www.howardhyden.com).

**ACTION: Fuel the fire in your employees.**

# Personal Touch

*Communicate one by one.*



by Dennis Ladd

**A** GOOD MARKETING EXPERIENCE can never be too personal: *you can learn how to communicate with millions of people one by one.*

Customer-facing communications reinforce the brand, drive key messaging, solidify customer relationships, and enhance the customer experience. But most customer communication efforts fail to deliver any real value as companies' messages speak to an audience of "many" rather than to an audience of one that customers expect.

Companies spend millions annually producing and distributing documents and customer-facing communications that fail to capitalize on what they know about their customers. This practice is a terrible waste of money and effort and a hit to the bottom line. Two-thirds of customers who end a company relationship do so because they feel unknown or unwanted. Customers who feel nurtured and connected to their vendors are more likely to remain customers and provide referrals.

Companies must move from general information to personalized and relevant documents. Customers spend double the time reading documents when they perceive them to be personal and clear. Given today's competitive economic climate, there is simply no reason not to communicate with customers in a personalized manner.

## Bank on Personalized Marketing

The benefits of personalized communications can be demonstrated by Handelsbanken, a full-service universal bank with offices across Europe. Banks face the challenge of offering their customers personalized, differentiated, and tailored information across various mediums; but 88 percent of all bank customers say they receive service offers that are irrelevant to them.

As a leading provider of financial services, with more than 450 offices in Sweden alone, Handelsbanken wanted to maintain their leading position. They implemented a dynamic document composition, management, and delivery solution to improve the customer experience—enabling the bank to create all customer-facing letters, account

statements, invoices, and more.

Long term, Handelsbanken's investment helped the bank save paper, reduce costs, and retain its position as the bank with the most satisfied customers.

**Every customer connection can be turned into a sales opportunity.** With documents in hand, the rep can see cross-sell, up-sell, and new sales opportunities to offer during the conversation.

This system can make a big difference to your bottom-line. In the financial services industry, 32 percent of customers say they would buy more if they received personalized recommendations, yet two-thirds of employees say they lack an integrated point of view of their client—and, hence, have no idea what they could be selling.

Leveraging a browser-based environment, document composition, management and delivery solutions

allow managers to take direct control over marketing and other messages that are presented online. These messages can be dynamically included in documents based on specific customer information, transforming static documents into one-to-one marketing channels and communications that are more personalized and advantageous for both businesses and the customer.

With the right technology, you can deliver personalized communications designed to improve customer satisfaction. So instead of opting for mass mailings, leverage technology to communicate with customers one to one. Your customer's loyalty will grow, along with your bottom-line. **SSE**

*Dennis Ladd is CEO of StreamServe. Email [dennis.ladd@streamserve.com](mailto:dennis.ladd@streamserve.com) or visit [www.streamserve.com](http://www.streamserve.com).*

**ACTION: Communicate with individuals.**

## SERVICE/CUSTOMERS

# Multiple Customers

*Juggle customers, callers, walk-ins.*



by Jeff Mowatt

**Y**OUR WORKDAY IS RUNNING smoothly when suddenly you find yourself dealing with one customer in front of you, another on the phone, while a third arrives with a quick question.

When juggling customers, try these five tips to reduce stress and boost loyalty.

**Tip 1: Remember, this is good.** Having many customers is wonderful. When more arrive, don't let them see you sweat. Broaden your smile—even if it is forced.

**Tip 2: Don't make things worse.** The place for employees to chat and hold meetings is in the staff area, not in front of customers. When you're on the floor, make yourself visible and available to customers. Don't interrupt your coworkers who are talking to customers. If you need to, give your busy coworker a quick nod, then let them come to you when they've finished with the customer. If you must interrupt, excuse yourself and apologize to the customer; as you leave, thank the customer for her patience.

**Tip 3: Walk-ins take priority over phone-ins.** If you have a visitor when the phone rings, the visitor gets priority. Don't interrupt a visitor to pick up the phone; that's for voicemail. If you

must take the phone call, ask the visitor's permission. Explain that you want to focus on them, so you will take a message and get back to your conversation. Tell the caller that you are with another customer but will call them back. Even if the caller insists on immediate service, the visitor sees you tried to make him the priority.

**Tip 4: Acknowledge walk-ins right away.** If you are with a customer when a visitor walks-in, acknowledge the visitor immediately with eye-contact, a smile, and a quick, "I'll be with you in just a moment." This conveys you are aware of her and working quickly. If you are on the phone when a visitor walks in, ask to put the person on hold for just a moment. Give new arrivals who have just a quick question the 10 seconds they need and get back to your first person.

**Tip 5: Address chronic staffing/line management issues.** Hiring more staff may not make economic sense, but when customers sense that you are disorganized, understaffed, or uncaring, that's a problem that needs to be addressed. Either hire more staff, consider moving phone calls to a call center, or implement line management practices. Meanwhile, be thankful that business is so good. **SSE**

*This article is based on the bestselling book, [Becoming a Service Icon in 90 Minutes a Month](#) by customer service strategist and certified professional speaker Jeff Mowatt. To obtain your own copy of his book or to inquire about engaging Jeff for your team, visit [www.jeffmowatt.com](http://www.jeffmowatt.com) or call toll free 1-800-JMowatt (566-9288).*

**ACTION: Learn to deal with multiple customers.**



# Leadership in Hard Times

*Know who you are and where you are going.*



by John Golden

**I**N THE PAST DECADE, WE HAVE experienced two great bubble markets: first, the dot com bubble and lately, the financial services/housing bubble. Both have a lot in common in terms of companies repositioning themselves, changing their models and their go-to-market strategies—or upstarts springing up, rejecting the traditional ways of doing business, and introducing new and innovative approaches.

Innovation and reinvention are in themselves good and necessary parts of the engine of entrepreneurialism and market growth. Unfettered, however, or badly thought through, they can ultimately lead to the types of business disintegrations we have seen all too often of late.

A large part of the reason is that some of the fundamentals that are cast aside actually have much more merit than those too quick to change appreciate—and so the baby goes out with the bathwater. Instead of a solid marriage of the proven and the innovative, we are left sometimes with change for change's sake, or worse a strategy that turns out to be too confused and is ultimately rejected by the market.

## Three Areas of Focus

Having recently taken over as CEO of Huthwaite, a global sales performance improvement company, I've had the opportunity to reflect on the meaning of leadership in a troubled economy, and on the difficulty of balancing the old with the new.

If you find yourself beset by a crisis of this kind, there are three things you can focus on to help you turn the situation around: 1) identity, 2) fundamentals, and 3) adaptability.

Let's look at these areas of focus:

**1. Identity.** Leadership in hard times requires the ability to articulate and demonstrate a clear vision of your organization's identity: What is your business' core strength? What is your business best known for? How do you want your business to be perceived in the marketplace?

Perhaps you'll recall that wonderful little exchange in *Alice in Wonderland*:

"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where," said Alice.

"Then it doesn't matter which way you go," said the Cat.

"So long as I get SOMEWHERE," Alice added as an explanation.

"Oh, you're sure to do that," said the Cat.

If you don't know where you're going, any road will get you there.

The same holds true for identity: If you don't know who you are, it's a good bet no one else will either.

**2. Fundamentals.** Ralph Waldo Emerson once said, "The beautiful rests on the foundations of the necessary." It is



never bad policy to focus on basics, but in hard times it is indispensable.

In his well-regarded book *Good to Great: Why Some Companies Make the Leap—and Others Don't*, Jim Collins argues that one of the keys to making the leap from good to great in business is to find and exploit your own Hedgehog Concept. In Collins' view, this is not only a strategy for hard times, but in fact a guiding principle for any time. The idea of the hedgehog refers to a fragment attributed to the ancient Greek poet Archilochus: "The fox knows many things, but the hedgehog knows one big thing."

The idea is, in short, discover the "simple, crystalline concept" that lies at the intersection of three things: 1) What you can be the best in the world at; 2) What you are deeply passionate about; and 3) What drives your economic engine (profit per x).

At Huthwaite we place great emphasis on fundamentals. We know we are the best in the world at

improving sales performance; we are deeply passionate about the legacy of behavioral research that underpins SPIN Selling and our other models—and it drives our economic engine.

It is very simple, but very effective.

**3. Adaptability** is the third element that matters in tough times. An organization that is flexible has the ability to adapt to changes, large and small, in the market landscape.

Leadership in hard times is not always easy, but there's a very real sense in which it is simple. It is about becoming trim and nimble, able to roll with the proverbial punches. It may well mean cutting dead wood and trimming under-producing branches—which is by no means easy—but will reap great benefits. Every branch that does bear fruit must be pruned, that it may bear more fruit. It may mean redeploying existing resources, changing job roles or areas of emphasis.

This means you have to create an adaptable workforce too. That leanness I'm describing is far more than just headcount; it covers every aspect of the right side of the ledger. These are the difficult and yet necessary tasks of the leader in hard times.

The days of large, bureaucratic organizations are gone. The future is asymmetric market threats and exploitation of speed and agility to meet those threats.

## How to React?

Once having dealt honestly with the strategic questions of identity, fundamentals, and adaptability, you can turn to the operational question: *How can we best react to the shifting sands of the market?*

I have found that to succeed in hard times, a company's leadership has two choices: Either take the company into a new marketplace, or expand wallet share in the current marketplace.

Both options are legitimate growth strategies, but the latter is much easier than the former.

Kevin Mansell, CEO of Kohl's Corp., put it most succinctly recently when describing his aggressive strategy to capture market share: "For the foreseeable future, we see a tough economy, a tough environment. We have to be focused on outperforming the competition and gaining share at their expense."

Such is leadership in hard times. **SSE**

*John Golden is President and CEO of Huthwaite, Inc. Visit [www.Huthwaite.com](http://www.Huthwaite.com) or call 703-467-3800.*

**ACTION: Focus on these three things.**

## The Abundance Principle

*Reject the great lie of scarcity.*



by Patrick McClure

**Y**OU CAN ALWAYS SPOT someone who is new to sales by the way they handle their qualified opportunities.

When rookie salespeople manage to scrape together two or three valid opportunities, they will work those deals to death. They have few “live” opportunities, so they camp out on those deals and work tirelessly to close them. They end up spending 60 percent of their time “working” these leads and pushing them to close.

If one of these hot opportunities disappears, rookie salespeople can become depressed. After all, there are only so many deals, and if they lose this one, they’ll be failures. They must have this deal, but they just lost this deal, so now their year is in jeopardy.

If this sounds familiar, you may be suffering from a common sales affliction: a fixation on scarcity.

### Scarcity vs. Abundance

In sales, as in life, attitude is everything. What we create in our mind, what we visualize, what we imagine tends to happen. That’s why we set and work on our goals. That’s why we have “dream” boards, targets, quotas, and reward systems. We know how to set goals and achieve them—that’s why we’re good salesmen and managers.

But sometimes we set our goals too low. We accept the easy, agree with the mediocre, and dilute our dreams. We don’t insist on greatness—we accept the ordinary. We create our own jail cell and lock ourselves in it. We agree with the great lie of scarcity that tells us that there are only so many good days in a year, that we can only be happy so many hours a day, that there is only so much food to go around, only so much money available, only so many choices to be made. The great lie of scarcity fills us with fear and destroys our ability to imagine possibilities.

In sales, the great lie of scarcity convinces us there are only so many prospects and customers; prevents us from winning new business; forces us to set goals that are too small; gives us a good excuse for losing business; reduces our effectiveness; and prevents us from winning.

### The Abundance Principle

Why don’t you adopt a different attitude? Empower yourself with a new idea: abundance! The *Abundance Principle* says there is no such thing as a shortage or limit; there is an unlimited supply of anything. Life should be lived in prosperity, possibility, and with abundance. Imagine that in your sales territory: You have unlimited prospects eager to learn about your product; you have endless deals to be closed; you have infinite time to close these deals; you have many opportunities in the pipeline; and you face no valid objections to purchasing your product.

This attitude of abundance forces you to create an endless supply of new customers and prospects, but isn’t that your job? You likely spend 80 percent

of your time working with 20 percent of your leads. You should spend 80 percent developing new business, and 20 percent closing deals in your pipeline.

When you apply this principle, you see a different reality. If you have infinite customers who are easy to work with, you dump the troublesome one. If you have an endless pipeline, you get rid of the stalled deals. If you choose your prospects and deals, and have control over time, you live in an exciting world. That world exists! There is no shortage of anything—it’s just in your mind. Live life with abundance; stop accepting the lie of scarcity! **SSE**

*Patrick McClure is a speaker, trainer, consultant, and author. Visit [www.connexiagroup.com](http://www.connexiagroup.com), email [patrick@connexiagroup.com](mailto:patrick@connexiagroup.com) or call 949 858-0755.*

**ACTION:** Adopt the abundance principle.

### SALES/CHALLENGES

## Bail Yourself Out

*Enjoy a peak selling period.*



by George Ludwig

**I**F YOU ARE WAITING FOR THE government to cast its benevolent bailout eye in your direction, don’t hold your breath. You must bail *yourself* out.

Participate in your own rescue. Don’t give up, refuse to use the economy as an excuse for poor performance, stay in front of your customers, and continue to use proven best practices to reach sales success.

Follow these eight keys:

- **Put the economy in perspective.** The economy has been *falling*, not *failing*. The low-hanging fruit is just a little higher in the tree.

You’ll have to work harder and smarter, but sales opportunities are still available.

- **Replay the crises that you’ve overcome in the past.** Reflect on memories of conquering crises and remember how you came through stronger. This will give you the confidence you need to conquer the current crisis. Believe that growth and prosperity are near.

- **Decide you’ll make it through the slow economy.** Crucibles enable you to recast and forge yourself into something bigger, better, and stronger. You can’t control the events of your life, but you can control what you decide to think, believe, feel, and *do* about events. Think and act like you can’t be stopped.

- **Strengthen your body and mind.** Start on an exercise and fitness plan that will



condition you to feel stronger and help you manage the stress and anxiety. Condition your soul through daily meditation, prayer, or by writing down what you’re grateful for. Give yourself a vacation from all of the bad news. Feed your mind pure, powerful, and positive stories. Listen to inspirational music, and watch uplifting movies.

- **Focus only on your goals.** Attract things into our life by the images you hold in your mind. Write down *exactly* what you want to accomplish and review those goals daily. Connect often with all the emotional reasons you want to achieve those goals.

- **Keep training.** Get better at what you do. Learn and improve. Be more effective and efficient. Do everything in your power to out-do your competitors. Read a sales article during your lunch break, attend a sales seminar, or get some outstanding training.

- **Step up high-impact sales activity.** Sell or prospect to well-qualified *ideal buyer types* face-to-face or on the telephone. Prioritize your time; schedule quality high-impact selling time daily.

- **Take the modeling-for-success shortcut.** Find a mentor, coach, or colleague who’s achieving the outcomes you desire and model his approach. Observe his skill sets, and model his behavior. *If he can do it, you can do it!*

You are responsible for your own rescue. Use these challenges to energize and motivate your sales success. **SSE**

*George Ludwig is the CEO of GLU Consulting and author of Power Selling (Kaplan Publishing) and Wise Moves. Visit [georgeludwig.com](http://georgeludwig.com).*

**ACTION:** Bailout yourself out of challenges.

# Quality Referrals

*Build business through them.*



by Jeff Thull

**K**EEPING THE PIPELINE WELL stocked with new prospects and new opportunities is a critical prerequisite for sales success. For many salespeople, it means spending much time on the phone, cold-calling prospects who may not even want to speak to them. For most, this activity is at best a necessary evil they would gladly trade off for more time spent with their customers.

For a few exceptional sales professionals, a well-stocked pipeline is a reality. They achieve a continuous, seemingly effortless flow of new prospects and customers, all while investing less time on cold calls. In fact, when they are on the phone, they are usually talking to qualified prospects who want to take their calls.

*What is their secret?* They get a high percentage of their business from customer and prospect referrals. Making a “simple” request for referrals is one of the most recommended and neglected strategies for building business. Though a referral conversation is one of the most important conversations a salesperson can have, most pay little attention to it and miss valuable opportunities. Often, salespeople find that their requests for referrals fail to yield good quality results, even from satisfied customers who are willing to give them a lead. Most do not consider the possibility of asking prospects for referrals, even prospects who turn out not to be good candidates for quality business.

*Let’s take a look at why so many requests for referrals produce so few useful results,* and how it is possible to have profitable referral conversations with both customers and prospects.

For starters, when salespeople do ask for a referral, they simply ask for a name. “Do you know anyone else who would be interested in our solution?” or worse, “Do you know anyone else thinking of buying one of these?” If you put yourself in the position of a customer or prospect being asked, it’s obvious this is not really such a simple request. To respond properly, the customer or prospect must think of another person and his or her business

situation, guess the potential level of interest, and predict whether the individual might buy—and especially from this particular salesperson. No one wants to lose respect from a peer by sending a salesperson to them who will intrude on their valuable time. The potential risk is that someone will act in less than a professional manner and want have a sound business case for being there in the first place.

Salespeople might not think they have asked for all that analysis, but the truth is, that’s exactly what they are asking a customer or prospect to do. If people don’t think through all these issues thoroughly, they may fail at pro-



viding a referral, or the referral will fail to provide results. Consider the typical responses to the request, which often sound something like, “Not off the top of my head, but if I think of anyone I’ll let you know,” or “I’m not sure I can give you a name right now, but I’ll keep it in mind.” At some level, customers realize this is a poorly defined, unrealistic request that carries a high risk of failure. It’s not surprising that the response gives us “nothing.”

So let’s go back to those sales professionals who are so successful, and consider a very different, but exceptional approach. The secret is in knowing *when* to ask for the referral and *what* to ask for. In the case of a customer, the “when” is logically right after you’ve delivered your product, service, or solution and your customer is experiencing the value they were expecting. At this point, your customer should have a clear awareness of the value delivered, and will have a correspondingly high sense of satisfaction. For a prospect, the “when” is the point in your diagnosis when you realize

they aren’t experiencing the issues you can address, and you’ve suggested that they may not require your solution.

The “what” should focus on recognizing symptoms or indicators of issues similar to the ones you have been discussing, or which you have helped your customer resolve. The questions you might ask include: “Have you heard others in the organization talk about experiencing similar symptoms to what you were seeing?” or “When you meet with your peers in similar businesses in your industry, does this issue come up . . . and if it does, does it ever seem to be a pressing concern?”

When you ask the question this way, you are not asking the customer to take a risk. Rather, you are asking them for a factual observation that does not require them to qualify and pre-sell the referral. You’re simply asking if they know of someone who has the symptoms. When they do give you a referral, it’s your job to determine if the symptoms exist and if you can help provide a solution.

## Sales Physicians

By using this approach, you are using processes and skills that are like those of a doctor. *The characteristics of an exceptional sales professional are similar to those of a good physician.* Using this analogy, it is easier to understand why even a prospect might respond favorably if your request for a referral follows a thorough and professional diagnosis, even in those cases where the outcome is discovering that your solution isn’t required. Think about whether you might refer a friend to a doctor who does a great job of diagnosis, and finds that you do not need surgery after all, or uncovers an issue that is of great concern and detrimental to your well being.

When you take the time to conduct a careful diagnosis of the business situation, both customers and prospects recognize that they are receiving value from the substance and style of your communication. They are far more likely to share names and will be confident that their peers and colleagues will not be subjected to a hard sales pitch. These names will also have a much higher probability of being the high quality leads you need to create a rich pipeline and to expand a profitable portfolio of business. **SSE**

*Jeff Thull is the CEO of Prime Resource Group, and author of Mastering the Complex Sale and The Prime Solution. Email [support@primeresource.com](mailto:support@primeresource.com), visit [www.primeresource.com](http://www.primeresource.com), or call 1.800.876.0378.*

**ACTION: Utilize quality referrals.**

# The Practice of Sales

*Do the right things to get it right.*



by Dave Kahle

**E**VERY PROFESSION EXPECTS its serious practitioners to seek the best practices of that profession, and then to roll them into his or her routine with discipline.

The profession of sales is no exception. The best salespeople produce the best results. And they continually imbed best practices into their habits. They become better by practicing.

Salespeople get to be good in the same way every other professional becomes good—they practice! They keep learning, growing, and improving.

## Professional Practice

Top salespeople practice. The *Encarta Dictionary* defines *practice* in four ways:

### 1. Repetition in order to improve.

You study the best practices of your profession, and repeat them. This discipline expresses itself in things like learning to ask a series of good questions. You work at it, repeat it, and repeat until it becomes a habit, and you have improved. Or, you create a memorized, 30-second introduction. You repeat it and repeat it until you have it down, and it comes out of your mouth smoothly and persuasively. Or, you practice a presentation for a key product or service. You repeat it and repeat it, until you are confident and competent in it. That's practice. It's just like golf, tennis, or any endeavor. To become good, you must practice.

### 2. Process of carrying out an idea.

The good salesperson is continually on the lookout for good ideas. He collects them, sorts them, prioritizes them, and implements them. For example, he may come across the idea of prioritizing his accounts based on the potential for business in those accounts. That's different than sorting by the amount of business they did in the past. The good salesperson takes that idea, works it out, applies it to his territory, and then focuses on the high potential accounts. As a result, his production improves, and he becomes more effective. Then he looks for the next good idea. That's disciplined practice.

**3. Work of a professional person.** The best salespeople view their work as a profession. They understand that sales is a challenging, demanding job that is

critical for the success of every business. They also understand that it typically takes years to become adept at it, and that it is so sophisticated and challenging that they must learn and improve forever. They also know that their work is crucial for the success of their employer and that at least four or five families are employed as a result of every salesperson's efforts. That's a profession. And those who are a part of a profession practice it.

**4. Usual pattern of action.** Sales is an action-based profession. Our actions cause reactions in the customer. They don't send us a purchase order, and then we go see them. We see them first; it is what we do that causes them to react. If we act effectively, we gain the business. If we don't, we don't.

Our success is less about the product, service and company we repre-

sent and more about the actions we take. A pattern of action is a sequence of repeated actions. Good salespeople understand the most effective actions they can take, put them together into patterns, and repeat them until they cause effective customer reactions.

When you turn the action of asking a series of good questions into a pattern, and by repetition, turn the pattern into a habit, and then by discipline and thoughtfulness continually exercise that habit, you become an excellent salesperson. It's what you do that counts. So practice doing the right things until you get it right. It's the practice that does it. **SSE**

*Dave Kahle is a sales consultant and trainer and author of 500 articles and seven books. Visit [www.davekahle.com](http://www.davekahle.com) or call 800.331.1287.*

**ACTION: Practice doing the right things.**

## SALES/COMPLAINTS

# Inadequate Salesmen

*What customers hate about you.*



by Kelley Robertson

**R**ECENT RESEARCH UNCOVERED almost 80 reasons why customers dislike salespeople. Here are the top seven.

**1. Not listening.** When you don't listen to your customers or prospects, you fail to address their key issues. I remember an interaction with two salespeople. One asked great questions to learn more about my situation. The other did not listen to my responses, and his solution did not address my challenges. In fact, he was so far off base, I abruptly called an end to the meeting. When you don't listen, you disrespect your prospect.

**2. Talking too much.** It amazes me how many salespeople think that *telling* is *selling*. I see this in every sales environment. Your prospect or customer should do most of the talking in a sales conversation. Salespeople ask me, "But if they're doing all the talking, how can I sell my product?" The key is to let your customer do enough talking so that you can properly present a solution to their problem or situation.

**3. Lack of knowledge.** In an information-rich world, there is no reason for you to lack knowledge about the products and services you sell. When you know your products, you can speak

intelligently about them. If you don't know your products, you lose your customer's respect, and the sale.

**4. Lack of follow-up.** Many salespeople say they will do something, but fail to follow through. Buyers use this as a barometer before making a buying decision. For example, a potential customer asks for information and the salesperson promises to deliver it by a certain date. When the deadline passes, the prospect has to call and remind the salesperson. Because the sale has not been finalized, warning signals sound. If the salesperson is this

slow to respond, how long will it take him to respond after the sale? Lack of follow-up results in lost sales.

**5. Lying.** The number of salespeople who lie or mislead their customers is staggering. This behavior includes overstating a product's capabilities, stretching the truth, or giving people wrong information.

**6. Failing to understand their needs.** When you talk too much and listen too little, you don't get a full understanding of your prospect's situation. Take the time to understand your customer's needs, situation, and concerns.

**7. Refusal to take 'no' for an answer.** While you shouldn't drop your efforts after the first *no*, you won't gain anything by pressuring people.

Stand out from your competition by avoiding these behaviors. **SSE**

*Kelley Robertson is author of The Secrets of Power Selling. Visit [www.kelleyrobertson.com](http://www.kelleyrobertson.com), call 905-633-7750, or email [Kelley@RobertsonTrainingGroup.com](mailto:Kelley@RobertsonTrainingGroup.com).*

**ACTION: Avoid these sales downfalls.**



# Experiential Marketing

*Deliver interactive brand experiences.*



by Gavin Finn

**T**HERE'S A WAVE OF CHANGE taking place in sales and marketing. Every interaction is being challenged to be more personal, engaging, and meaningful. Known as "experiential marketing," the movement is being adopted everywhere. To enable this marketing movement, there is a renewed emphasis on technologies that help deliver highly interactive brand experiences.

Whether a company is selling 10 or 1,000 products—with a sales staff of 10 or 10,000—all manufacturers and their channels need to clearly communicate key differentiators succinctly and consistently, throughout the sales process. But recognizing that most sales environments are multichannel experiences, with customers learning about products and services online and offline, it has become increasingly important to provide the *same* engaging and rewarding experience at every touch-point. Keeping the message consistent is challenging, particularly across sales teams, channel partners, online and offline venues, and sometimes over long sales cycles. But this is the mandate of experiential marketing: make *every* customer experience a memorable one.

*As technologies become more sophisticated, so do customer demands for interactive experiences.* Not long ago, customers were impressed by any interaction—like a website that showed a product changing colors. Zooming in on a product image was also a breakthrough capability. When websites allowed for products to be looked at from all sides—known as a 360 view—customers were duly impressed. All had the effect of being interesting and engaging for a short while, but as customers became used to these experiences, their expectations grew. Today, customers expect to interact with products in such a manner as to reveal their behavior, features, and advantages.

Interactivity is a bi-directional process involving the actions of one participant, and responses based on those actions, of another, in a continuous feedback loop. Watching a video is not interactive. Clicking on a button is a one-way action. Just because something

is online, does not make it interactive. Think of an interactive experience as a conversation—action and reaction.

*Interactivity is a key ingredient in building an emotional connection between a customer and a product.* Non-interactive marketing options confine customers to a "listening" mode; even if the presentation has some flair, the opportunity for a personal, customized experience is lost. With no emotional connection, one widget seems as good as the next. That said, those manufacturers and channels who capitalize on everything interactivity offers, build experiences upon which brand loyalty is based. They employ experiential marketing whole-heartedly.

The top three experiential marketing themes are sensory experience, interaction, and relationship. Companies seeking to employ successful experiential marketing must provide information in a way that does not overwhelm; deliver consistent product information across sales channels; create a truly interactive experience; and tap into those emotional qualities that drive the customer's decision-making.

These characteristics must be present throughout the customer experience. In a retail environment, this could include lighting, background music, window displays, paint color, and much more. However, something more is required to set your brand or product apart—the individual customer experience.

*When people participate in the sales process, they become more engaged,* and their retention rate of key product information increases dramatically. Later, the likelihood of a customer being prepared to make an informed buying decision is dramatically increased.

Today's advanced technologies provide a level of interaction that transcends what many expect. Customers can examine products "virtually" in a three-dimensional environment, with the ability to rotate, zoom, measure, and most importantly *interact* with the product's features and options. This type of interactive functionality is being used online and offline. Customers are

not the only ones to benefit; sales channels and manufacturers can integrate key messaging and branding throughout the virtual experiences.

*By allowing customers to select and review the products and features based on their own interests and preferences, the experience is interactive and customer-focused.* Customers in the driver's seat can—at their own pace—learn about products through expert information and realistic product demonstrations. They can learn how each product works and meets their needs. Now that the process is interactive and engaging, the emotional aspect of purchasing is highly stimulated, and customers are



more likely to purchase the most appropriate product for their needs. As a result, more customers are more satisfied with the sales experience, leading to increased customer satisfaction and brand loyalty.

Over the past decade, technology developments have focused on: delivering realism—making the digital product look like the product; mimicking

behavior—making the digital product behave in the same way the product does (doors open, batteries are removed); and maximizing performance—making the digital product experience fluid and natural.

*Today's advanced interactive 3D technology is paving the way for new methods of delivering compelling product and solutions sales experiences.* By "virtually" showcasing products, prospects can view "endless aisles" of products from every angle, manipulate them to take a given action, and investigate them to reveal the components that show how and why a product works. Customers can see how products operate and how to install and maintain them. And you can seamlessly integrate product information, messaging and branding into one customer experience.

I invite you to incorporate dynamic, experiential encounters with rich interactive technologies into your marketing mix. Learn to leverage virtual product experiences to deliver experiences that are consistent and compelling. You can better reach your audiences and make emotional connections, leading to more informed buying decisions, and enhanced customer satisfaction and loyalty. **SSE**

*Gavin Finn is president and CEO of Kaon Interactive, creators of 3D interactive sales and marketing solutions. Visit [www.kaon.com](http://www.kaon.com).*

**ACTION: Experiment with experiential activity.**

# Don't Wait

*It may be too late!*



by George Hedley

**C**USTOMERS HAVE STOPPED buying, companies are closing, layoffs are common, banks have stopped lending, and consumer confidence is falling. Many managers hope things gets better, as they struggle to stay afloat.

Your choice is simple: Do what you know you need to do, and do it fast, or die a slow death. Don't be afraid to make tough decisions, try new ideas, or do business differently. Don't just hope your outdated strategies will keep working as you wait for something good to happen. Make difficult choices now to grow your business.

## 10 Things to Do Now

Do these 10 things now:

**1. Set goals to grow and make a profit!** Stop lowering prices and cutting costs. Start focusing on sales, customers, and making money. Write your targets for revenue, direct costs, overhead expenses, and net profit for the next three years. Get aligned in a positive direction and decide what steps to take to achieve your profit goals.

**2. Cut your fixed cost of doing business!** Determine what your business needs to prosper. Decide how much overhead you can cut, so you can make a profit with reduced revenue. Eliminate all unnecessary expenditures or underutilized people. Sell or eliminate any underutilized equipment or assets. If you can't sell it, rent it out.

**3. Preserve cash!** In hard times, cash is king. Delay major purchases. If you need something, lease it. Outsource or subcontract as many things as possible. The more you outsource, the longer you hold on to your cash.

**4. Cut your poor performers.** Eliminate employees who have bad attitudes, stop contributing, don't make money, or don't fit into your plans. Rate your people on an "A - B - C" scale. Keep the A's, train and challenge the B's, and replace the C's.

**5. Go visit your top customers!** Your loyal customers provide 80 percent of your revenue. Go see them and ask about their needs, problems, and plans. Learn how you can become part of their future, how you can provide added services and solutions, and how

you can improve your relationship.

**6. Seek new customers and markets.** Send more sales proposals. If you lower your selling price, you'll need more revenue to hit your profit goals. Seek more customers, markets, and territories. Seek difficult, technical, or complicated customer requirements. Find new underserved locations or prospects.

**7. Get in the opportunity business.** Why offer what you've always provided? See your company as a platform to seek business opportunities to maximize the bottom line. Be pro-active and seek new opportunities. Seek strategic alliances, ventures, new profit centers, and additional services.

**8. Increase sales and marketing.** Make marketing and sales your top priority. Advertise or mail to your tar-

get list monthly. Enhance customer relationships. Send thank-you cards and hand-written notes to every customer.

**9. Increase spending on technology.** Implement cutting-edge technology to become more efficient. Never stop upgrading your technology.

**10. Seek companies to buy.** Keep on the lookout for struggling companies available to acquire at low prices. Weak competitors may need an infusion of cash and consider merging with your business. Get out of your comfort zone and look for ways to make more profit.

Don't wait until it's too late. Implement these 10 ideas now! **SSE**

*George Hedley is author of Get Your Business To Work! Email gh@hardhatpresentations.com, call 800-851-8553, or visit www.hardhatpresentations.com.*

**ACTION: Do these things now.**

## SALES/REFERRALS

# Just say No to No's!

*No does not get you closer to yes.*



by Joanne Black

**T**HERE HAS BEEN A LONG-standing mantra in sales: The more "No's" we get, the closer we are to a "Yes." Well, not in my book. Garbage. It's old news, tired and worn out. It's time to retire and bury this mantra.

**Why would you spend your valuable time talking to people you know will say no?** This mantra about getting no's is an old-school sales formula: make 100 cold calls, talk to 20 people, set six appointments, and get one deal—if you're lucky. Really, 100 cold calls? That's a lot of no's, and a lot of time. It's not a winning strategy.

The other prospecting activities that salespeople count on, such as advertising, trade shows, marketing leads, web inquiries, and mail campaigns. All have a dismal conversion rate, averaging between 3 to 10 percent. Let's be clear: these are visibility and credibility activities. They are important to build your brand, but they don't make the phone ring. I'm not against them. I believe in establishing, building, and maintaining brand. However, I am against salespeople expecting earth-shaking results from these activities. Customers react to these activities—they don't engage.

Here's the irony in how many salespeople spend their time: When we're referred and introduced to a qualified

prospect—someone we want to meet and who wants to meet us—we get a new client a minimum of 50 percent of the time, and more likely 70 to 90 percent. There is no other marketing strategy that comes close to these results. It's not about the number of no's. And it's not just about the number of yes's (although they are really important).

It's about connecting with people, learning their businesses, and finding out how you can help them, so even if you do end up with the 30 percent who don't become clients, these people will still be glad to brainstorm opportunities to refer you. And you will have even more yes's. And you'll set yourself up to win, and win big.

Remember: it's not just about the number of leads, but the number of qualified leads. Activity is important, but only if it's quality activity. Mindless activity that focuses only on quantity is bad business. *Referral selling* is about

using your past successes and your well-nurtured relationships to build your business. It's like having your own private sales force putting you in touch with people you want to meet and who want to meet with you. Referral selling leverages your successes instead of endlessly starting over by prospecting for cold leads. Your prospecting will never be the same.

Stay away from the no's. When you go for the gold, you're not satisfied with silver and bronze—or no medal at all. Go for the yes, get those referrals, and just say no to no's! **SSE**

*Joanne Black is a sales expert and founder of No More Cold Calling. Email joanne@nomorecoldcalling.com or visit www.nomorecoldcalling.com.*

**ACTION: Stay away from the no's.**

# Leadership Excellence

## Celebrating 25 Years of Excellence



### Team Leadership

(\$10/month)

**Leadership Excellence** brings together the best thinking in the world, from all the top practitioners, in a time-effective format.

Recent contributors include: Marshall Goldsmith, Jim Collins, Tom Peters, Anne Mulcahy, Warren Bennis, Michael Porter, Margaret Wheatley, Patrick Lencioni, and many others!

### Leadership Excellence

- 1-year (12 issues) \$129
- 2-year (24 issues) \$219
- 3-year (36 issues) \$269



### Sales/Service Leadership

(\$5/month)

**Sales & Service Excellence** covers seven dimensions of sales, marketing, and service excellence.

Recent contributors include: Tom Hopkins, Jim Rohn, Dianna Booher, Oren Harari, Debbie Allen, Adrian Gostick, T. Scott Gross, Brian Tracy, Jeff Thull, and many others!

### Sales & Service Excellence

- 1-year (12 issues) \$59
- 2-year (24 issues) \$99
- 3-year (36 issues) \$139

"Sales and Service Excellence is crisp, succinct, and actionable—a nice change from Harvard Business Review, whose articles are interesting but too academic to be useful."  
—PETER G. BALBUS, CEO & MANAGING DIRECTOR OF PRAGMATIC



### Self Leadership

(\$8/month)

**Personal Excellence** focuses on seven dimensions of personal development and leadership.

Recent contributors include: Laura Schlessinger, Tony Alessandra, Tom DeCotiis, Kurt DuNard, Bob Davies, Marshall Goldsmith, Wayne Dyer, Peter Block, and many others!

### Personal Excellence

- 1-year (12 issues) \$99
- 2-year (24 issues) \$129
- 3-year (36 issues) \$199

"Personal Excellence is the only reading you'll need to do for continual self-improvement both personally and professionally!"  
—SHARLENE HAWKES, FORMER MISS AMERICA, AWARD-WINNING ESPN BROADCASTER



### Master of Excellence Leadership Package

- 1-year *Leadership Excellence*
- Your choice of 1-year *Sales & Service Excellence* or *Personal Excellence*
- 20-Year Instant Consultant leadership library CD
- 3-book package on leadership\*

\$329 (save over \$150)\*\*

For 25 years, our three monthly magazines have been the source for the best and brightest insights from all the top consultants, coaches, authors, and executives.

### Use our FREE Development Tools:

- **Personal Excellence Plan**, an easy-to-use guide designed to help you create and implement vision, mission, goals, and priorities.
- **Excellence Worksheet**, the perfect way to bring *Excellence* into your personal study or team meeting.



### 20-Year Instant Consultant

CD archive: comprehensive, searchable database of the best ideas and strategies on management, leadership, and productivity.

Instantly access the perfect article for your presentation, meeting, or personal study with over 3,200 articles by best-selling authors, leadership experts, coaches, and consultants.

### CD or Online Access:

\$199

### Please start my membership!

Please sign me up for the item(s) checked.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

Visa  MC  Amex  Disc  Bill me

# \_\_\_\_\_ exp. \_\_\_\_\_

Signature \_\_\_\_\_

Get Started Today!

Fax this form to 801-377-5960, call 1-877-250-1983, email [custserv@eep.com](mailto:custserv@eep.com) or visit [www.LeaderExcel.com](http://www.LeaderExcel.com)

LEADERSHIP  
**Excellence**  
PERFORMANCE SYSTEM

\*Books may be different than shown. \*\* For Canadian and International subscriptions, add \$20 U.S. postage per year—all three publications include *Leadership Excellence*, *Sales and Service Excellence*, and *Personal Excellence*.

# LEADERSHIP Excellence

P.O. Box 50360, Provo, Utah 84605-9932

CHANGE SERVICE REQUESTED

Hello team!

I just received this postcard for a global conference on change management in April of 2009. This would be a great way for us to see what other companies are doing to manage the people side of change. We can find out what's working and what's not.

We will also have access to the most recent research from the 2009 study. Good networking opportunities.

Give me a call to discuss.

from



**Prosci**  
**Global Conference**



Gaylord Palms Resort  
Orlando, Florida

April 6 - 9, 2009

**Prosci Global Conference**  
**Best Practices in Change Management**

For more information, please call 970-203-9332 or visit  
[www.change-management.com/conference/pgc2009.htm](http://www.change-management.com/conference/pgc2009.htm)