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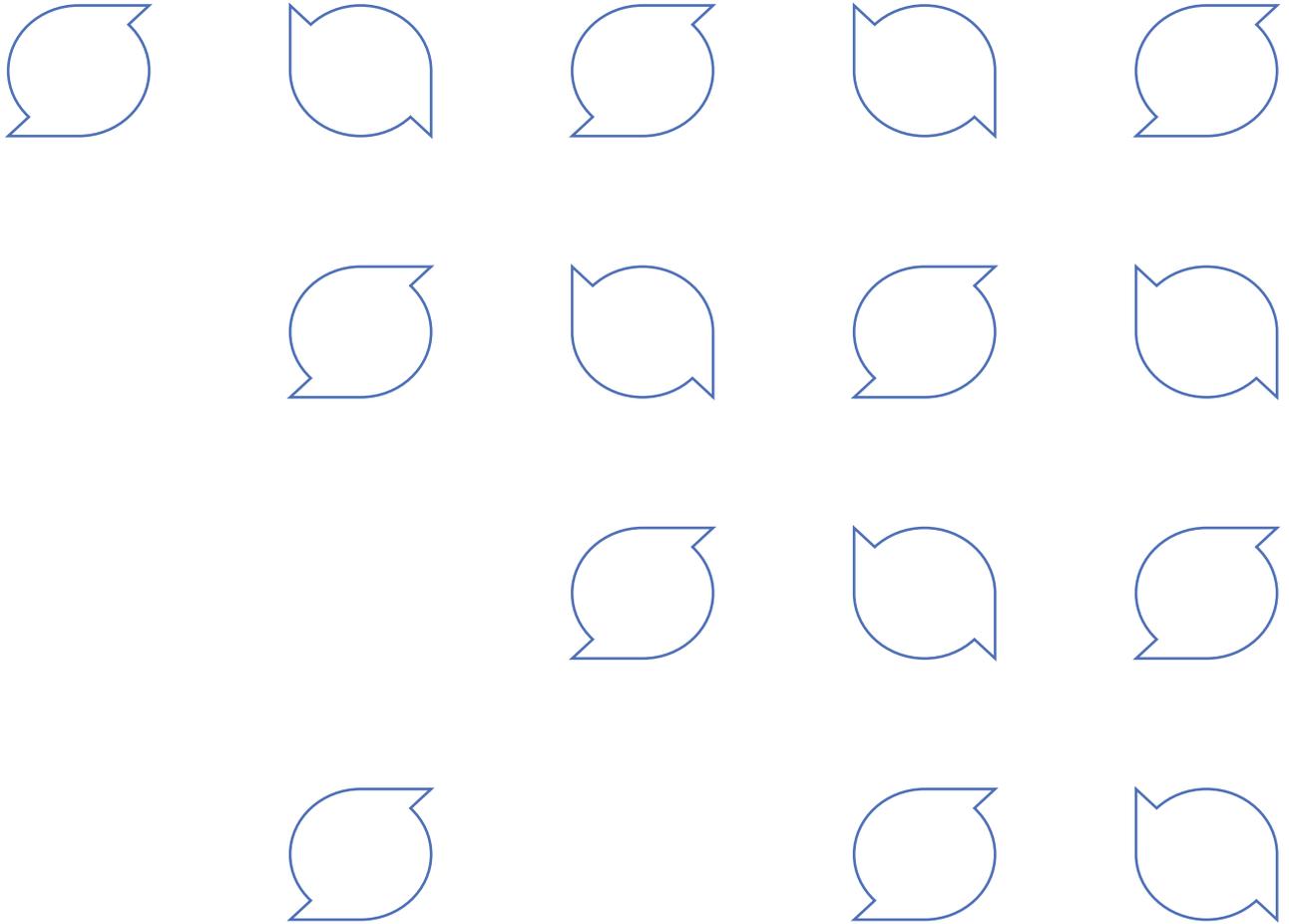
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1. What is selling?

The Basics

You are a business owner who started the business to make money for yourself or your family. You may also have started your business after recognizing a need for something better, you believe that your product (or service) improves the lives (or the businesses) of your customers. You have worked hard to make your product or service with the right quality that your potential customers want to pay for.

In the business world, the word ‘sale’ may have a range of meanings. When someone buys a candy from a street vendor, this is a ‘sale’ no matter how simple the exchange of money for the candy is. However, when a home air conditioner is involved, the ‘sale’ involves many events before an exchange of money is made. The sale of an air conditioner may require the store representative or salesperson to ask lots of questions about the customer’s house, type of construction, location of windows, amount of direct sun light, number of family members, etc. in order to recommend the type and size of air conditioner that will provide the best space cooling at a reasonable price.

So, selling is the process of helping customers to understand the product (or service) options that will give them the highest value for their money. A good salesperson will practice good ethics. They will seek to satisfy its customers, improve their lives or business, and always honor ethical principles. A good salesperson meets a customers’ needs while still making a profit.

Tell Me More

Selling is part of making more money than is used to provide the product or service but it is also a marketing function. This is part of what we call the marketing communication mix, which includes advertising, promotion, social media, and digital communications. What sets personal selling apart is the personalization of the message to suit the needs, understanding, and requirements of each customer. A good salesperson will make a point of truly understanding each customer, by asking good questions, assessing the customer’s needs, and then, and only then, offer the solutions that will best resolve the customer’s problem or fill a customer’s need. A good salesperson is respectful, truly desires to help the client, and honors the integrity of ethical, fair and just business practices. The salesperson who is solely interested in his/her personal gain and lies about the product and its performance is not a good salesperson, and thereby dishonors the integrity of ethical, fair and just business practices.

Reminder: If you own a business you are its leading role model of a good salesperson.

Why is selling important in a business?

You work very hard to make products or services available to customers so they buy from you. But you don’t benefit from your work unless you are able to sell your products or services to your customers. Selling is an important aspect of any business and you need to have good understanding of, skills for, and processes for selling effectively. In this section, you will learn many strategies and techniques to sell your products effectively.

What makes a good salesperson?

- Ability to listen to the customer. A good salesperson excels at asking the right questions to understand the client’s problem, assess the current solution the client has in place and how to improve upon it, while determining client needs or expectations. At this stage, the salesperson talks little and listens carefully to the customer.
- Respect for the customers and their needs. At the heart of this attitude is to help the customers choose the products or services that best meet their needs.

- The salesperson has solid knowledge of his/her product (or service). This includes familiarity with all aspects of the product's features and benefits and how they meet the customer's needs and expectations, product performance, installation, and ongoing customer support and maintenance. In addition, he/she shows an ability to demonstrate the product and educate the customer.

For example, an important feature of Facebook is its ability to let its users search for their contacts and friends. This allows users to build a network of friends, family, relatives, and business partners on Facebook. In the same manner, a salesperson must be aware of key features of the products or services he/she intends to sell.

- Every activity of the sales process is not only done to make money but should also be done with a sincere desire to align with what is in the best interest of fulfilling the customer's needs and delivering a high quality of satisfaction to the customer.

Glossary Terms from this Section

Ethics - Process of making decisions about what is right for you, your company and your employees based on the values you and your business want to represent; recognizing how your actions might help or hurt others.

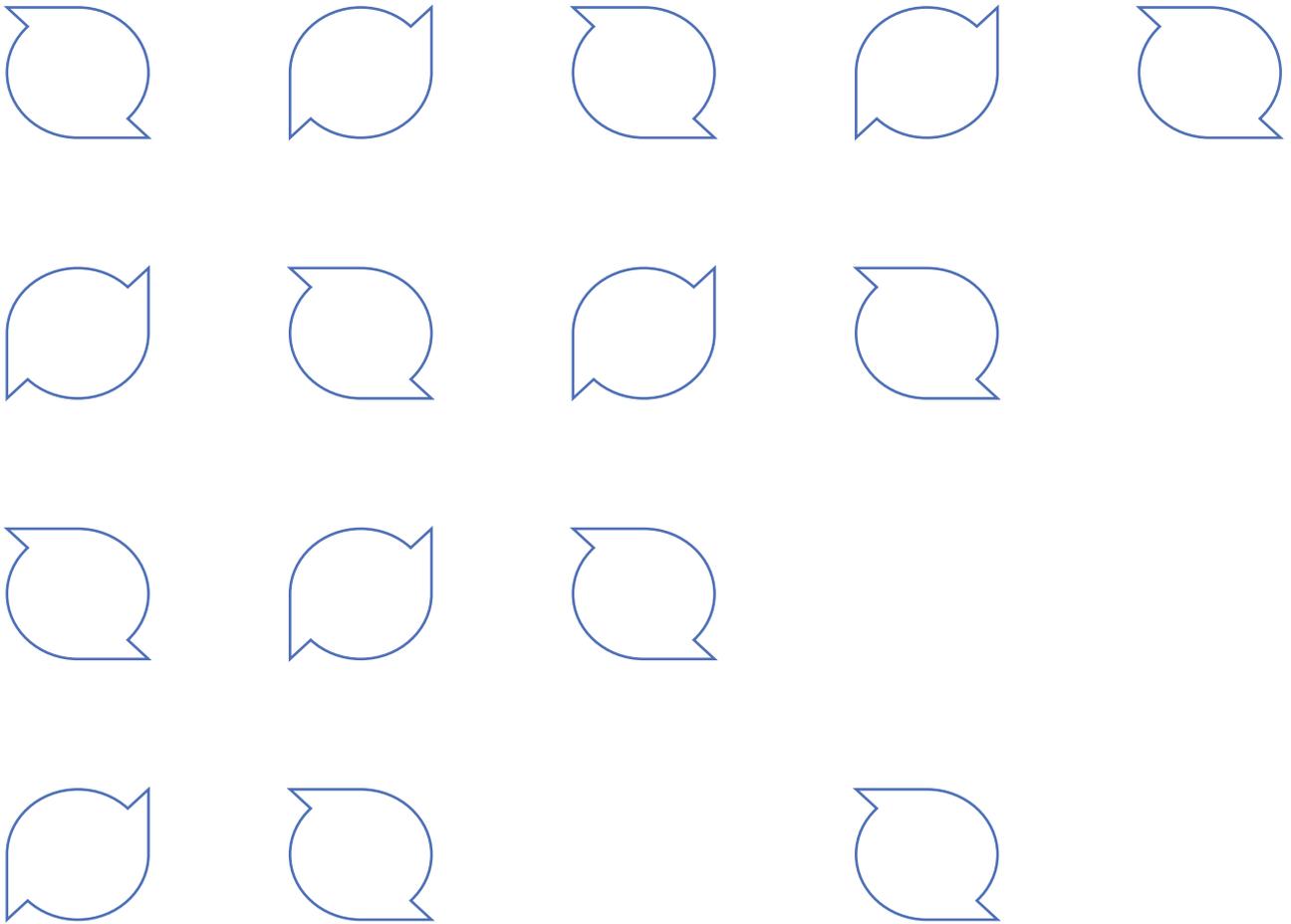
Feature - A distinctive attribute or aspect of something.

Marketing Communication Mix - Advertising, promotion, social media, and digital communications an organization uses to pursue its marketing objectives.

Selling - The process of helping customers to understand the product (or service) options that will give them the highest value for their money.

For More Information Related to this Topic See:

- What is marketing communication and how do I do it effectively? *6. Marketing*
- What is marketing? *6. Marketing*
- How is selling related to marketing? *6. Marketing*
- What is a target market and how do I identify the right target market? *6. Marketing*



2. **How do sales and customer service fit together?**

The Basics

Sales and customer service go together like two sides of a coin; they are closely related. The salesperson starts the relationship, helps the customer to make a good decision that fulfills their needs and requirements, and realizes the financial transaction of the sale. Customer service focuses on all the activities pre- and post-sales that make sure the customer gets what she/he needs and is expecting. In a small business, the owner or trusted person may carry out both sales and customer service functions.

Customer service may involve some of the following activities:

- Answering questions in person, phone or email.
- Product packaging and delivery based on customer needs.
- Teaching customers how to get the most from the product sold.
- Home delivery and installation.
- Replacing faulty parts.
- Following up on customer satisfaction of installation and deliveries.

When sales and customer service work together, the business has the potential to grow faster. Both sales and customer service learn a lot more about the customer, and share information about specific needs and insights. This can result in opportunities for improving the current product, developing new products that meet current customer needs, or open new potential market opportunities. The salesperson and the customer service person are both committed to delivering a very positive experience to the customer, and create high customer satisfaction and loyalty.

Tell Me More

The goal of Sales is to sell the product at the best price possible and generate revenues. The goal of Customer Service is to make sure the customer is highly satisfied. Together, they help the marketing strategy to accomplish the goals of high customer satisfaction and loyalty, repeat business, new business development, sales and profitable growth.

Good customer service relates to the service you and your employees provide the customer during and after the purchase. Everything hinges on the way you interact with your customers. This is defined by the attitude of those who interact with the customers, by their skills, their training, and the mindset of company's leaders.

Customer service is the responsibility of everyone in the company that interacts with the customer personally, by phone, by email, or any other means. Every contact person must carry the same values, attitudes, and skills in order to provide the customer the most positive experience. Good customer service is the best guarantee of long-term customer relations. It is important for both large and smaller companies. A large company such as Roshan Telecommunications, will likely have dedicated customer service teams whose sole mission is to serve the customers and keep them happy. These companies see their success in attracting customers and retaining them through effective & friendly customer service. Smaller companies can keep customers satisfied by making good customer service a policy for all of its staff, despite not having a dedicated team.

What Your Customers Expect from a Salesperson:

- Ability to recognize the real problem the customer needs to solve
- Knowledge of the customer's business if applicable

- Knowledge of your own business, market and product
- Skill at providing meaningful advice
- Able to show the value of the product or service to the customer
- Honest, ethical and of high integrity

What Your Customers Expect from a Customer Service Person:

- Good listening skills and a patient disposition
- Clear and excellent communication and problem-solving skills
- Sound knowledge of the product
- Very positive attitude
- Calm and understanding demeanor

As an example, when you or your team reach out to a retail store to sell them mushrooms from your farm, you are engaging in sales activity. You will explain your capacity to produce quality mushrooms, package them well, and have them delivered to the retail store. Customer service is when you take back unsold products, deliver your products on time, and call back to ask if they have any problems related to selling mushrooms from your company. It's important that you manage the entire process of sales and customer service professionally.

Glossary Terms from this Section

Customer service - All the activities pre- and post-sale that make sure the customer gets what she/he needs and is expecting.

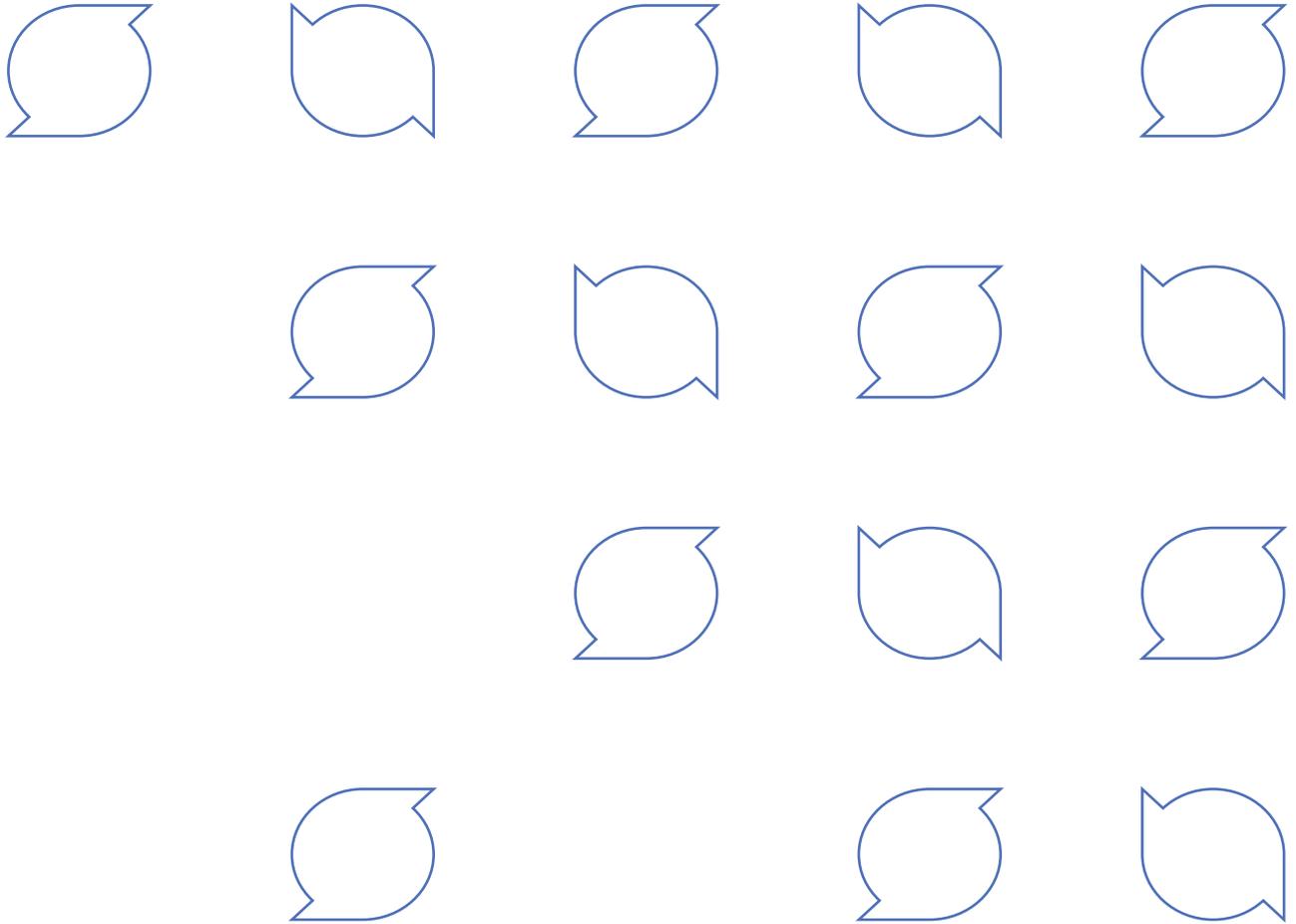
Values - A person's principles or standards of behavior; an individual's judgment of what is important in life.

For More Information Related to this Topic See:

- How do I create a sales strategy? *7. Sales and Customer Services*
- How do I implement an effective customer service process? *7. Sales and Customer Services*
- What are some sales and customer service tactics to increase profit margins? *7. Sales and Customer Services*
- What is a marketing plan and how do I create a marketing plan? *6. Marketing*

Additional Tools Available

Customer Satisfaction Survey



3. How do I create a sales strategy?

The Basics

A sales strategy is a key element of your effort to serve the people that place the greatest value on your products (or service). It guides the fulfillment of your company's goals and aligns with your ethical and fair business practices.

As a leader of your company or sales team, it is your duty to set your organizations short and long term goals and plan to accomplish them over the coming month, quarter, or year. The sales strategy outlines the right steps to accomplish your goals. The sales strategy document contains your sales goals (number of units to sell within a defined time), sales tactics (means by which goals will be attained, e.g. retailing), target accounts (clients that you intend to serve), and timetable (period in which actions and goals are to be accomplished).

Tell Me More

A sales strategy is not the same as a marketing strategy. It is an extension of the marketing strategy. A marketing strategy will focus on creating a brand, establishing relationship with key customer groups most likely to buy your products, designing products, and communicating their benefits. A sales strategy is more focused on closing the transaction with the customer through a number of techniques.

For example, Homa Ashna is running a mineral water enterprise in Mazar-e-Sharif. She has already identified major buyers and key market segments as part of her marketing strategy. After a few months of operations, she realized her ideal buyers are small shops by the main roads that sell water, juices, and other drinks to drivers that commute to the city. Since Homa had just started, her products were slightly less expensive. Her products appealed to the small shops for because of their slightly lower price. Larger buyers, such as hotels, were already served by other producers and required higher standards in packaging than Homa could supply. Throughout this process, Homa managed to develop her sales strategy and use various techniques to reach her customers.

The following techniques should help you get started:

Step 1: Identify your key customer target accounts. Carefully study the traits and characteristics of potential clients that have a need for your product or service. Understand why your customers buy from you.? Find out how they use your products, and how they compare your product to the competition. Examine the financial relationship you have with them. Analyze how profitable an account this is for your business.

If you are a small business owner, this process can be conducted informally as you visit them, but it is essential that you take good notes and keep good records for future analysis. This effort shall provide clear ideas on how to rank the attractiveness of each account, both existing and prospective.

Define the methods, or collection of different methods with which you intend to reach the various key customer target accounts. (i.e. your own sales personnel, retailing outlets, independent sales representative, email, advertising, telephone, or social media).

Step 2: Establish sales goals.

- Goals should be specific, realistic, and measurable.
- Goals should be based on the nature of your product, type of sales activity and methods to reach key cus-

customer target accounts, and the company's investment of time and resources.

- Goals should be broken down in manageable numbers, i.e. sell 100 units of product A by the 10th of next month, sell 300 units through retailers every quarter. Target numbers should above all be realistic, and reachable by the sales person or sales team.

Step 3: Define a Timeline. Assign target dates to the completion of every sales activity so you maintain control of the process and have a visual document to follow up the contributions of every person involved.

Step 4: Track Results. Keep track of the results of each one of the methods you choose to contact your key customer target accounts, and seek to identify patterns in the information you collect. These patterns may indicate that certain types of clients are more attractive than others, or that certain products are preferred in certain geographical areas, etc.

Glossary Terms from this Section

Marketing Strategy - The outline of how you will create your brand, establish relationship with key customer target market groups, design products/services, and communicate product/service benefits.

Sales Strategy - The outline of the right steps to achieve your sales goals.

Sales Tactics - The means by which goals will be attained, e.g. retailing.

Target Accounts - The clients that you intend to serve.

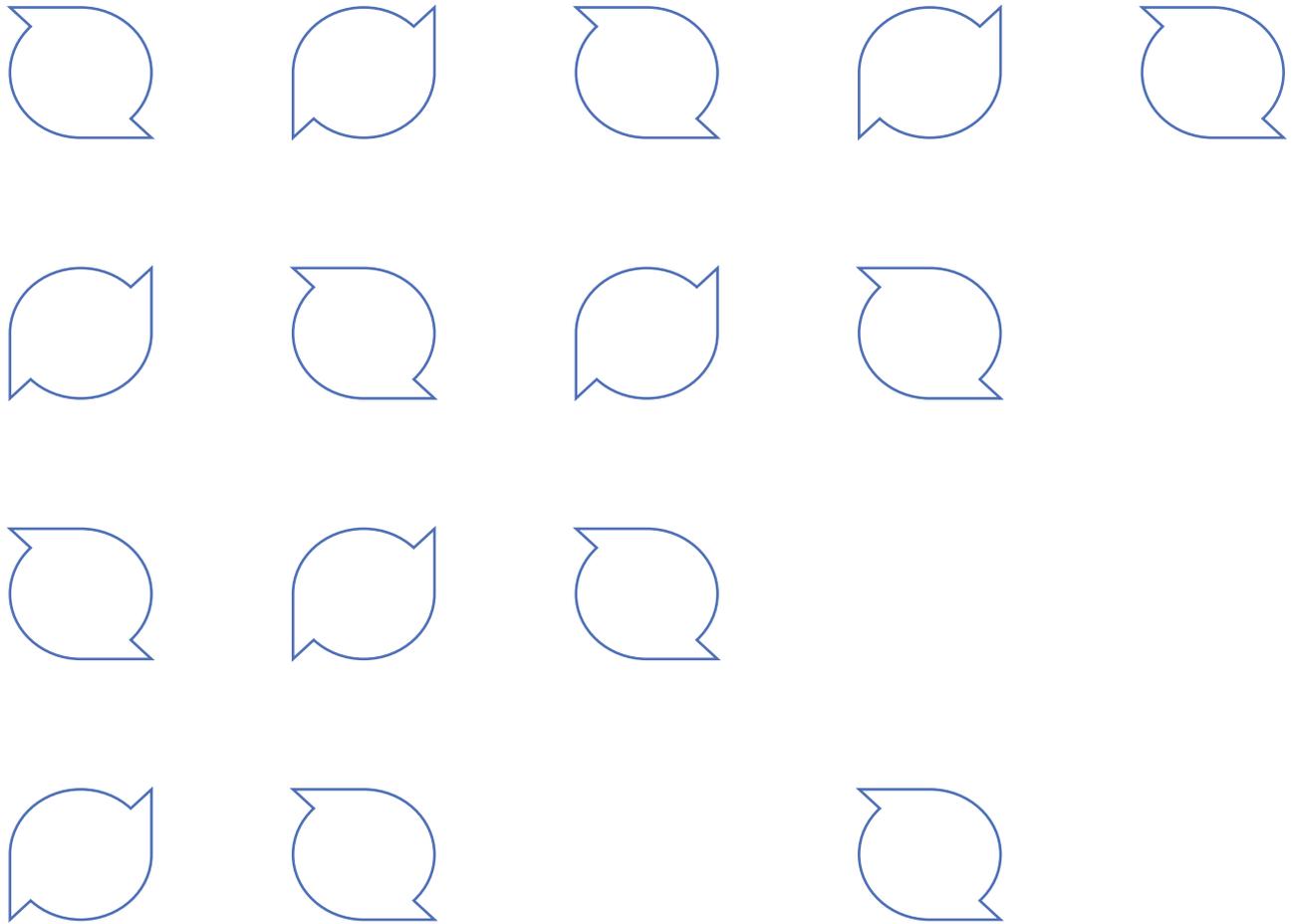
For More Information Related to this Topic See:

- How do I create sales guidelines for a sales team? *7. Sales and Customer Services*
- What are some key sales techniques for completing “closing” a sale? *7. Sales and Customer Services*
- How do I track my sales and what can I learn from tracking sales? *7. Sales and Customer Services*

Additional Tools Available

Customer Profile

Sales Strategy Worksheet



4. **How do I define my ideal customer profile from my 'target market'?**

The Basics

Creating ideal customer profiles helps the company to generate more business from existing customers and obtain the business of new ones. Finding new customers is one of the most difficult parts of building a business. Having a good product that you are convinced customers will need is not enough. Customers will not find you online, visiting a store, or reading a newspaper just because you started a business. You must go out to find the customers. An ideal customer profile will help guide you to finding new customers.

Every business realizes that some customers are more valuable than others. This may be for various reasons. For example, it may be the size of the orders, the ease of managing the relationship, or their growth prospects. A business woman in Kabul produces toilet paper from a combination of recycled and imported paper. She initially tried to sell to big supermarkets in the city, but her business didn't do that well. Soon she realized that her ideal customers were less conscious of high quality packaging and weren't buying from big supermarkets. She then began selling to smaller retail stores in the main city and to local shops in suburbs of Kabul that could not afford to sell expensive toilet paper. Properly defining her customer profile helped her sell more. The more you know about your ideal customers, the easier it will be to sell more to them, to sell them new products, or to target them with your special offers. More importantly, it helps you to seek new customers who share a similar ideal customer profile. Your salespeople can base their sales prospecting on the ideal customer profile, and it will surely give them a better chance of winning new customers.

An ideal customer profile is a description of the characteristics of the customers that are most likely to buy from you. It relies on data obtained from internal files (orders, payment information, etc.), sales person reports, newspaper and magazine articles, online and social media presence, readership information, surveys, and public data about the company.

Tell Me More

The purpose of defining your ideal customer profile is to develop a solid understanding of the common characteristics of certain ideal customers to sell your product to. This knowledge will help the sales team design tactics to start and cultivate a relationship, make presentations, and hopefully gain data on how the ideal customers like to purchase your product. In the case of consumer goods, it will help you to design promotional materials, design media campaigns, plan the layout and decoration of the store, and build an online relationship. Below are two ways to chronologically set up ideal customer profiles. For example, when Dr. Fatima Ahmadzai opened her health advising center, she knew her ideal customers would be pregnant women living in the vicinity of her health center. She knew most of the customers would be between 20–30 years old, bearing their first child. Another important aspect of her profiling exercise was to determine the income level of the customer's family at an average of 50,000 AFN. Her analysis helped her design marketing material easily and target the right customers.

The profiles should include, but are not restricted to, the following:

For Consumer Goods

Step 1: Start with Demographic Information.

- Age, gender, residence, income estimates, family structure, and education.

Step 2: Think of the reasons ideal customers purchase:

- Needs that the product satisfies.
- Benefits the customers seek.
- Alternative competitive options the customer considers.
- Brand importance.
- Style and fashion desires, etc.
- Accessibility due to geographic limitations

Step 3: Where do ideal customers make purchases?

- Grocery stores
- Family owned corner stores
- Online
- Specialty retailers
- Supermarkets

For Industrial (Business to Business) Goods

Step 1: Think of their demographic information:

- Product lines and technologies used.
- Location and size of manufacturing plant.
- Ownership, and credit history.

Step 2: List Reasons they purchase:

- Types of production methods.
- Long/short production runs and equipment utilized.
- Level of technical knowledge.
- New/current products.
- Issues with current suppliers.

Step 3: Where do they purchase?

- Industrial distributors.
- Resellers.
- Direct from manufacturer.
- Online orders.
- Phone orders.
- Order volume and frequency.

Step 4: Decision making:

- Identify order placement process (e.g. by purchasing agent, or by owner).
- Identify individuals who influence the decision process.
- Outline Quality control/performance requirements.
- Identify warranty requirements.

Whether this data is captured on computers or kept in notebooks, you should continue to build your ideal customer profile consistency over time. Knowing what potential customers are most likely to buy from you and being able to target those customers in your sales efforts will help to increase your sales and growth to be more successful.

Glossary Terms from this Section

Business to Business (B2B) - The activity of selling products or services to other businesses.

Demographic Information - Characteristics of a population such as race, ethnicity, gender, age, education, profession, occupation, income level, and marital status.

Ideal Customer Profile - A description of the characteristics of the customers that are most likely to buy from you.

Industrial Distributors - Companies who specialize in making products that are needed to run a business, which they sell to other businesses.

Order placement process - Who places the order, when they place the order, and how the order is placed.

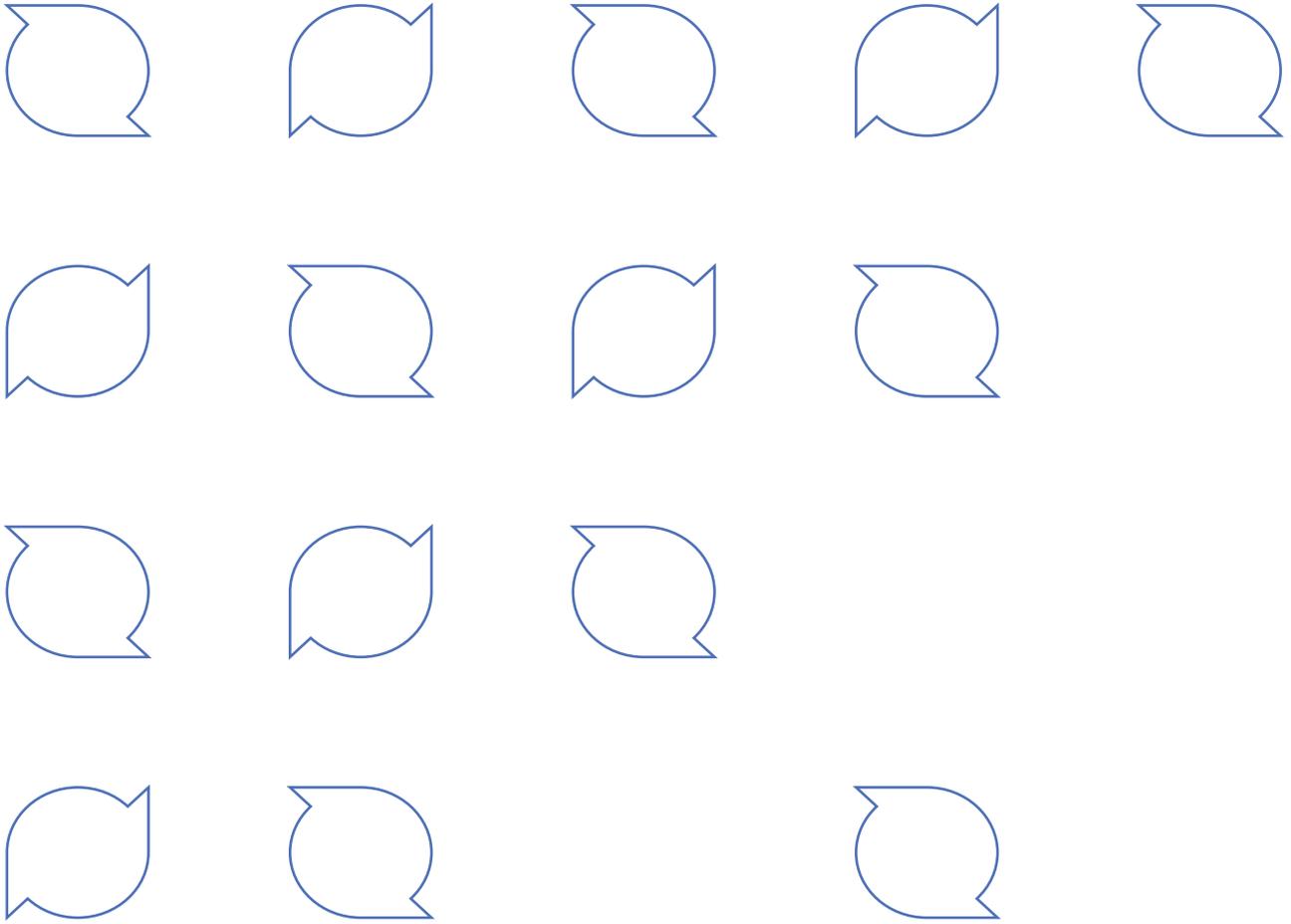
Sales Prospecting - The act of recruiting or seeking out new customers for a business usually done by a sales person.

For More Information Related to this Topic See:

- How do I track my sales and what can I learn from tracking sales? *7. Sales and Customer Services*
- How do I implement an effective customer service process? *7. Sales and Customer Services*
- What are the advantages to retaining current customers? *7. Sales and Customer Services*
- What is a target market and how do I identify the right target market? *6. Marketing*

Additional Tools Available

Customer Profile



5. **How do I know that new potential customers are ready and able to buy?**

The Basics

A sales lead is a person or company that has the characteristics of someone who would be interested in buying your products but has not yet purchased from you. When the commercial relationship is between businesses, one business is buying from another business, the sales process tends to be long. The business must carefully evaluate its time spent on each customer and how much value or money they may gain from pursuing that customer.

In the case where the buying process takes a lot of time and effort (such as buying an expensive piece of equipment or using new accounting software across the whole business), it is helpful to have a tool where you can judge the likelihood that someone will actually buy from you and how close they are from making a purchase. We call this tool the “sales funnel” and it shows the process people who are just potential contacts all the way through to becoming customers buying your product.

Tell Me More

Every business has to create a flow of potential contacts that may become future customers. This is called a sales funnel. The sales process follows a pattern of potential customers evolving into customers who actually buy from you. If you picture a funnel, it is wider at the top and it becomes narrower as it goes down. For the sales funnel, at the top are all the potential customers who fit the ideal customer



profile (A description of the characteristics of the customers that are most likely to buy from you.). Through your various sales interactions, some of these potential customers will become “suspects,” then “prospects”, then “qualified prospects” and finally, “customers.”

The pattern may be explained as follows:

Ideal Customer Profile

At first you will begin with all the clients that satisfy the generic characteristics of ideal potential customers. For instance, Mariam owns an ICT company that provides Internet to companies in main cities of Afghanistan. According to her, all companies with more than 3 employees, an online presence, and an educated, young team fall into her ideal customer profile.

Suspects

These are companies that have had an initial contact with you via email, personal visit, or download material from your website. After the initial contact, the Suspects agree to continue the conversation with you about their interest in your products. The conversation may take the form of a visit, a phone call, or an email conversation. If they are not interested in your product/service, they are kicked out from the funnel. If they are interested, they become a Prospect.

Prospects

The prospect agrees that your product may represent the solution she/he is looking for. This is a subtle agreement, which may not even be spoken aloud. The prospect is beginning to research solutions and has requested more detailed information about your product and your company. You feel that there is room for deepening the relationship. For example, Mariam is a member of a local business group and she often meets with other businesses. Three women entrepreneurs in the group have asked Mariam for more information about her Internet services. They have shown interest to change their Internet service providers if Mariam's service is superior. These women entrepreneurs qualify as "prospects" and remain in the sales funnel.

Qualified Prospects

The Prospect is now moving to evaluate a small number of potential suppliers. From your side, you have been able to assert that the Prospect company has the budget for the purchase, that your contact person has the authority to decide to make the purchase or the ability to influence the decision, that you can manufacture the product to meet their requirements, including expectations of price, and you can do it in the time frame that is required. If you feel that one of these conditions cannot be met, the Prospect does not become a Qualified Prospect and is removed from the funnel. If these conditions can be met, then the Prospect becomes a Qualified Prospect. In the case of Mariam, she realized after a phone call with the three entrepreneurs that only one of them was still considering buying her Internet services. Given that she already has the ability to provide the services, the entrepreneur becomes a "qualified prospect".

Customer

At this stage of the sales funnel, the Qualified Prospect has agreed to commit the resources to buy from you. All the sales leads that reach this stage become your customer. In the example, Mariam finally closed the transaction and signed a service agreement with her customer.

It is necessary to consider that the process may continue further as your customers may buy again, may recommend your business to others, and may provide a marketing endorsement (to be used in advertising, or website).

The sales process begins with discovering sales leads. These are the potential customers that have expressed serious interest in buying your product and you feel you are able to produce and deliver it (e.g. ability to deliver the volumes desired, according to the specifications, and in the time-frame proposed).

The process of qualifying a prospect involves a more in-depth evaluation of the customer, and the customer's

fit with your organization. This is called lead qualification. The steps to qualify a lead:

- Identify who makes the decisions in order to make contact and build relationships with them. In the case of Mariam, she met with the entrepreneurs and already realized they were the key decision makers. In other circumstances, she could research about companies and find contacts of relevant people to connect with.
- Identify current or potential personal relationships you or any of your employees may have with the decision makers in the client's organization.
- Identify possible obstacles to securing the business of the client.
- Identify client's deadlines.
- Identify other solutions the client is considering. Mariam knew the major internet service providers and part of the information was given to her by the entrepreneurs themselves. They complained about their current service providers, which Mariam instantly recognized as she is well aware of her competition.
- Estimate what the costs (financial, production, employee morale) are important to the client for not obtaining a solution to the problem. Mariam collected this information through having a conversation with the entrepreneurs over the phone. She asked about price range or allocated budget of each potential client to understand their financial situation and make an appropriate offer.

Glossary Terms from this Section

Ideal Customer Profile - A description of the characteristics of the customers that are most likely to buy from you.

Lead Qualification - The process of qualifying a prospect through an in-depth evaluation of the customer, and the customer's fit with your organization.

Prospect - A person regarded as a potential customer or client. Can also be called a sales lead.

Qualified Prospects - Potential customer or client qualified on the basis of their authority to buy, financial ability to buy, and willingness to buy. Can also be called a sales lead.

Sales Funnel - A visual representation of the customer journey, tracking the sales process from initial customer awareness to purchase. Also called a revenue funnel or sales process.

Suspects - Potential customers who have had initial contact with a business via email, personal visit, or materials such as flyers.

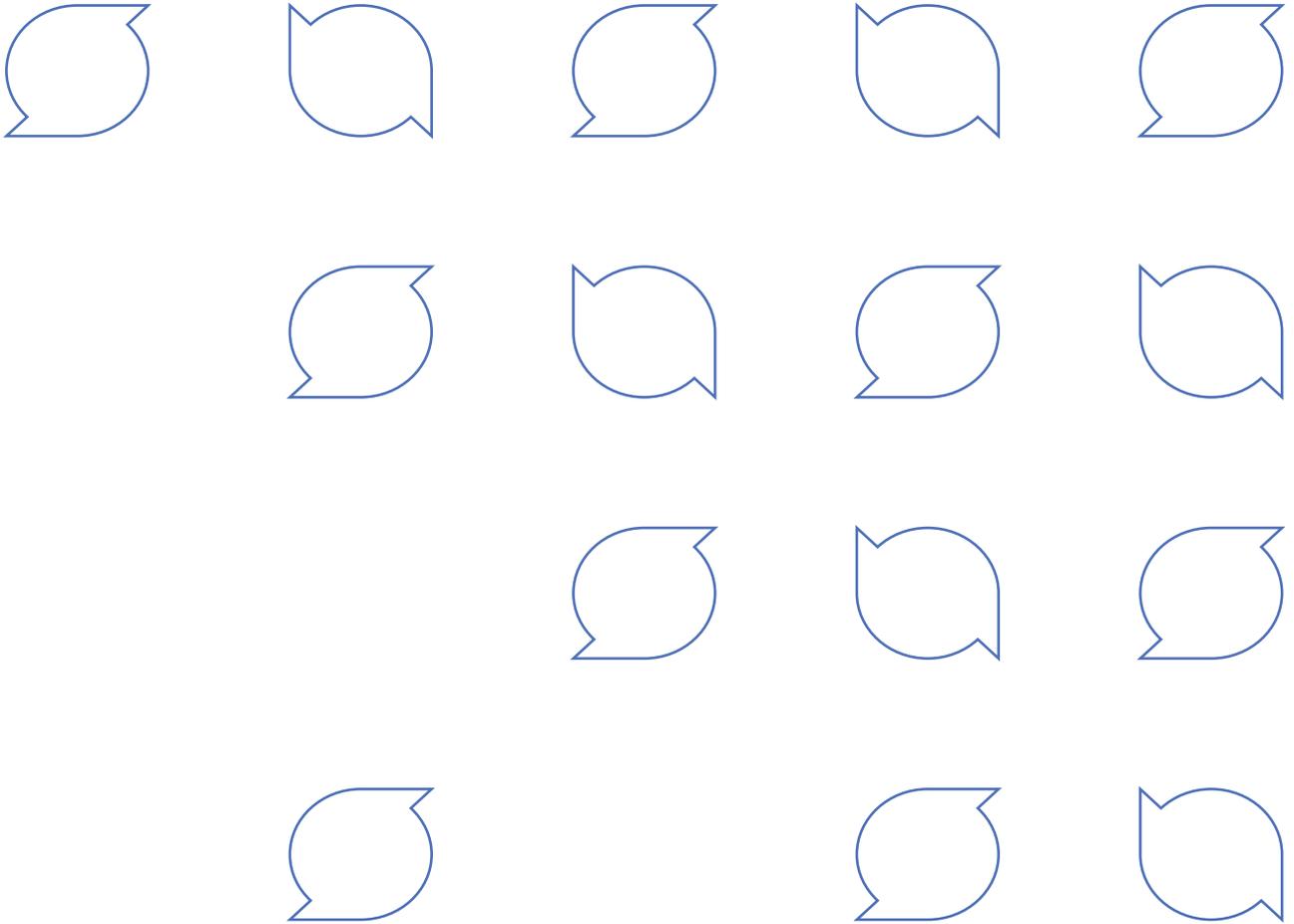
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- How do I implement an effective customer service process? *7. Sales and Customer Services*
- What is a target market and how do I identify the right target market? *6. Marketing*

Additional Tools Available

Customer Profile

Customer Satisfaction Survey



6. How can I directly generate sales?

The Basics

Customers are the foundation of any business, whether you are a small company or large multinational corporation. Just because you are a small business, your customer portfolio (your current and potential customers) does not need to be small. Your success depends entirely on your ability to attract new customers and retain existing ones.

Maintaining a continuous flow of leads into your sales funnel is the only way to be assured of generating the amount of sales you want. It requires a focused effort by you, the business owner, and your sales team. The development of leads may follow any route: telephone, email, social media, website, or personal calls. Your success will be determined by your persistence and your organizational discipline. Creating a system to keep track of your sales leads is important. A basic database application on your computer or even just a list on paper will greatly help your customer development plan.

Lead development is not always easy, and any salesperson that has reached great success has heard the word, no, many times. Rejection is often thought as way of life for a salesperson. But it is the ability to never feel down after a rejection that will make the difference. No customer will say YES, the first time you ask for their business.

Tell Me More

To make your task a bit easier, here are some ways of reaching potential customers and building up your sales funnel.

Make Cold Calls

Cold calling is the art of approaching someone, professionally and respectfully, with a proposition that may help that someone's business. Usually a cold call is done with someone you do not have a relationship with, who may not know you. Cold calling often represents the first stage of the sales process. It may refer to the first phone call to the client, or the first visit to the customer's business. A successful cold call should be honest, helpful, professional, and truly valuable for the client. It may be difficult and frustrating at first, but over time it becomes a powerful tool for those salespeople who are investing in understanding customers and their needs. For example, Internet service providers call other companies that need Internet services to offer better or faster services.

Customer Referrals

Sales leads often come from your existing customers. Focus on customers that are very satisfied with your services and have a good relationship with your company. Ask them for referrals. They know you, what you produce, and the quality of your organization. Usually your customers are part of many different networks of suppliers and will know who may need what you manufacture.

Share Useful Information

Relying on your own technical experience, your engineers or salespeople can develop articles that are highly informative, with strong educational content (i.e. new applications, new equipment, cost saving measures, trouble shooting, etc.) that has relevance to customers who share your ideal customer profile. By offering this information in articles, online, at events, or as case studies, you are building trust with key prospects. Remember, these are not meant to sell your product or ask for the client's business. These are tools that help establish your credibility. Your content will be helpful in the development of a relationship. A company that supplies water purifiers might provide useful information to the publish about clean water, ways to avoid diseases, etc. as a way to build trust and credibility with potential customers.

Direct Mail Campaign

A direct mail campaign is when you communicate with a number of prospective customers either digitally, or by regular mail, to inform them about your product/service. A direct mail campaign may not need to target a large number of potential customers, but it must be carefully targeted to customers that fit your ideal customer profile. If your sales force is small, or as a small business owner you are the primary salesperson, send out 20 or 30 pieces each week and routinely follow up with a telephone call. For greater effectiveness, your letter or email could be accompanied by a nicely developed flyer that effectively conveys information about your company, your product, and key benefits of both.

Trade Shows and Exhibitions

Be selective about the promotional events you choose to attend and make sure it attracts the type of individuals who may have value for your business. Make sure that the people working at your booth are aware of your ideal customer profile. They should then be able to focus more of their attention on the right type of visitors, use the face-to-face time to build up your company's skills and experience, and educate them on the products on display. Again, the purpose is not to push products onto the visitors or try to sell anything, but just initiate a positive relationship. After the show, and no later than 30 days, you should follow up by telephone, or personally. If the follow up is by email, make sure to share information that is of true value to the customer. Be systematic and persistent. Trade shows offer a great venue to sustain a steady flow of leads into the sales funnel. For instance, many Afghan dried fruits export companies participate in regional & international trade shows, such as the annual India International Trade Fair (IITF), and generate new leads for their companies. Note that for these export companies, it's an effective strategy to find leads & potential customers at a trade show in an international market as opposed to other means of generating leads, such as trying to find international buyers online.

Glossary Terms from this Section

Cold Calling - The art of approaching someone, professionally and respectfully, with a proposition that may help that someone's business. Usually a cold call is done with someone you do not have a relationship with, who may not know you.

Customer Referrals - A lead that is recommended from a very satisfied customer that knows your business well.

Ideal Customer Profile - A description of the characteristics of the customers that are most likely to buy from you.

Sales Funnel - A visual representation of the customer journey, tracking the sales process from initial customer awareness to purchase. Also called a revenue funnel or sales process.

For More Information Related to this Topic See:

- What is selling? *7. Sales and Customer Services*
- How do I create a sales strategy? *7. Sales and Customer Services*
- How do I define my ideal customer profile from my 'target market'? *6. Marketing*

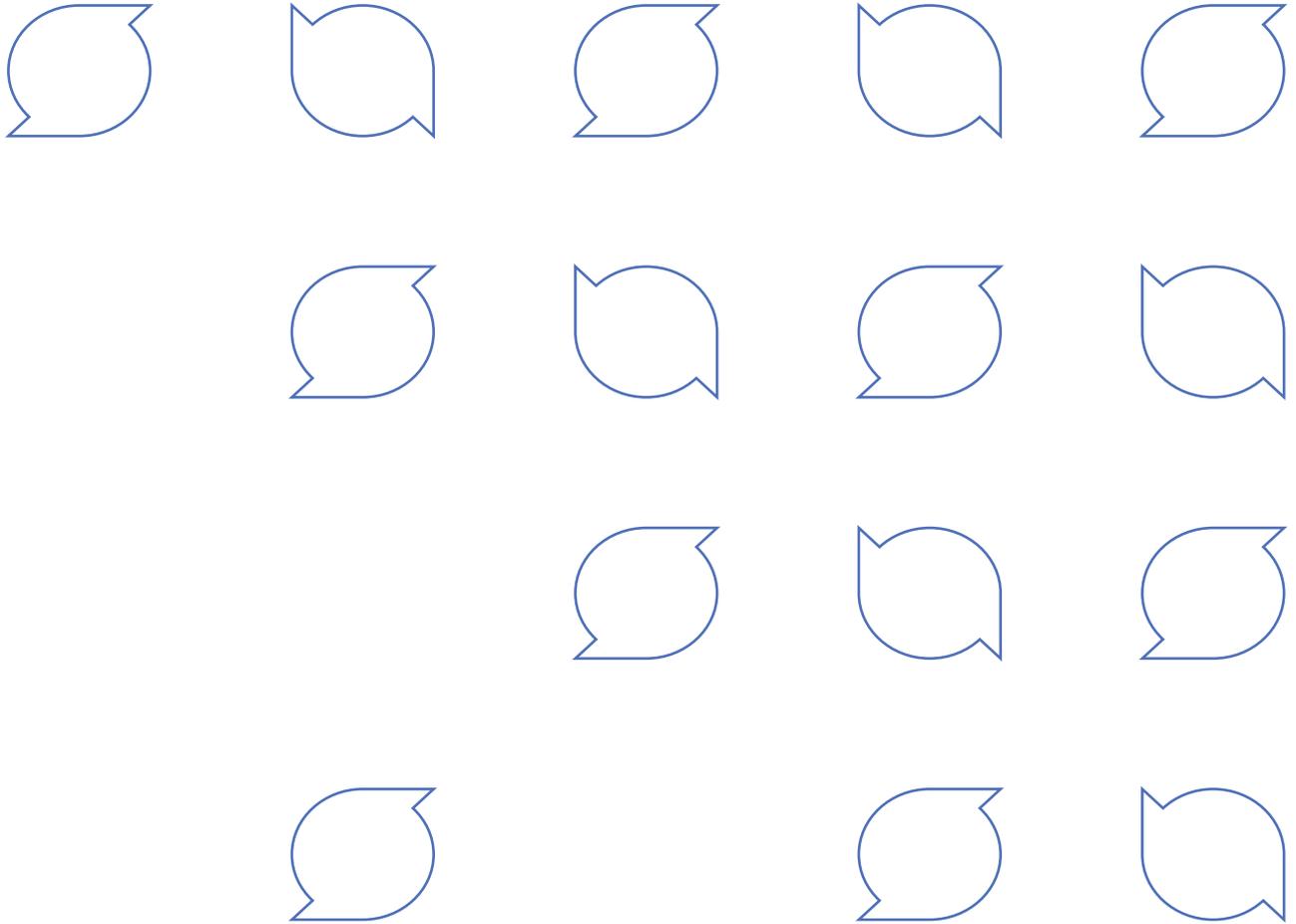
Additional Tools Available

Planning Your Sales Visit

Sales Commission Report

Sales Strategy Worksheet

Sales Visit Report



7. How can my business sell value to customers?

The Basics

Selling value starts with the idea that there is a difference between price and value. Let's look at price first. Price is the monetary number by which you decided to sell your product, after computing all your costs and adding a desirable margin. But you don't determine your sale price using only internal data. Your price decision is also influenced by the conditions of your market and the strategies of your competitors. For example, a greenhouse owner that supplies fresh vegetable to the market lowers prices when competitors supply in the peak season but increases prices off season.

Value on the other hand is defined primarily by the benefits your customer receives by using your product. For example, a business that sells 10 meter ladders for professional painting may price its product at \$100 (cost \$80, margin \$20). But because the ladders are made of light aluminum and have a good design, they save painters time on the job, reduce the risks of accidents, and save painting supplies. Let's say that this represents a \$150 savings per job for the painter. If the painter has two major job contracts per month, the purchase of the new ladder would represent a value benefit of \$300. How much would the painter be willing to pay for the ladder? One can easily guess that the painter would pay \$200 for the ladder because he knows he is still making \$100 of value benefit. Thus, selling value benefit is a technique based on the economic value of the benefits the product delivers. This is equally true for services.

So, value selling fits with the basic principles of selling – that a good sales person, committed to ethical, fair and just business practices would first and foremost help the customer to understand the product benefits and obtain the highest value for their money. In value selling, identifying the financial impact of such customer benefits is fundamental.

Tell Me More

The most important thing that you, the business owner or salesperson, contributes when you develop a relationship with a customer is your business knowledge. Familiarity with the practices of other customers, in-depth knowledge of your own products, ability to explain and operate the equipment, ability to troubleshoot, and academic specialization are all parts of the business knowledge that will inspire confidence in the customer.

Start your preparation by making a list of all the benefits of your product (or service) and the ways it solves your customer's problems. Always consider the fact that the more you focus on the value of your product to the customer, the less important price becomes.

Wahida Omer provides web development services in Herat province. She has listed the benefits of her services in her brochure. She clearly communicates the benefits of developing a working website to her customers. She highlights improved visibility, easier access, and increased revenue as the few benefits of having a working website. She usually communicates to potential clients the increased number of customers that her previous clients have reached through the website. It helps her win new customers when she shows websites of previous clients and the additional revenue they have generated through having increased visibility.

When you look at the benefits, first, think about how your solution can help the customer to grow revenue, volume, or reduce costs, or increase productivity. Secondly, think about the intangible benefits such as brand image improvement, community visibility, and credibility in the industry.

The principal objective of value selling is to help the customer to understand how your product solution will

help her/his business, presenting real facts, and numerical calculations of the benefits. When you can show the financial benefits your products bring, the prospect will naturally evolve into your customer, without the need for you to push hard for a sale. This way you make sure that your agreement with the customer is fair, transparent, and ethical. It allows you to make a more reasonable profit margin that you can then reinvest in the business for expansion, creating more job opportunities, and supporting charitable causes important to your community.

Glossary Terms from this Section

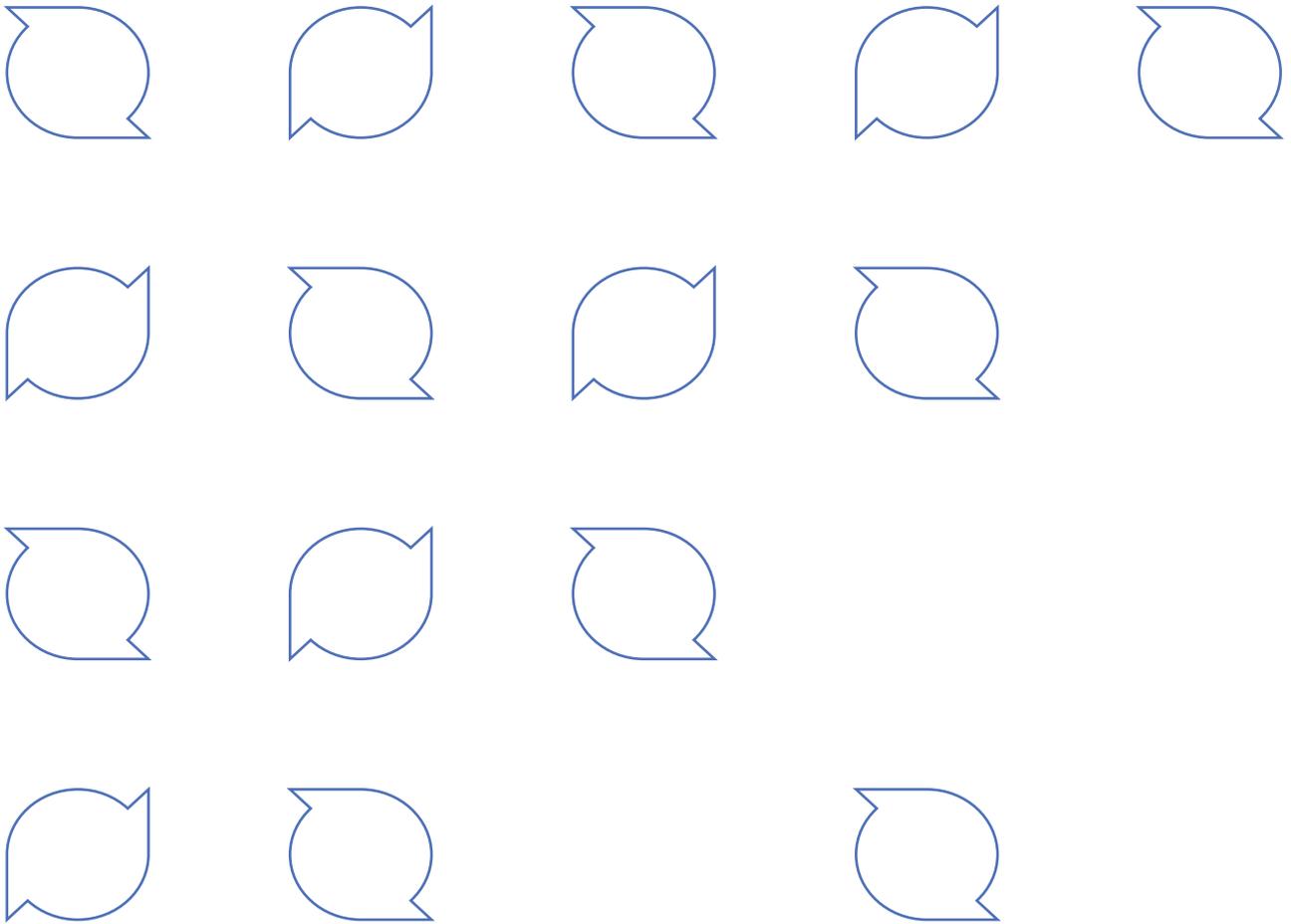
Brand - A unique symbol, logo, or name that organizations use to set apart their product from others in the market.

Credibility - A description of how believed and trusted something or someone is to others.

Value Selling - A selling technique where you sell the product by building its value in the eyes of the customer.

For More Information Related to this Topic See:

- What is pricing? *9. Pricing*
- How do I set pricing based on value? *9. Pricing*
- Why does it matter that I choose the right price? *9. Pricing*
- Is there a tool that can help me understand how to set a price and make a profit? *9. Pricing*
- How can I create value in my product/service to justify my prices? *9. Pricing*



8. How do I develop materials to use when I sell?

The Basics

To support their salespeople, both small and large companies must develop a variety of materials to assist the sales process. They may include sales brochures, posters, case studies, and data sheets. This answer deals more directly with sales brochures, but the principles of purpose, audience, central message, formatting, and preparation of your sales people apply equally to the other materials that can be used.

Although a lot of content nowadays is following the digital format, companies can still benefit from good printed sales support material. A well-designed brochure delivered during a sales call, or provided after a visit, may make a difference in obtaining a sales order from your customer.

Who is this material for? What problems does it help to solve? These should always be the starting questions for any material that is created. The answers are sometimes complicated if you are considering that there may be many different people inside the prospective customer company. Each person involved may work in a different functional area of the company and may define what they need from your product differently. For instance, the purchasing manager may be primarily worried with cost, shipping terms, and delivery dates. A maintenance chief will be focused on availability of spare parts. A general manager might be concerned with productivity and cost of operation, however, if the product is routinely purchased, the purchasing manager is the main decision maker. Of course, if the company is small with few or only one person, you will design the brochure for the owner.

A well-designed sales brochure helps to build your brand. It creates a clear line of communication between the buyer and the sales person. At the same time, it helps product differentiation by highlighting its points of superiority in performance, design, cost and productivity benefits, and savings. It makes your company stand out in the mind of the buyer or other key decision makers.

Tell Me More

Mursal Ahmady makes jewelry and sells to a wide group of customers. She wants to develop materials to help her sell better. Like Mursal, when designing your sales support materials, consider the following steps to help guide you.

Step 1: Define the purpose of the sales support materials.

- Is it to introduce a new product?
- Are you running a sales promotion?
- Do you want to launch your product lines in a different market?

Mursal has an ongoing business. She hasn't had materials before. Her purpose is to introduce her products and offer a sales promotion to attract new customers.

Step 2: Define the audience.

- Who is target that you want to communicate with?
- What are the issues that he/she is concerned with?

Mursal's audience are young female Afghan professionals residing in main cities. She also sells to a few jewelry stores in different locations around the country.

Step 3: Develop the central message.

- With the target audience in mind, do some research to identify their needs. Speak with your salespeople about their experiences with that audience. Think about all the questions they have asked you. Use this knowledge to create the main message of the brochure, and make sure that message is addressed in the text, main headlines, and taglines.

Mursal knows her customers prefer good quality jewelry with reasonable prices. Her central message focuses on giving original gemstones and quality jewelry to its customers in affordable prices.

Step 4: Format.

- Choose a format that visually grabs your audience's attention, write clearly and succinctly, and use pictures. Employ facts and figures. If it is appropriate, include testimonials of current customers, or a list of current customers to help establish your company's credibility.

Mursal drafts the material and then asks her older brother, Karim, to proofread the material and ensure the formatting, language, tone, and flow of the material is excellent and easily understandable.

Step 5: Prepare your sales people.

- Meet with your salespeople to help them understand how to best use the brochure during a sales visit. The brochure is only a component of the sales encounter, and needs to be utilized as a complement to the sales presentation.

Mursal then organizes a half day orientation with three of her staff who primarily engage with customers and sell. She also invites 4-5 of her friends who represent her company as commission-based sales people. In the orientation, she explains the brochure in sufficient details and asks the participants to practice using the brochure.

The Internet may provide a wealth of ideas on how to design your brochure. In addition, it may also give you apps that can help design basic brochures. A quick online search will help you to identify websites and apps that can provide an easy way to create marketing materials. If at all possible, your company will benefit from having a graphic designer creating your logo, letterheads, color identity, and graphics. They have the professional training that will guarantee a professional look. Their work may generate templates that your own staff can use for the development of future flyers, brochures, and posters.

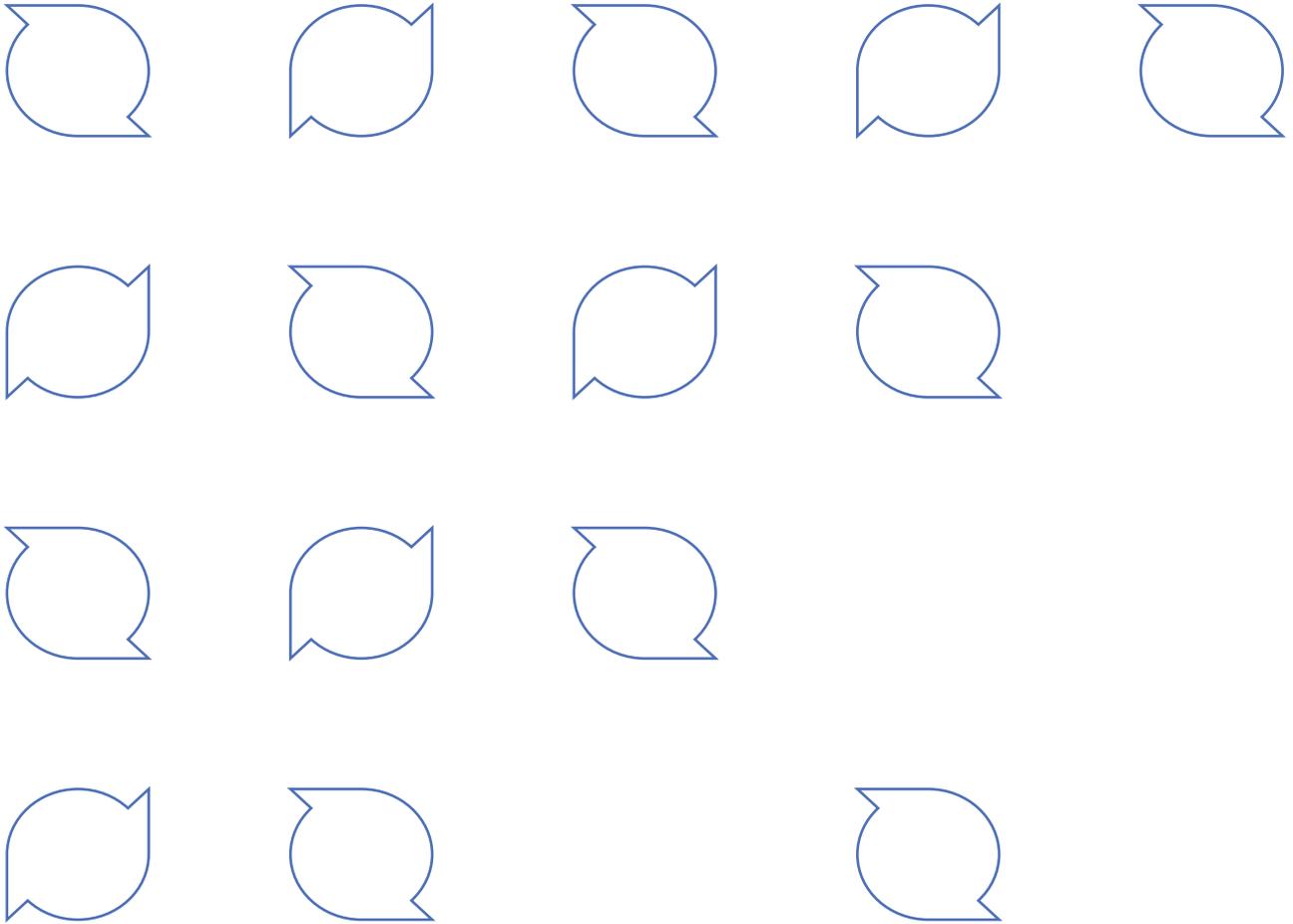
Glossary Terms from this Section

Differentiation - What companies do to offer something different from the people who are already selling a similar product or service.

Digital Format - A type of layout that is designed in electronic form.

? For More Information Related to this Topic See:

- What is a target market and how do I identify the right target market? *6. Marketing*
- What is branding and how do I do it right? *6. Marketing*
- How Can I directly generate sales? *7. Seles & Customer Services*



9.

What are some sales and customer service tactics to increase profit margins?

The Basics

Customers are not all created equal, and their relationship with your company will produce different levels of financial benefits. Consider these situations:

- Customer A buys 3000 Afs a month worth of products, pays their debts promptly, is loyal to your company (i.e. you are the single supplier), and you have such a friendly relationship that you trust it will last for the next 10 years.
- Customer B buys 5000 Afs every three months, always pay bills late, is hard to please (often complains about shipment and product performance), and is not willing to commit to a long-term relationship.

Customer A gives a much higher value for your company over the long term.

Your company's customer portfolio will show that customers are very different in terms of the long-term potential for your company. Knowing how to differentiate your customers is critical for improving your profit margin, which is the amount you make after you take your total amount of money in sales and subtract your total costs.

Tell Me More

When customers buy from you, the expectation that a certain level of support from your company is included in the price. The support may include answering questions, resolving issues (e.g. shipment damage), providing refunds or exchanges, handling complaints. These are just natural expectations on the part of the customer. Customer service is personal. Having a person with a friendly demeanor to answer the phone is essential. In a retail situation, the client contact person should be the key person and empowered to solve problems should they arise.

When there is a problem, even when the customer is right or wrong, the customer has a bad experience with your product, salesperson, or any other aspect of the relationship with your company. This can affect how that customer views your company and may negatively affect their willingness to buy from you again in the future. Being treated with respect by a person who truly wants to find the best solution will go a long way to create loyalty and improve customer retention.

Providing excellent customer service and care will assure the loyalty of key customers (e.g. with you as their preferred supplier) and help you keep customers for much longer periods. Because these customers buy more and because they cost you less to serve them, they bring the quality profits that will enable your business to grow in a sustainable manner.

Customer satisfaction will improve the “word of mouth” about your company, allow you to suggest additional products for them to consider (known as upselling), help identify opportunities to improve your product, and provide ideas for the development of new products.

Here are a few suggestions to increase your ability to make profit:

- **Tracking sales** – This is an important tool you can use to determine which are your most valuable customers and therefore improve the profitability of your company. It all starts with understanding how to prioritize the levels of customer care you should give to different customers.

- **Upselling and Cross-Selling** – When you are able to sell more to a current customer, you will earn more profit through volume and efficiency. Two ways to sell more are upselling (persuading the customer to purchase more of your higher margin items) and cross-selling (adding brand new product lines to their order). As an example, when your local bank sells you an ATM Card after you open a bank account, it's called cross-selling. When they encourage you to sign up for their credit program, which is more expensive and has stricter requirements, it's an upselling activity. You can do the same. Try to sell more to your customers through upselling or cross-selling depending on your available products.
- **Stop Selling to Low Margin Clients** -- If you have customers who consume a lot of salespeople's time, buy only small volumes, pay late, and have poor growth prospects, you may choose to stop selling to them. These customers' behavior creates additional cost for your company that outweighs the benefit of their sales. Instead, focus your time on customers that like doing business with you and have good growth or referral prospects.
- **Customer Retention** -- Retaining a customer costs less than prospecting for a new customer. Keeping customers buying from you is one way to get more value from a customer over the long term. Make the best effort to provide your key customers with outstanding service. Work hard to keep customers coming back to you. Your portfolio of customers will have natural losses as customers leave, switch suppliers, close operations, etc. This is a normal occurrence. But if your rate of loss is high, you must make retention a priority.

Glossary Terms from this Section

Cross Selling - Selling an additional product or service to an existing customer.

Customer Retention - The actions companies take to keep the same customers coming back again and again.

Portfolio of Customers - Your group of customers that regularly come to your business to buy.

Profit Margin - The amount you make after you take your total amount of money in sales and subtract your total costs.

Upselling - A sales technique where a seller persuades the customer to purchase more expensive items, upgrades or other add-ons in an attempt to make a more profitable sale.

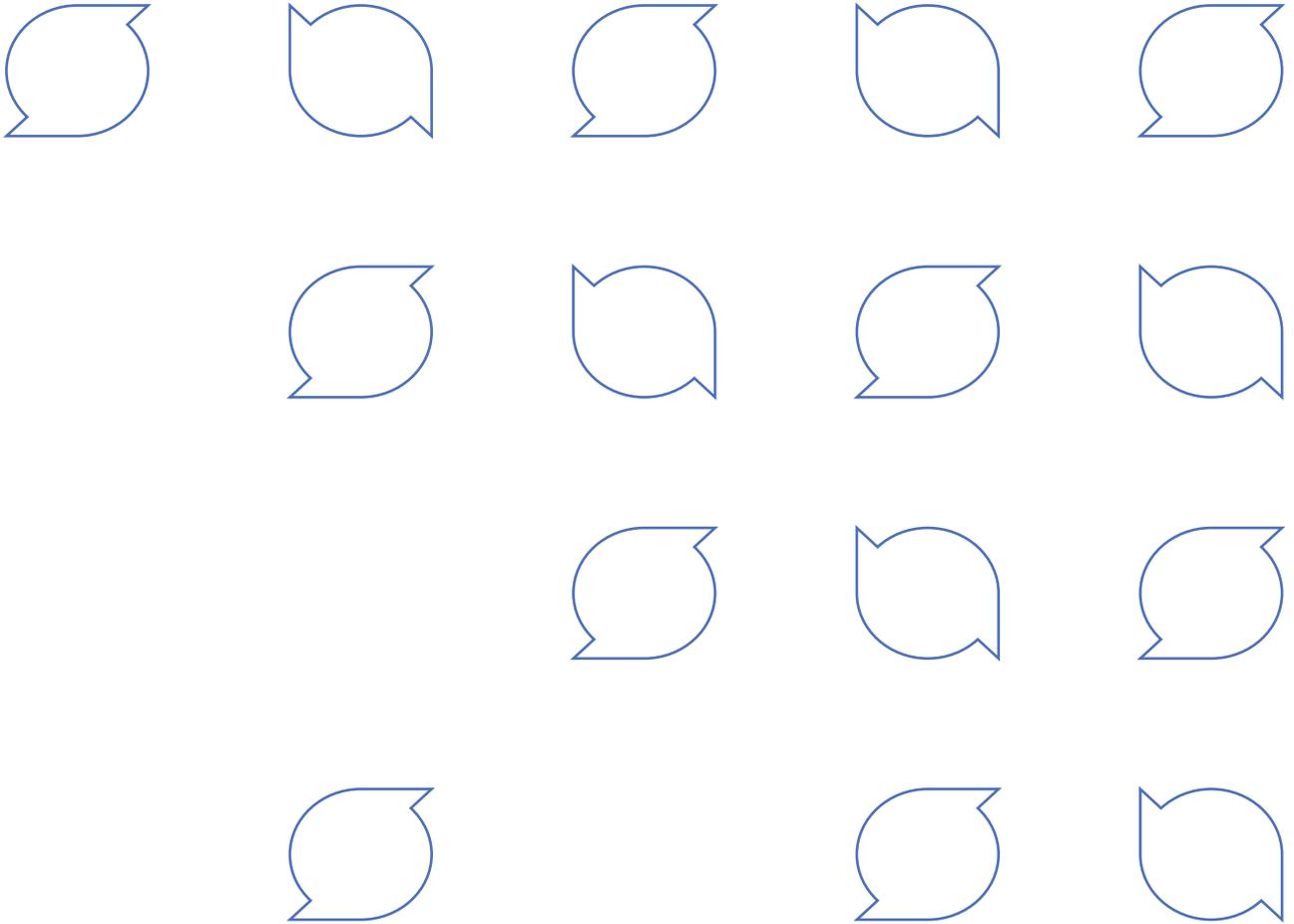
Word of Mouth - Any spoken or written recommendation by a satisfied customer to a potential customer of a product/service.

For More Information Related to this Topic See:

- How do I track my sales and what can I learn from tracking sales? *7. Sales and Customer Services*
- What is customer service? *7. Sales and Customer Services*
- How can I use customer service to create competitive advantage? *7. Sales and Customer Services*
- What are the advantages to retaining current customers? *7. Sales and Customer Services*

Additional Tools Available

Sales Visit Report



10. How do I create sales guidelines for a sales team?

The Basics

Often new businesses are launched by people with a technical background, great creativity, or past experience in a certain industry. They spotted a market that is underserved, a product opportunity, or discover a new customer need. They will be good in their areas of strength, and very often will struggle with business skills that they never practiced. The most common of these skills is the sales function. Their attitude will be to almost automatically hire someone to take care of sales, and let that person bring in business. Often this approach fails to produce the results the business owner expects.

Unless you are not strong at sales yourself, it is better for you to call customers yourself rather than have someone else or a team call. Either way, you must spend time with customers, understand how to address their objections, manage obstacles, demonstrate your product benefits, and especially communicate the value benefit to the customer.

The owner must understand what it takes to sell because he/she will have to recruit, interview, hire, train salespeople, and design compensation plans. Think about your team as a collection of people who behave like you, who believe in the value of the products and services you offer, and are willing to serve the customer as you would do it yourself. To accomplish this, you must have figured out the right profile of the individuals you want to hire, developed the sales scripts (how to present the product), and commit the time to train each one individually if possible. Training may include lots of simulated practice, joint sales calls, and mentoring. This work well done will assure your company of a sustainable future.

The success of all your efforts—designing products, organizing production, developing suppliers, buying materials, training workers—rests with the effectiveness of you and your sales team to create relationships and bring revenues.

Tell Me More

For small companies, the building of a sales organization is what defines its possibilities for growth. The organization may have just a few people, but all the following elements are essential to grow:

Design a Program to Develop Sales Leads

You must develop a strategy to create sales leads. For example, organize a way to capture the interests of visitors to your website, canvas companies that fit your Ideal Customer Profile, publish a newsletter, or run social media and/or email campaigns. This will create a solid flow of leads to sustain the drive of your salespeople.

Select and Recruit Sales Personnel

Recruit and hire personnel that have the right type of profile, attitude, interpersonal skills, and talent. Ideally, you should hire people with the most experience especially in sales. Others can be trained but experience is usually the best indicator of someone's ability.

Develop a Training Program

At the most basic level, the program must include the following components:

- Building the Sales Funnel.
- Identifying customer needs.

- Listening.
- Building self-confidence.
- Demonstrating and selling value benefits.
- Discovering obstacles and hidden customer objections.
- Closing the sale.

You, the owner, must continue selling yourself even if part-time. However, if accompanying your sales team is not an option, then a regular system of communication and coordination should be established to ensure you are familiar with all the challenges they face and the opportunities that may be presented during their sales. Mentoring the sales person will shape the more desirable behaviors. Going on sales calls together will give you the opportunity to model the appropriate techniques when face-to-face with the customer. Meet with the team often. Share the learning. This behavior will keep people excited and engaged.

Establish Sales Goals

Consider the financial goals of your business plan and work backwards to determine how many sales people will be necessary to generate the desired revenue and how much you will be able to pay them.

Create a Compensation Plan

Determine the best way to pay your sales team (a compensation plan). A compensation plan depends on the company's business objectives. If the business objective is to grow existing customers, or to introduce a new product, you will want to pay people in a way that rewards the right behavior by salespeople. Some companies compensate their sales force on a straight salary base, others have their salespeople earn all their money on commission (paying the salespeople a percentage of the sales they make). Most often, companies devise a combination of both, paying salespeople a small salary and letting them earn a commission on the sales that they make. And, in some cases companies allow their salespeople to earn special bonuses if they complete a specific task or reach a certain level of sales. The purpose of any compensation plan is to encourage the sales force to pursue the company's business goals.

In the Tools section of the Dastyar website, you will find templates for creating your own Customer Profile, Sales Commission Report, and Sales Strategy Worksheet. There is also a guide for "Planning Your Sales Visit."

Glossary Terms from this Section

Compensation Plan - The strategy a company uses to pay their employees for the work that do. It may include a straight salary, commission on sales, bonuses, or any combination.

For More Information Related to this Topic See:

- How do I know that new potential customers are ready and able to buy? *7. Sales and Customer Services*
- How can my business sell value to customers? *7. Sales and Customer Services*
- How do I track my sales? *7. Sales and Customer Services*

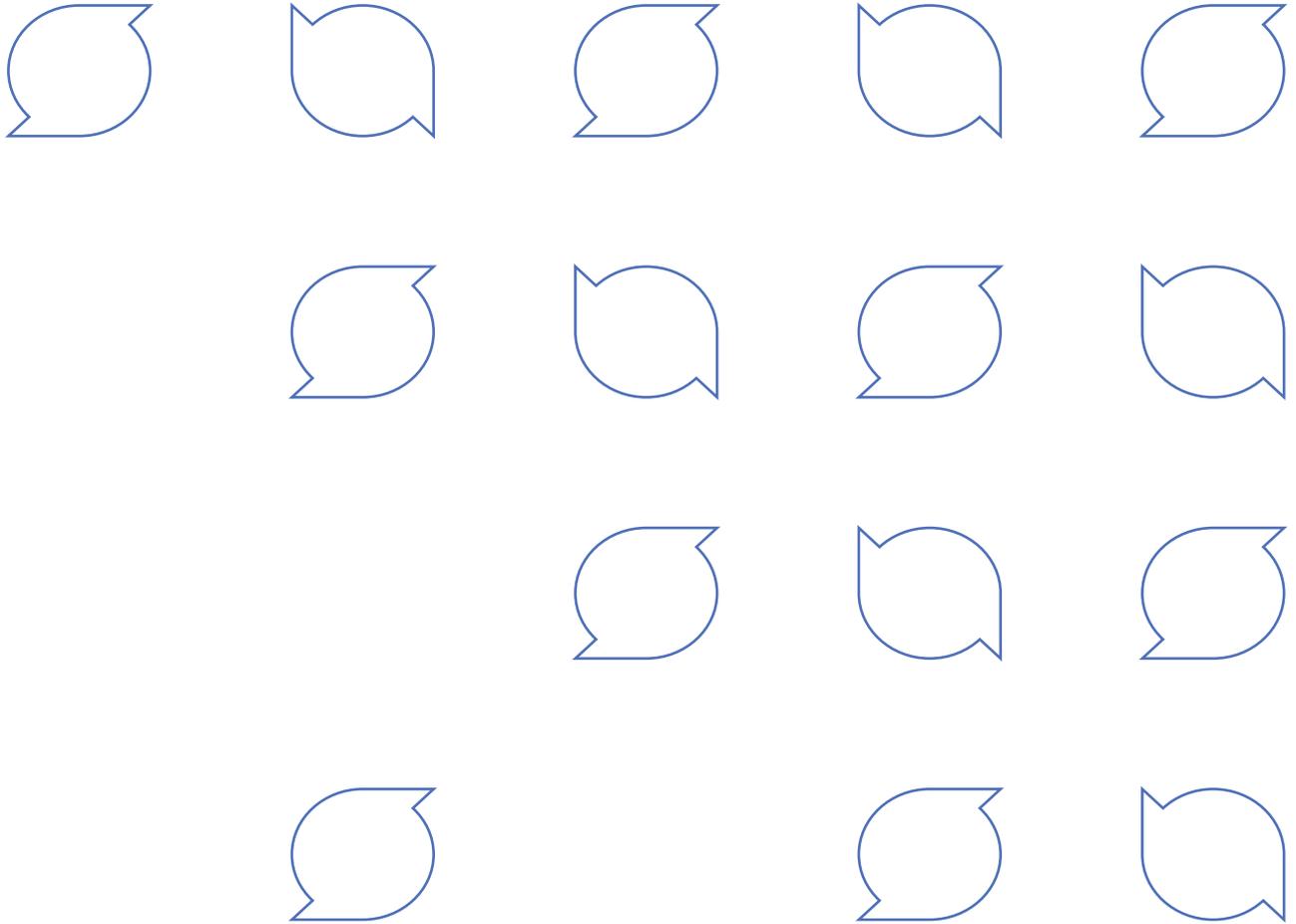
Additional Tools Available

Customer Profile

Planning Your Sales Visit

Sales Commission Report

Sales Strategy Worksheet



11.
What are some key sales techniques for “closing” a sale?

The Basics

Regardless of the product a sales person has to sell, almost every sale follows a well-known plan. In general, it includes seven steps. By following these steps, you can be a more effective manager of your sales process. From selling in a retail store to the sale of complex equipment, all sales all follow the same pattern.

The real value of the sales cycle is in providing the sales person a guide to customize her/his language as the relationship evolves. It helps to deliver the right message at the right time. By knowing where each lead is in the sales funnel process, the salesperson can deliver a message that is likely to fit with the customer's expectations.

Here are the steps of the Sales Cycle:

Step 1: Initial Contact. The potential customer has had an initial contact with you via social media, email, personal visit, or download material from your website. After the initial contact, the prospect may agree to continue the conversation with you about their interest in your products.

Step 2: Communicating to Understand Needs. It may be a phone conversation, conference call, or in-person conversation. For a larger purchase, you may need to set up an appointment to see the potential customer. The purpose is not to sell your product, but to create interest in your products/services and to understand the needs and requirements of the buyer. For example, Shaima Sama run a local training company. She contacts a telecommunications company to understand the capacity of their staff and their training needs before making any offers. This process helps build an interest before discussing the offer.

Step 3: Qualification. You want to determine how realistic is it that this customer will buy by determining: (a.) if the customer is ready and able to purchase (does she have the budget), (b.) if your contact has the authority to make (or influence) the decision, (c.) if the timing for the buying decision is favorable, (d.) if the customer's need can be satisfied by your company. You can find this information through direct questions from a potential customer or through research from other means such as their reports, facilities, website, etc.

Step 4: Presentation. You make a presentation to the buyer of what product or service you are proposing. This is the most important stage in the sales cycle. This is the time when you make a personal impression, demonstrate how the product will solve the customer's problems, and talk about the benefits both economic and noneconomic. The presentation will also serve to address the problems and objections that concern the buyer.

In the example above, the training provider presents her company's brochure along with a specific presentation that addresses the needs of the other company. The presentation is tailored to the needs of the purchasing company and explains how the services will help address those needs.

Step 5: Closing the Sale. This is when you ask for the order, and complete the transaction by signing a contract, obtaining a Purchasing Order from the customer, or actually making the sale. Mastering the techniques will come with study and practice.

After the presentation, the telecommunication company give feedback to the training provider and shows interest in working together. Shaima realizes that she's very close to having a deal. She asks if the telecommunication company would like to sign a contract and get the work started. The question leads to the discussion of next steps and within a couple of days the telecommunication company call Shaima to sign a contract.

Step 6: Ask for Referrals. Ask if the buyer knows anyone else who may be interested in your products. This is

not a necessary stage of the sales process, but a practice that a satisfied customer is likely to honor and it helps you identify more potential customers!

Tell Me More

Closing the Deal

The phrase “closing the deal” means that you have concluded the sales negotiation successfully and accomplished the sale. There are as many closing techniques as there are sales people in the world. Personality, style, industry, company, product, and culture explain the reasons for the difference, but underneath these there are some proven ways that can help raise your success rate.

Readiness is All

Do right in every aspect of the relationship. Deliver on promises, address every concern of the customer, be on time, show sincere desire to help, and always be positive. Cultivate a true desire to serve the customer. This way you earn the opportunity to ask for the order.

Focus on the Customer (Not on the transaction)

Always put the customer first. Keep your mind committed to the solution for the customer. The customer wants to feel like you are focusing on her/him and their needs, not just the transaction.

Find More Ways of Helping the Customer

Work hard to study the customer’s business and industry. Keep records of every interaction with other companies in the same industry. Become a trusted advisor.

Plan for Asking the Order

If you have been able to carefully demonstrate the value of your proposition, come to the meeting prepared with the paperwork and contract that are going to be needed to complete the transaction. Anticipate any objections that may be presented and have solid arguments ready.

Ask for the Order

Do not be afraid. This is the whole reason for your work up to now. Use the choice of words you are most comfortable with. Here are some examples:

- “Do you want us to send over a contract for your review?”
- “Can I have your order?”
- “Are you ready to move forward?”
- “Have I done all that you need in order to earn your business?”
- “Here are the requirements you gave me, have I met them all?”
- “I’d love to work with you on this, when should we start?”
- “Are you ready to get started?”

Glossary Terms from this Section

Closing the Deal - Successfully concluding the sales process; making the sale.

For More Information Related to this Topic See:

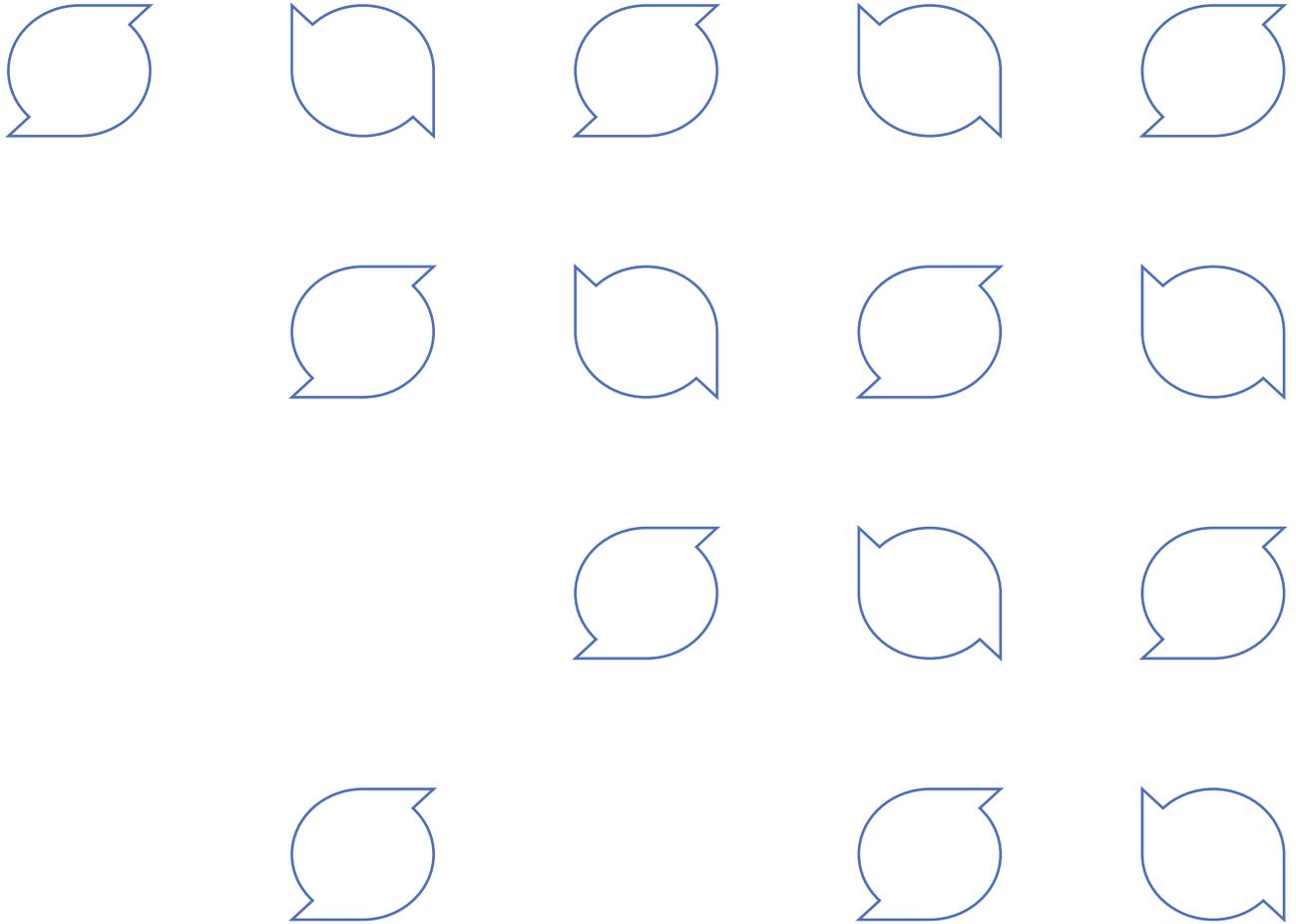
- How do I know that new potential customers are ready and able to buy? *7. Sales and Customer Services*
- What are some sales and customer service tactics to increase profit margins? *7. Sales and Customer Services*
- How can my business sell value to customers? *7. Sales and Customer Services*

Additional Tools Available

Customer Profile

Customer Satisfaction Survey

Sales Visit Report



12. How do I track my sales and what can I learn from tracking sales?

The Basics

After you have set up your sales strategy (e.g., ideal customer profile, customer targeting, customer prospecting, sales funnel and sales cycle, customer retention, etc.), the next task is to think about how to create a structure to organize and manage these many elements of your strategy.

You may have access to various types of software applications for sales tracking and customer relationship management. A small business does not need an expensive application to get a good job done. If you already have Excel on a computer, you should be able to build your own, customized sales tracking system. You can also track your sales on paper if you do not have access to a computer. No matter which system you use, tracking sales can have a powerful impact on your productivity and revenues.

Your sales tracking system may be organized in different ways. The choice will be determined by the type of business and your own needs. The following are some examples you can use of how to organize your data for sales tracking:

- By target market segments such as youth under the age of 25 for a university
- By types of distribution channels such as retail or wholesale for a fruits producer
- By types of customers
- By stages of the sales cycle (lead management) such as approached, in negotiation, contracting stage, etc.
- By sales call history
- By paid commissions for your sales people

You will find several different sales tracking templates and other tools in the Tools section of the website.

Tell Me More

There are many benefits to tracking your sales. Keeping track of how your business is performing in the sales process will allow you to adjust your strategy for the future to be even more successful. Here are a few ways that sales tracking can help you:

Market and Sales Analysis

You will have a great deal more data to guide your daily activities and develop sales. It will provide you with effective tools to determine what is working well, what is not working well. This will allow your decisions to be objective, and less influenced by perceptions alone. Besides, it will help you focus your time on the large and more profitable customers. Use the Sales Visit Report in the tools section as a source of information for analyzing your sales.

Product improvement

The data generated by each transaction will help you to understand which products have the best long-term potential in different cities, provinces and in different markets. It will provide clues about which customers see higher value in your offering. The data may also draw your attention to unserved market needs, and to make improvements or additions to your product lines.

Improved Customer Satisfaction and Service

You will more easily see how satisfied your customers are and can develop new ways to improve your company's ability to deliver outstanding customer service.

Planning

Sales tracking will help improve your production planning and will give you good information to create new marketing and promotional campaigns. Use Sales Strategy Worksheet from question 10 in this section to plan and track your sales.

Inventory Management

Sales data will help you plan future production, track your inventory, and make sure that you can meet the needs of your top customers.

Glossary Terms from this Section

Distribution Channels - A chain of businesses where a good or service passes until it reaches the end consumer. A chain can include wholesalers, retailers, distributors and even the internet itself.

Revenue - Money coming into the business usually from the sale of goods or services.

Target Market - A specific set of potential customers that a company focuses its marketing and sales efforts. Often the most likely customers to buy from a company.

For More Information Related to this Topic See:

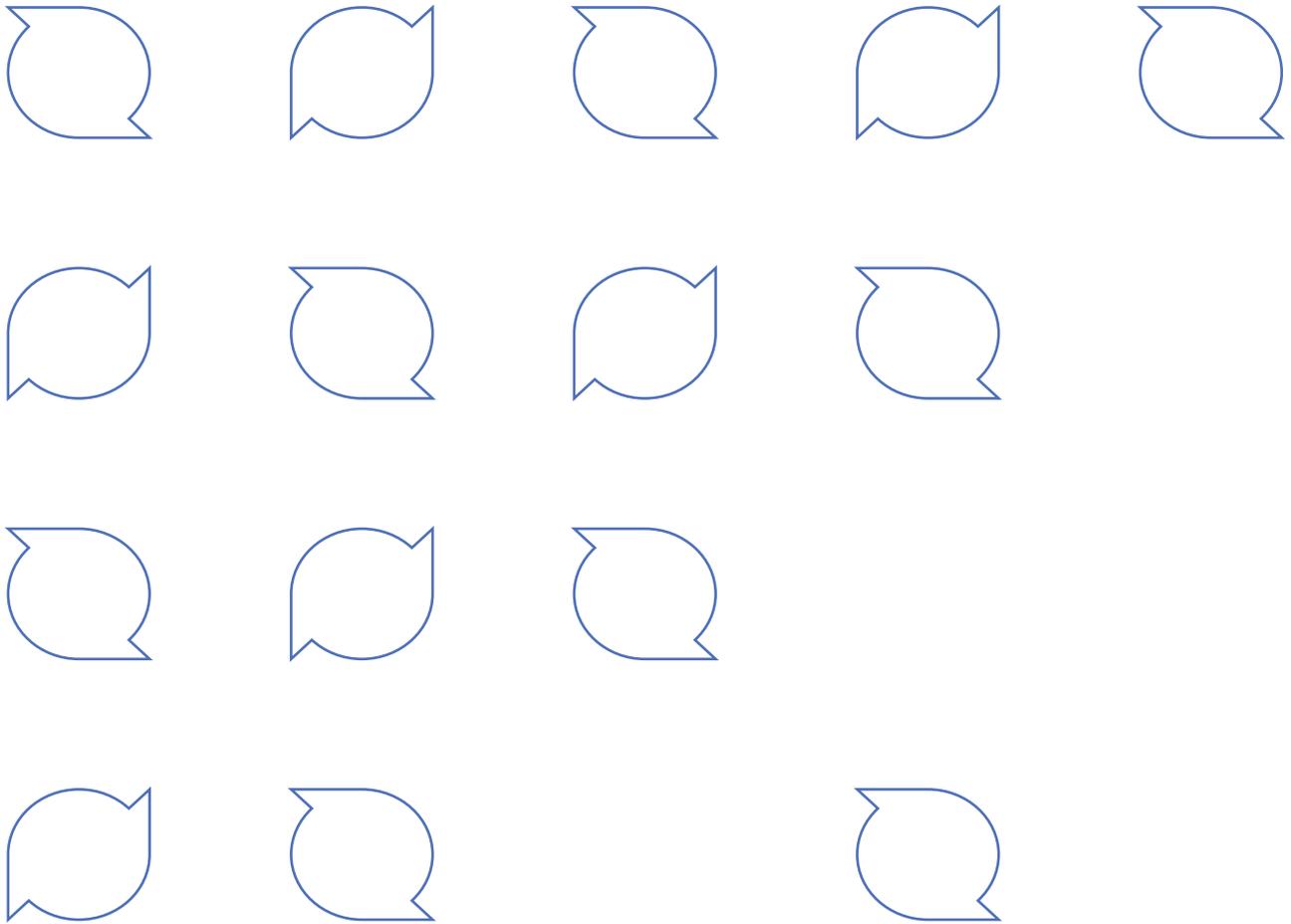
- How can my business sell value to customers? *7. Sales and Customer Services*
- How do I create sales guidelines for a sales team? *7. Sales and Customer Services*
- How do I develop materials to use when I sell? *7. Sales and Customer Services*
- What is a target market and how do I identify the right target market? *7. Sales and Customer Services*
- How do I implement an effective customer service process? *7. Sales and Customer Services*

Additional Tools Available

Customer Profile

Planning Your Sales Visit

Sales Visit Report



13.

What is customer service?

Why is customer service important? It's because unhappy customers will avoid you, never buy from you again, and will tell their friends about the bad experience they had with your company.

Customer service consists of all activities carried out to satisfy customers' expectations before, during and after a purchase. It includes the assistance to help the customer to understand and correctly use or install the product. Outstanding customer service is the soul of any business. Businesses may give discounts and run promotions to stimulate sales. If the business is not able to have regular highly satisfied customers to buy its products, it will quickly start losing money and close its doors. Good salespeople will generate sales, but without good customer service there will be no repeat business.

Examples of customer experiences that define customers' attitude toward a business:

- A young woman walks into a coffee shop to get a cup of good coffee. What does she find? A kind and caring attendant motivated to serve her customer well? Not really. With several people waiting in a long line, only one employee was at the counter courteously serving the customers. Where were all the other employees? One was busy cleaning a drawer. The other two were gossiping with each other at the far end of the counter! The customer had a hard time believing what she was experiencing. It was very negative, and she was very dissatisfied.
- A woman walks into a new hair salon. She is greeted with a smile, a cup of hot tea, and a paper form. She fills the form with her name, email address, phone, and birthday. She didn't think much about it and even forgot about it. A few weeks after the appointment she received an email with the heading "Enjoyed Meeting You". The hairdresser personally asked how she liked the coloring and the cut, and sent a link to a video on a new kind of hair treatment. She thought "How sweet of Zara, the hairdresser, to follow up with me". On her birthday, the customer received a beautiful greeting card with a 10% discount, and a personal note from Zara. She felt so good about the Salon, and shared with her friends about her experience with Zara. She, too, had a hard time believing what she was experiencing! But it was very positive, and she felt highly satisfied.

These stories were created by employees who were faced with customers who had a need for service, but who also expected to be happy and highly satisfied with the service received, during and after the experience. These companies both left the customer with an unforgettable memory of the experience.

Outstanding customer service is a culture. It inspires the design of processes that guarantee that every point of contact with the customer is managed properly. As in the hair salon, the example of good customer service, it was the greeting at the door, the warm cup of tea, the quality of the coloring and the haircut, the attentiveness of other personnel, the cleanliness, and the communication post-service that were all part of a highly satisfying customer service experience. These steps to outstanding customer service are defined by the culture created and modeled by the owner, instilled through training, and sustained by all the aspects of the physical environment of the business.

When treated properly or improperly, customers will share with others their experience, and will give meaning and recognition to your company brand, positive or negative.

Tell Me More

Great customer service begins with YOU, the owner. It is your attitude, interactions with customers and commitment to high levels of outstanding customer service that will inspire the behavior of the employees. That is the most fundamental rule. The following rules are essential and complementary.

Create a Code of Behavior

Think about how you expect your employees to treat the customer and develop a list of desired behaviors. Print them and put them on display in visible locations. Constantly refer to them to teach, train, and model the desired behaviors. The hairdresser in the example above has developed a very simple ritual. She has developed ten sentences that every one of her staff read at the beginning of each. One of them reads: “We always keep our customers happy for they pay for our salaries and our company”. You can develop similar code of behavior for your team.

Knowledge of the Product (or Service)

The customer-contact employee must know the product very well, be familiar with its construction and materials, and be able to explain and demonstrate how it works. The person must be trained to answer with clarity all the conventional questions customers ask. Not every person is qualified for this task, a caring personality and attitude are essential.

Training

Every customer contact person must be trained on the product, and on the customer service ideals of the company.

Treat Employees Well

Treat your employees as you want the employees to treat your customers. Motivate and encourage the right behaviors and publicly celebrate their accomplishments. Make them feel desired and they will more willingly work harder to serve your customers.

Much of your growth and profitability is dependent on your ability to keep your customers satisfied through outstanding customer service. Outstanding customer service is the major cause of customer loyalty. The future of your business depends on it. It will bring repeat business, more sales from current customers, and new customers.

Glossary Terms from this Section

Customer Service - All the activities carried out to satisfy customer’s expectations before, during and after a purchase.

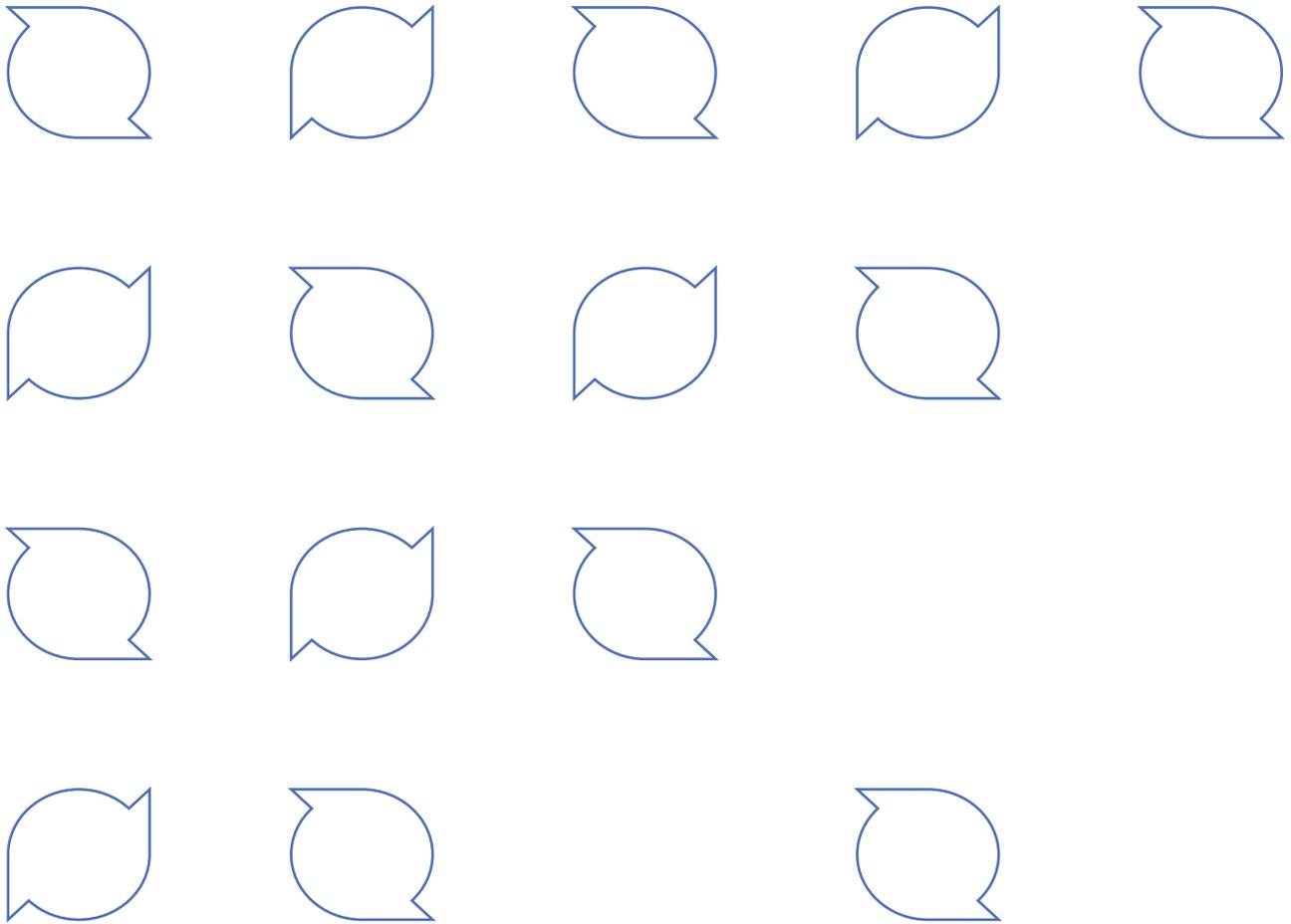
For More Information Related to this Topic See:

- How do I implement an effective customer service process? *7. Sales and Customer Services*
- How can I build customer referrals into the sales strategy? *7. Sales and Customer Services*
- How can I manage customer issues and complaints? *7. Sales and Customer Services*

Additional Tools Available

Customer Satisfaction Survey

Customer Service Skills Worksheet



14. **How do I implement an effective customer service program?**

The Basics

Great customer service begins with the owner, or its leader. The implementation of a customer service program represents a significant challenge to the culture of an organization but it is an important challenge. A well-designed customer service strategy becomes a strategic weapon, and makes your company stand out in the marketplace. One of the main purposes of a business is to make money and a key way to continue to do that is to create highly satisfied customers and keep these relationships for a long time.

Good products and services alone are not enough to sustain a relationship with key customers. Only an outstanding level of service that exceeds expectations can truly excite the customer and generate loyalty. This requires the business to embrace the desire to learn as much as possible about the customer. Knowledge of the customer lets the customer service representative deliver excellent solutions and outstanding customer service almost every time. The outcome then will certainly lead to repeat business and will create a golden reputation through “word of mouth” sharing in person or through social media, creating a superior public image; this results in increased sales.

Humans tend to naturally avoid change. They are, however, the driving force that allows an organization to deliver outstanding customer service. Employees are willing to work toward such a goal when they understand the realities of competition and the opportunity that the company will be able to capture by embracing a different culture, a different way of doing business. Getting everyone onboard is necessary, and in many areas of operation, changes may have to be drastic. Often, the higher purpose of creating exceptional experiences and a highly satisfied customer is a strong enough inspiration to convince employees to embrace the change.

Tell Me More

The goal of a customer service program is to define exactly what customers the company wants to serve and design the programs that will keep customers highly satisfied and purchasing more of your product or service. Here is an example of how one company defines its mission:

“The mission of the customer service department is to keep customers and to encourage increased business from our customers by efficiently and courteously satisfying their needs with respect to ordering, shipping, invoicing, handling claims and adjustments, and responding to inquiries, complaints, and related activities.” (Biolab)

Customer service representatives address customers’ problems over the phone, by e-mail, by social media, and in-store. Customer service representatives are often the primary point of contact with your company after the sale. A customer who spends a lot of money in a single purchase order will expect a single point of contact to resolve any issues. You might have seen VIP areas in the local banks. They focus a lot on customer service and have dedicated customer service representatives for VIPs only.

Here are the components of an effective outstanding customer service program:

Customer knowledge

You first need to know your customer and understand customer expectations. A small business can accomplish this by directly asking the customer what their experiences are with the company. Another way is to develop a quick feedback form with 3-5 simple questions and ask each customer to fill it after receiving the product or service. A larger company may make use of surveys, monitoring online sentiment via online tools and discussion groups.

Outstanding Customer Service Vision

Develop a vision of your service strategy. Establish the principles by which customers will be treated and set goals

Hire qualified people

Hire people with the right personality, abilities, and willingness to master product knowledge. Find people who are self-starters and are willing to patiently listen to the customer.

Training and mentoring

Training may be through a training manual covering all the “how to’s” of addressing phone, online, e-mail and in-person complaints. In the case of a small company, training may be done on-the-job under the supervision of a manager or an expert customer service trainer. The job requires continuous preparation and practice. Role-playing with your employees can give them a safe place to learn. and get comfortable with your customer service practices. You might even consider videoing them on a phone so that they can see how they did.

Create tracking measures

Customer service is highly measurable. Starting from customer expectations, track the things that are likely to produce the outcomes you desire. For example, in the case of telephone complaints, you may track waiting time, time to solve the problem, call volume; for in-store complaints, you could track average length of time to solve a problem, number of resolved issues, and level of customer satisfaction.

Develop a Customer Service Mission Statement

Put down in writing what your company’s customer service goals are. Two examples of Service Mission statements are:

- We Promise to: greet you with a warm welcome, remember your name, treat you like family, listen to your needs, respect your valuable time, respond adequately to your needs, be gracious and courteous to all, and exceed your expectations. You can always expect the best!
- We pledge to: Have an open, honest and collaborative relationship with our customers. Anticipate the needs of our customers to provide value added and innovative solutions. Exceed our customers’ expectations by providing safe, reliable, and consistent delivery.

Glossary Terms from this Section

Word of Mouth - Any spoken or written recommendation by a satisfied customer to a potential customer of a product or service.

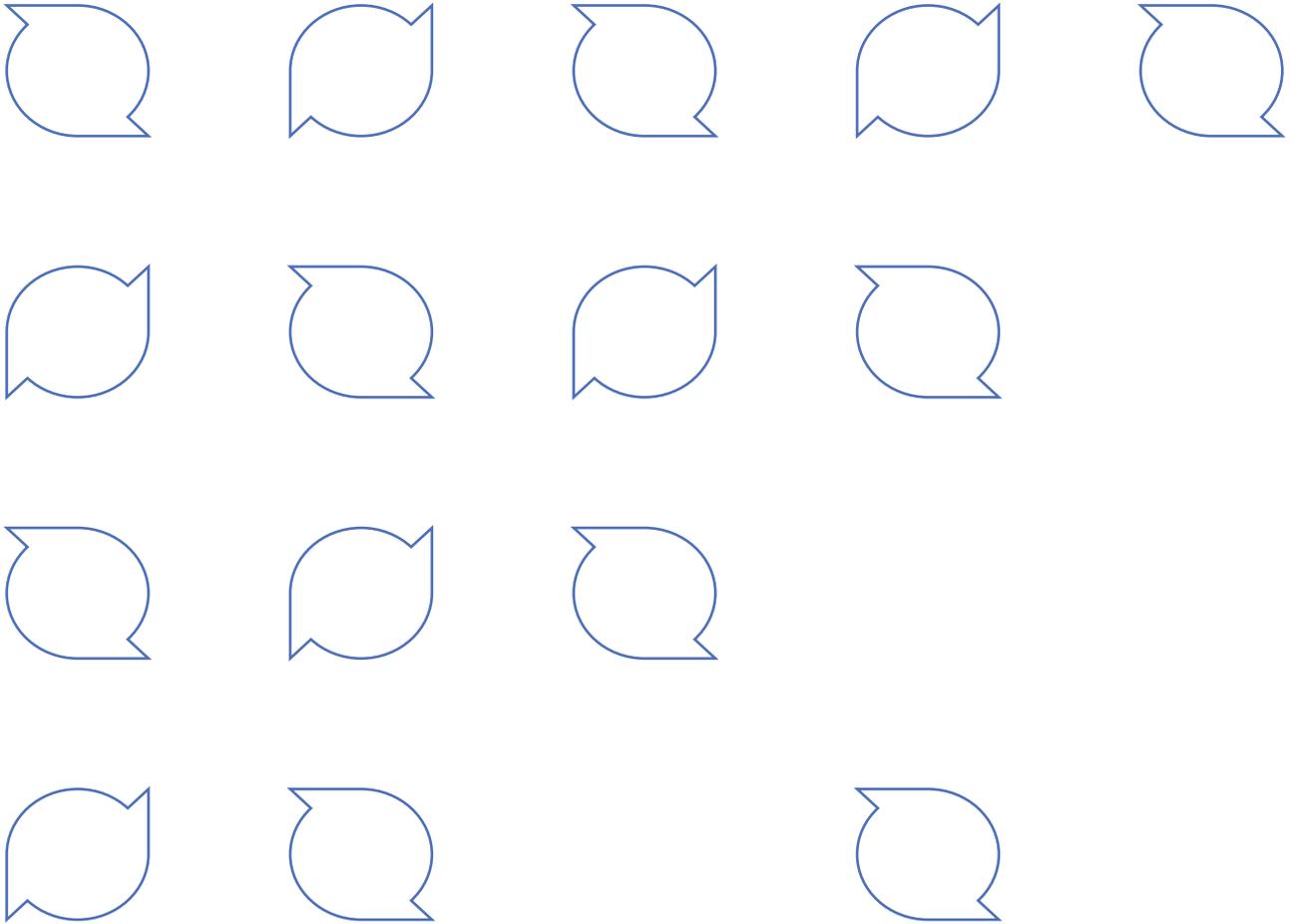
For More Information Related to this Topic See:

- How can I build customer referrals into the sales strategy? *7. Sales and Customer Services*
- What kind of Employee Training is critical for consistently good customer service?
7. Sales and Customer Services
- How can I use customer service to create competitive advantage? *7. Sales and Customer Services*

Additional Tools Available

Customer Profile

Customer Satisfaction Survey



15.

How can I use outstanding customer service to create a competitive advantage?



The Basics

Can a business generate sales when customers are not willing to buy? No. Can a business generate sales from customers who decide to buy from another company? No. Can a business grow without loyal customers? Of course, no. Also, think for a minute how thrilled your competitors would be, if your business were horrible at satisfying the needs of your customers.

The situation would be different if your customers liked doing business with you, preferred you over any other competitor, and constantly referred your business to their friends. This opportunity becomes especially magnified in countries and markets where the service culture is under developed such as Afghanistan. Since most companies are not practicing high-quality, consistent customer service, it is much easier for your company to stand apart, and ahead, of the crowd by committing to be the best. Thus, while other businesses fail to appreciate the advantages of creating customer loyalty, your business will continue to grow and excel.

Competitive advantage comes from the product performance, as well as from the actions performed by the company to satisfy the expectations of its customers. They are the essential drivers of customer loyalty and repeat purchasing.

In the Afghanistan market, where modern business practices have begun to take hold, competitive advantage through customer service offers an amazing opportunity for mindful entrepreneurs.

More than ever, customers have choices about the products they need and who is able to supply them. For example, consider how many suppliers there are for PVC windows, solar batteries and house paint in Afghanistan. The technical features and performance of most brands of these products are almost identical. The companies that are better positioned to win the sale then, are therefore those that separate themselves by the quality of the customer service they provide, and for which they become known.

Tell Me More

It is a common practice from many small businesses to try to attract customers by offering lower prices. Success by being the low-cost provider is dependent on how well you manage your costs and the existence of enough demand in the market. Competing by offering the lowest price is dangerous, because prices can always be matched by other competitors. A customer that always seeks the low price will always seek the next lowest price in the market, when they need to buy the product again and thus cannot be counted on to remain a loyal customer. This has been proven time and time again.

An alternative approach, which is much less sensitive to price changes and is more likely to create repeat buyers, is to focus on outstanding customer service as a point of differentiation.

Here are a few suggestions of how you can offer outstanding customer service:

- Convenient location
- More efficient and highly satisfying customer service
- Good technical support
- Longer hours of operation
- Free delivery
- Friendly telephone support

If you choose not to compete on price, you will be serving a different group of customers; those who value the service and convenience you offer. The character and mood of every person that the customer meets in your business influences whether the customer is happy or not. This nature is expressed in the “Dos and Don’ts” of customer service below:

DO	DON'T
Say “Let me find the right person to help you.”	Say “That’s not my job!”
Say “I’ll be with you shortly.”	Say “I’m busy right now!”
Say “I will call you back shortly. May I have your number?”	Say “Can you call back later?”
Be friendly and professional.	Do not argue or get irritated.
Solve the problem.	Do not leave issue unresolved.
Apologize.	Do not be aggressive.
Follow up with customer.	Forget to keep the customer updated.
Show empathy (put yourself in the customer’s place).	Do not demonstrate contempt.

Glossary Terms from this Section

Competitive Advantage - When a product or service is better than its competitors and it’s clear to others why the product or service is more desirable.

Differentiation - What companies do to offer something different from the people who are already selling a similar product or service.

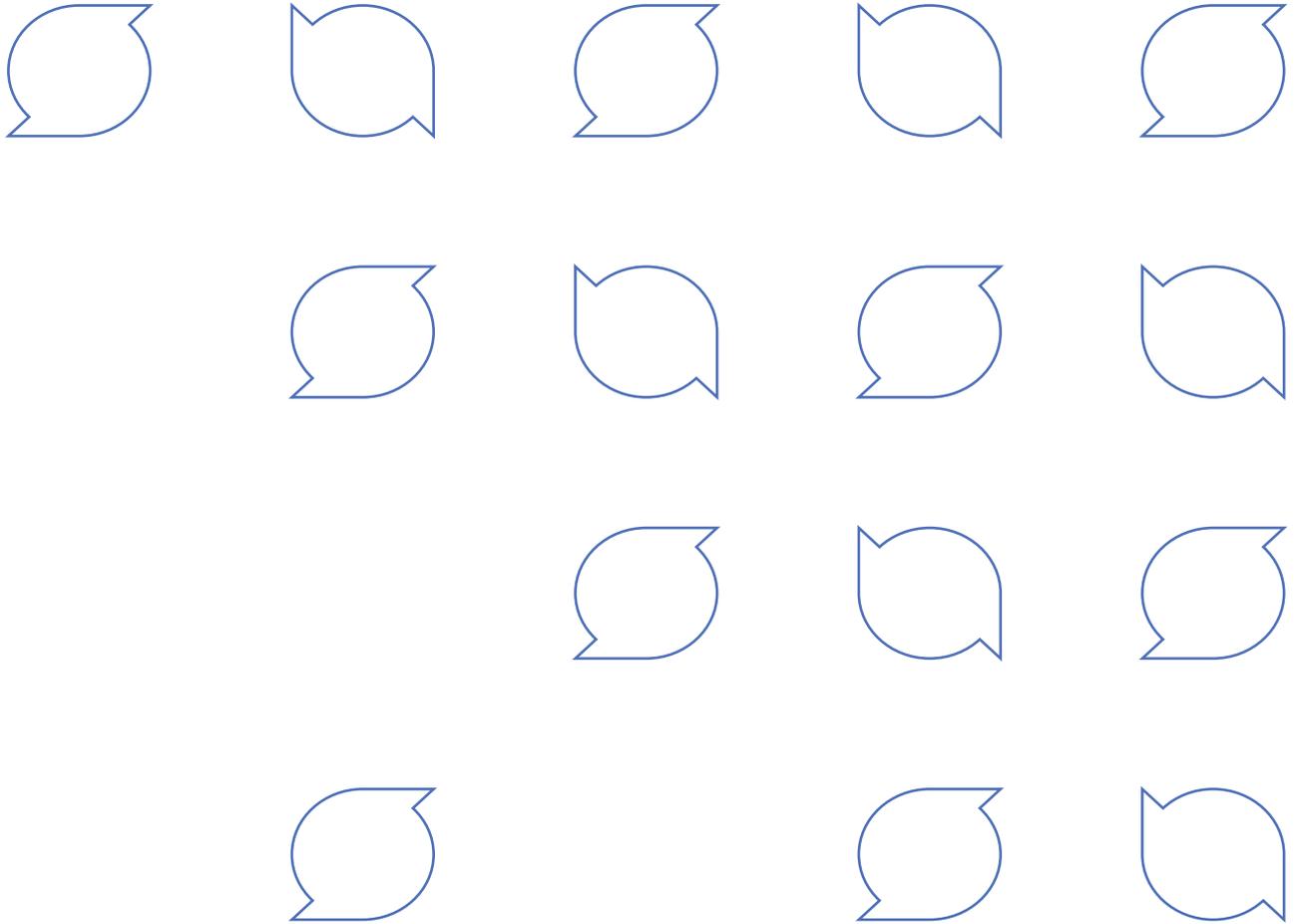
For more information related to this topic see:

- How do I implement an effective customer service process? *7. Sales and Customer Services*
- How can I manage customer issues and complaints? *7. Sales and Customer Services*
- What are the advantages to retaining current customers? *7. Sales and Customer Services*

Additional Tools Available

Customer Profile

Customer Satisfaction Survey



16.
What are the advantages to retaining current customers?

The Basics

Small businesses and entrepreneurs will often focus on growing the business by attracting new customers. Research shows that it is much more beneficial to keep current customers than continuously go after new customers.

You have invested money and time in marketing and sales over several years to build your current portfolio of customers. Your focus should be primarily on retaining your customers, especially if your customers buy from you on a regular basis.

Adding a new customer is expensive. Let's examine what makes up the "Cost of Customer Acquisition". The most basic formula is money invested in sales and advertising campaign divided by the number of new customers. Consider the following example:

Your investments

5000 Afs e-mail campaign

+1000 Afs printed material

+6000 Afs reception and product samples

+12,000 Afs salesperson compensation (e.g. phone prospecting, qualification, initial sales call, and personal follow up visits)

Total money invested in sales and advertising = 24,000 Afs

Customers reached

Potential customers targeted = 300

Customer that requested contact out of 300 = 30

Actual customers that made sales at the end of 6 months = 10

Final Results

Your Final Cost of acquiring a single customer = 2400 Afs

The amount spent in your marketing campaign (24,000 Afs) divided by the number of customers you won (10) = the cost of winning one new customer (2400 Afs).

When your business sells to other businesses, these commercial relationships may grow slowly with each successful transaction, adding to the trust and knowledge between you and your buyer. A relationship may need a few years for the buyer to treat you as a preferred supplier. It is essential that each customer is treated with utmost care for they represent a significant loss if they stop buying, or just treat the seller as a secondary supplier.

The safest way of growing your customers is by not losing them. It is a known fact that the rate companies lose customers on average is over 30% in many businesses. Customers drop off because they may be dissatisfied with customer service, or poor performance of products, or lack of follow up by sales people, or an aggressive new competitor fighting for the account.

For example, consider two businesses, A and B. Company A keeps 80% of its customers year over year. Company B keeps 90% of its business. If both businesses add new customers at a rate of 20% per year, B will grow their customers by 10% per year, while Company A will have zero growth in customers (they are losing 20% and gaining 20% each year – so the losses and gains cancel each other out). In seven years, company B will double the number of customers it has and Company A will still have the same number of customers they started with. The difference is only in the customer retention rate.

Tell Me More

By developing a plan for how you will keep your customers, your company will see many benefits.

Reduce Customer Loss

Carefully analyze your list of clients. Work constantly to recover any relationships with customers that may have become inactive, or are at risk of switching to a competitor. Demonstrate that you really care about the customer.

Offer Excellent and Consistently Outstanding Customer Service

Besides the various points discussed above, keep in mind that your customer may be in contact with various other people within your organization, (such as salespeople, customer service, shipping, order tracking, and financing.) Your whole organization must commit and be prepared to sustain high levels of customer service.

Sell, Sell, Sell to Existing Customers

Encourage current customers to buy again, expand your relationships in the client business and seek ways of selling additional product lines, creating bundles of products, and offering incentives and promotions.

As an example, think of how cosmetics seller would retain customers? Mariam Rasooly sells high quality cosmetics online. She delivers products to its customers, but they can pick up packages from Mariam's pick up center as well. She has built a Facebook page and constantly posts when new products arrive. She also promotes her company policy on the page. She announces that customers can return products any time. She has a dedicated young lady, who understands needs of the customers, to respond to inquiries of customers. She focuses everything on her customers and keeps her database of customers updated to make sure she does not overlook serving any customers.

Create a Communications Calendar

Maintain relationships so they remain alive and healthy. The communication calendar offers a way of programming a series of communications directed at the customer. Make use of hand delivered letters, emails, thank you notes, special offers, newsletters, blogs, or video instructions. Your buyers will feel appreciated and valued especially by those elements you offer that bring them expert opinions, suggestions, and best practices. By keeping them informed, you will be able to silence pre-sales objections and give your sales person a better chance at winning the next order.

Glossary Terms from this Section

Communication Calendar - A schedule of how and when you will interact with your customers.

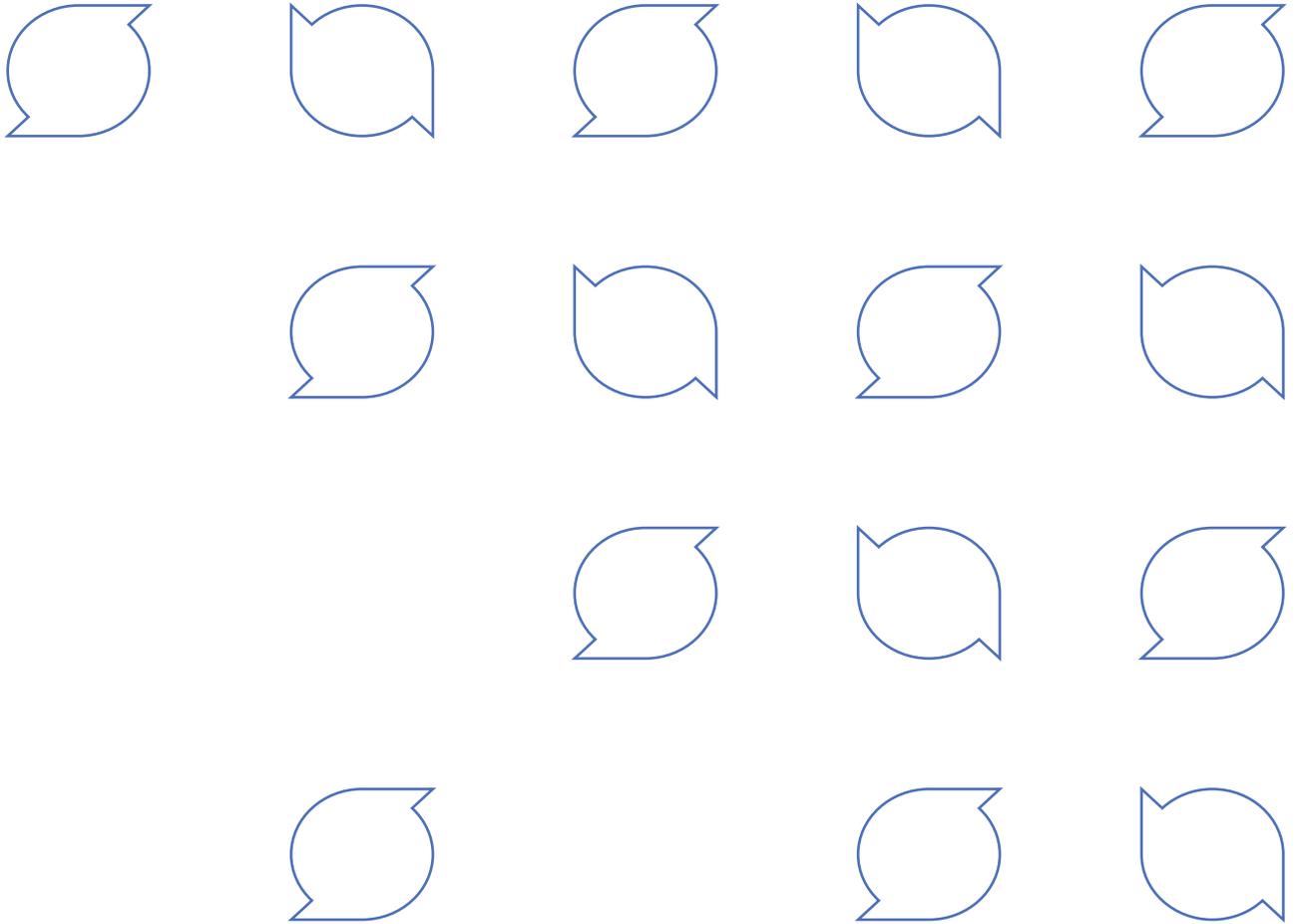
Cost of Customer Acquisition - How much it costs to win one new customer. It is calculated by: $\text{Money Invested in Sales and Advertising Campaign} \div \text{Number of New Customers} = \text{Cost of Customer Acquisition}$.

For More Information Related to this Topic See:

- What are some sales and customer service tactics to increase profit margins? 7. *Sales and Customer Services*
- How can my business sell value to customers? 7. *Sales and Customer Services*
- How can I build customer referrals into the sales strategy? 7. *Sales and Customer Services*

Additional Tools Available

Customer Satisfaction Survey



17.
**How can I build customer
referrals into the sales
strategy?**

The Basics

A referral is a recommendation by someone who trusts your company and is very satisfied with your product and/or customer service. Referrals are new sales leads that are dropped into the Sales Funnel and are immediately defined as a 'good prospect.' Referrals are important for all types of business.

When you provide excellent customer service, you are likely to create a happy customer. And while the customer is willing to share their experiences with you, you may want to give the customer an incentive to share their positive experience about your company with others, by making referrals to your business from their family, friends and associates.

A referral program is an organized and systematic process in which customers are rewarded for sharing their impressions of your company with their peers, customers, and suppliers. The purpose is to generate interest from potential new customers and thus create sales leads that your sales force can pursue. For example, a clothing store may give you a 15% discount card for referring customers. Each time you refer a customer to the store, you get 15% discount on your next purchase. Another way is that some stores record your name in their books each time you refer a customer. You need to find out what works best for you.

While traditional marketing companies look for new customers through advertising campaigns, promotions, sales presentations, and networking, referral programs are usually a more powerful form to generate new business opportunities. Referrals are the most trusted form of advertising. When a customer refers you to a new customer, he is practically doing 50% of your sales work for you.

Tell Me More

Here are the steps to build a Referral Program:

Step 1: Choose Your Targets.

Evaluate your current customer list by identifying the customers that are buying regularly and show signs that they are satisfied with your product and/or your services. Approach these customers about participating in the referral program.

Step 2: Define Your Program.

Decide the types of incentive that will have better results with different groups of customers. (i.e. cash, credit, or discount). For example, in a business where transactions are routine and the value does not exceed 5,000 Afs, you may offer the customer who makes the referral a 500 Afs cash reward for any new sales lead.

Step 3: Create Resources.

Design emails for each type of customer referred (see above) with messages that can be quickly personalized. Create a referral kit for your contacts to share with their friends (e.g. catalog, case studies, and videos that may help to explain your company).

Step 4: Referral Tracking.

Create a list or basic Microsoft Excel database to keep track of referrals that have been made and give your salespeople access to it. They will need to work closely with these potential leads to convert them into new customers.

Step 5: Reward.

Design a reward system to compensate your sales people for their efforts to convert referral customers to actual new customers.

Glossary Terms from this Section

Prospect - A person regarded as a potential customer or client. Can also be called a sales lead.

Referral - A recommendation by someone who trusts your company and is very satisfied with your product and customer service.

Referral Program - An organized and systematic process in which customers are rewarded for sharing their impressions of your company with their peers, customers, and suppliers.

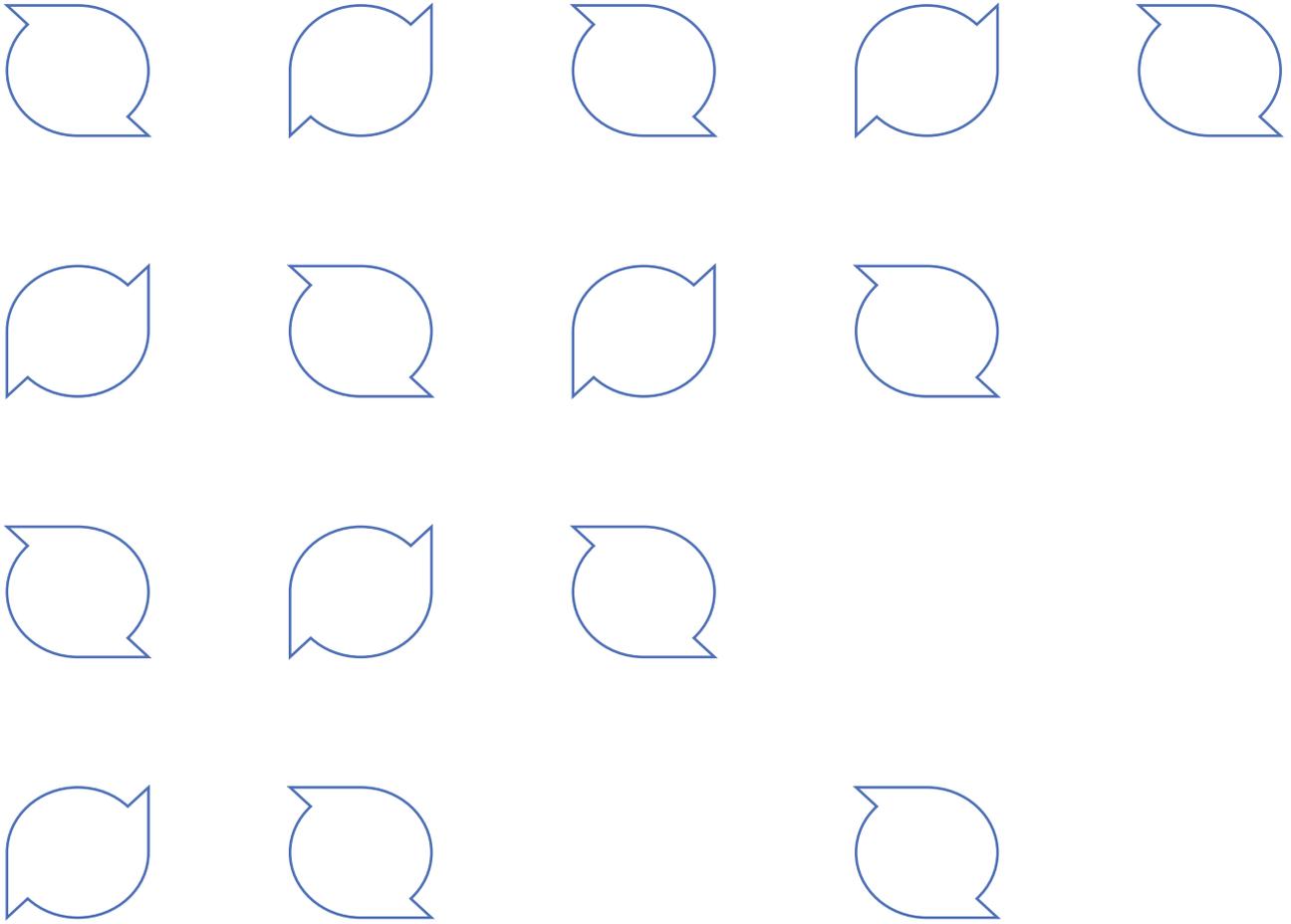
Sales Funnel - A visual representation of the customer journey, tracking the sales process from initial customer awareness to purchase. Also called a revenue funnel or sales process.

For More Information Related to this Topic See:

- What can I learn from tracking sales and how do I use that information? *7. Sales and Customer Services*
- How do I know that new potential customers are ready and able to buy? *7. Sales and Customer Services*
- How can I use customer service to create competitive advantage? *7. Sales and Customer Services*
- How do I know if my marketing is working? *7. Sales and Customer Services*

Additional Tools Available

Sales Strategy Worksheet



18.

How can I manage customer issues and complaints?

The Basics

Your customers are the most important asset your company possesses. They are your customers because they made a deliberate choice to pick your business over your competitors. Since keeping a current customer is cheaper than bringing in a new customer, it is always smart to do everything possible to keep the customer happy and engaged with you.

When a customer calls you, or comes to your store with a complaint, it is common that business owners could become offended and upset. It is important for you to consider the customer's perspective. Customers complain when they feel they were not properly treated well or the product purchased did not fulfill the manufacturer's promise. Many customers who bring a complaint to a business owner are normal and honest people who paid for a product and have not received the satisfaction they expected. They are simply trying to tell you that a mistake has occurred.

In Afghanistan, and many other Islamic cultures, it is common that customers avoid complaining personally, or communicate their dissatisfaction in person. However, they may choose to post their negative reviews of your company on the internet such as Facebook. More often, they will speak with their buying power and never come back. To make things worse, they will surely tell someone else about the bad experience. The story may take its own life among her/his friends for a while, causing problems for the image of your business.

Every company has to be ready for situations when things go wrong from the perspective of the customer. It is how the business responds that will make a difference to the business. The response may define whether the relationship with the customer will be forever broken or not. Do not ever ignore the customer, or treat the customer with a confrontational attitude (even if you are not at fault). If you handle the complaint respectfully, listen attentively to the customer, seek positive ways of solving the problem, the customer will be satisfied, and more likely that customer will continue buying from you. The customer will be happy with how you handled the situation with such care and respect, and will certainly share this experience with others.

Customer complaints must be addressed with courtesy, sincerity, and a positive attitude by you and your staff. For this reason, make sure that you have your staff well prepared to handle a customer who may not be in the best mood, and is seeking compensation for a problem that is not of their doing. They only want value for their money.

By giving your customer the assurance that, they themselves and their money, will be treated with respect, you are differentiating yourself in the Afghanistan market and creating a solid competitive advantage.

Tell Me More

Managing customer complaints effectively may be a powerful tool to gain the trust of your customers and their continuous preference. By implementing these ideas, your company will affirm its ethical principles and convey a message of honesty and respect.

Here are a few suggestions for establishing and managing a Customer Complaint Program:

Stay Calm and Listen

Keep in your mind that the complaint is not personal. The customer is not attacking you. The customer is only looking for a solution to a problem associated with your product or service. Let the customer express her/his frustration. Show respect and try to understand the cause of the problem. For example, Marina directs a radio

channel in Bamyan province. She had received an advertisement from a local supermarket as a sponsor to her morning show. The supermarket owner one day stops by the radio stations office and complains that his ad was not included for the past two days. Marina was not sure what had happened but calmly listened to the person before reacting and being defensive.

Acknowledge the Problem

Let the customer feel that you understand her/his issue. Express your understanding back in your own words. Collect the facts. Encourage continued conversation with the customer. Reduce the tension by getting to know the customer better. If the complaint is in writing or via Internet, do your best to speak with the customer personally.

In the example above, Marina sympathized with her customer and explained that it's possible to have missed his ad. She said she will check her records right away to get to the roots of the problem. This helped the angry customer relax and feel respected.

Offer a Solution

Explain to the customer the possible solutions that you can offer, and if it is a product malfunctioning, provide a refund or replacement right away.

After checking, Marina realized the customer's ad was replaced with a new customer and her team mistakenly excluded the ad. She suggested to increase the number of ads for the supermarket in the upcoming days and include an additional ad space to compensate for the mistake.

Apologize

Sincerely apologize for the flaw that caused the problem, and for the inconvenience that it created. If it is a delivery or installation issue, inform the customer how and when the problem will be solved.

The supermarket owner was happy with the solution and said he has received many customers through the radio's ads. Marian apologized and appreciated the supermarket owner's business with the radio station.

Follow-Up

After one week or two, contact the customer by phone or email to make sure the solution implemented is satisfactory. Re-affirm your willingness to assist the customer in the future.

Marian followed up with the supermarket owner a short time after to make sure he was happy with how she dealt with the situation.

Glossary Terms from this Section

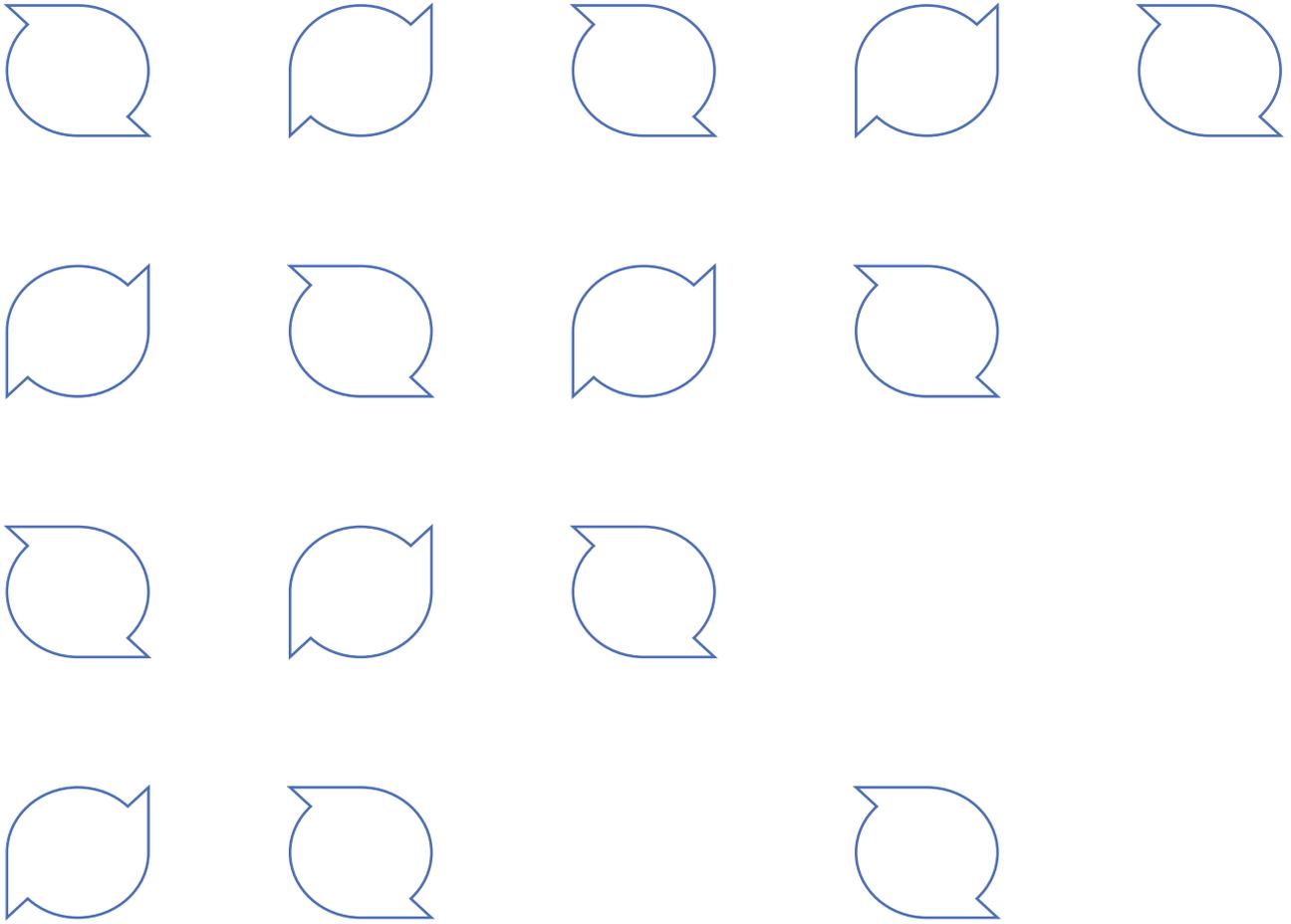
Competitive Advantage - When a product or service is better than its competitors and it's clear to others why the product or service is more desirable.

For More Information Related to this Topic See:

- What are the advantages to retaining current customers? *7. Sales and Customer Services*
- What is customer service? *7. Sales and Customer Services*
- What kind of Employee Training is critical for consistently good customer service?
7. Sales and Customer Services

Additional Tools Available

Customer Satisfaction Survey



19. **What kind of employee training is critical for delivering consistently outstanding customer service?**

The Basics

Your employees are critical in delivering outstanding customer service. Consider this story:

Ramsa and her husband went into a Kabul supermarket store to look for a stove. They chose the store because of a recent flyer they received and because it was a well-known name in the city. When they walked in they noticed that one employee was behind a display banner looking at a TV, he was almost invisible. She also noticed two other young employees loading products on the shelves. None of them looked at her and her husband. None of them turned their faces towards her, or told her 'let me know how I can help you.' Her husband then asked where they could see the stoves. One of the employees pointed towards the back of the store, and continued his work. The couple took a walk in the stove section, stopped at one of the stoves, and then quietly walked towards the front door, and quickly left the store."

Ramsa was upset and voiced her feelings to her husband. The indifference of the employees left her with a very negative feeling. She could not pinpoint why she lost the interest, yet it colored her perceptions completely. Even the store appearance now looked ugly. In her mind, nobody cared about her as a customer, and she will always remember it.

These type of negative customer experiences are not surprising in many markets. What would have made a difference and possibly generate a sale?

- The attitude of the floor personnel could have been improved to extend courtesy, greet people, and be interested in the customer's needs.
- The employees could have been trained to initiate asking questions about what the customer is interested in and how to investigate to fulfill their needs.

The message here is that the employees have not been trained to recognize that their only true boss is the customer. After the bad experience, she has just discarded them. She is taking her business elsewhere. She is who, in the end, pays their salary, but they may never be able to understand this truth, unless you tell them.

To succeed, companies in general, but especially retailers, need to train their employees to view the customer as the most important part of their job. The employees' main tasks are to communicate effectively with the customer and develop relationships. It may sound easy and sound like common sense, but it is not. It requires training, attitude, commitment, and continuous effort.

Tell Me More

Building a team of people committed to providing outstanding customer service starts with hiring people with the right outstanding customer service profile. This is true for both large and small companies.

Finding the right people to hire may take some effort, as theirs is not a traditional profile. The ideal person is someone who loves to talk to people, has a warm presence, and is good at explaining ideas. They are problem solvers and are resourceful.

Consider these keys to great customer service:

Knowledgeable Employees

You must train employees on the product operation, design, and maintenance. It is fundamental for your busi-

ness to have employees that are capable of running an efficient well lubricated business. Employees are a representation of your business and reflect directly upon you. For example, you can try to find qualified people or hire fresh graduates and train them well.

Empowered Employees

The organization must empower employees to solve problems without delays. Employees must be able to offer discounts, authorize shipments of parts, and commit your company to deliverable dates. Product knowledge will make the employees sound confident. Passion for the product will help create clear communication.

Well-defined customer service processes

Create definitions of guidelines and scripts for employees to follow as they handle the different types of interaction with customers (such as overcharging, broken parts).

Performance tracking

Identify what behavior you will measure in your employees that give honest representation of staff performance in problem resolution, improving customer experience, and volume management (i.e. managing lots of customers at one time). Then be sure to do the tracking. For example, you can create a weekly performance goals and tracking for your employees and do an evaluation at the end of each week. A local seller of magazines has given targets of 30 magazines for each of its sales staff to sell. The targets also include collecting feedback from 5-10 buyers of the magazines about the content, design, and prices.

Recognition and Incentives

Design programs to recognize the accomplishments of the employees in the form of financial and non-financial recognition prizes. Programs should encourage the right behaviors and maintain the motivation of the staff.

Glossary Terms from this Section

Customer Service - All the activities carried out to satisfy customer's expectations before, during and after a purchase.

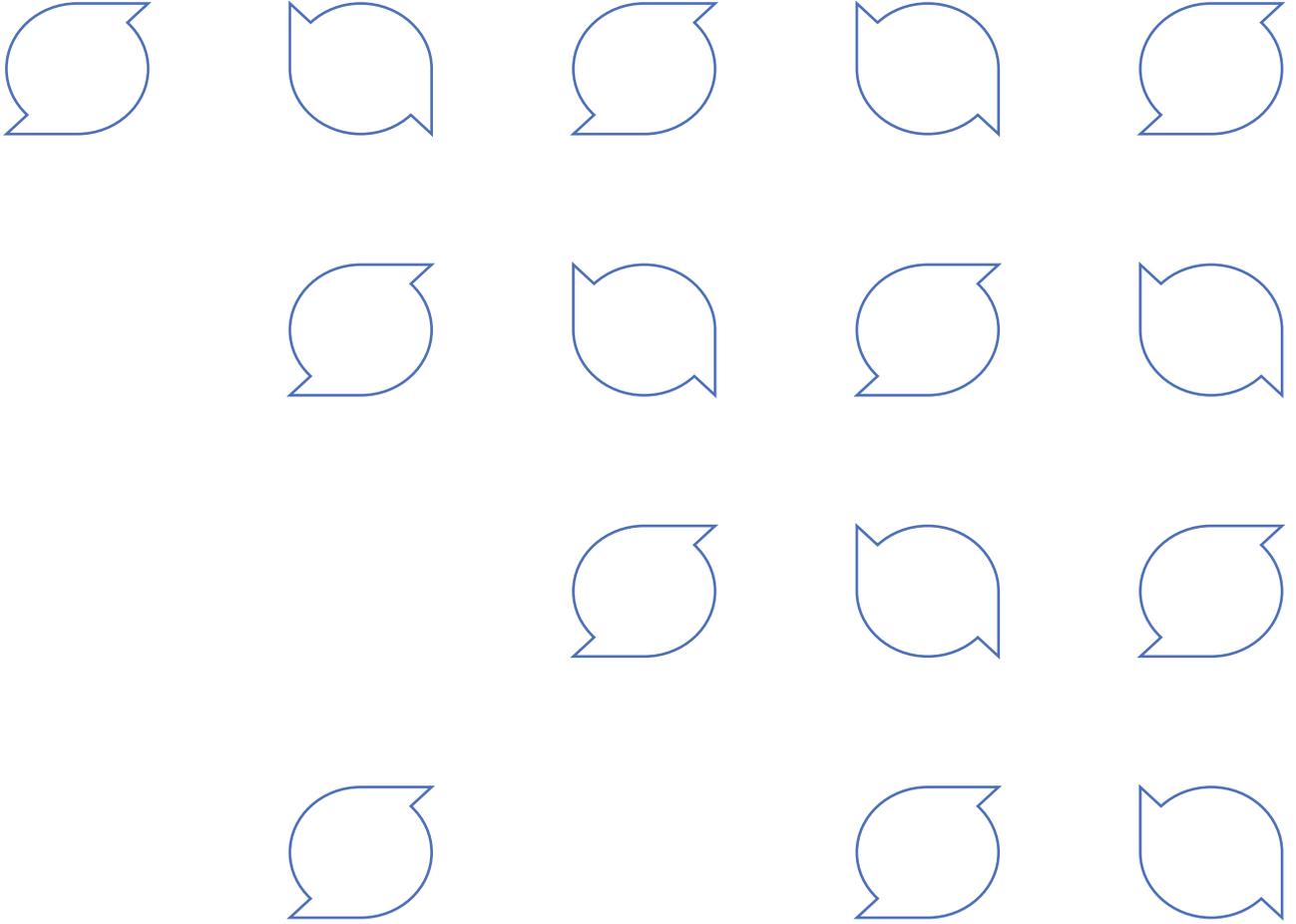
For More Information Related to this Topic See:

- How do I create sales guidelines for a sales team? *7. Sales and Customer Services*
- How do I implement an effective customer service process? *7. Sales and Customer Services*
- What are the advantages to retaining current customers? *7. Sales and Customer Services*
- Why and how should I empower my employees? *4. Leadership*

Additional Tools Available

Customer Satisfaction Survey

Customer Service Skills Worksheet



Tools