



Rick Davis is president of Building Leaders, Inc., a Chicago-based sales training organization. 773.769.4409. E-mail: rickdavis@buildingleaders.com.

BY RICK DAVIS

It's often said that trying to be all things to all people can lead to certain failure. When it comes to managing the expectations of your customers, truer words have never been spoken. Sales Leaders understand the profound wisdom in this statement, and they continually strive to discover ways to limit customers' expectations

low-cost service, offers customers no in-flight meal service and no pre-assigned seating. The company invites customers to board in groups and select seats once they are on the aircraft. While many find this an inconvenience the first time they fly with Southwest, many more long-term loyal customers have become accustomed to these procedures and accept them without question.

In these examples, expectations are managed early in the sales process. In fact, these two companies actually have been able to mold the

disappointing them. For example, one hotel chain I frequently use offers a courtesy snack and two bottles of water when "preferred" guests check into their rooms. However, when I recently checked into this hotel chain near midnight—and was looking forward to receiving this service—the hotel failed to provide my snack, thus disappointing a weary, late-night traveler. At any other hotel in the country, I never would have expected this extra perk, but by raising my expectations and then failing to deliver, the hotel inadvertently created an unfulfilling experience.



and, in turn, create high levels of satisfaction among their clientele.

As a consumer, no doubt you have experienced ways in which companies manage your expectations to increase customer satisfaction. A fast food franchise, for example, aims for consistency. People don't expect gourmet fare at the local drive-through window, but they do expect a consistent meal and relatively fresh fries. (It's easy to take a

behaviors of their customers. They create fulfilling experiences for clients despite inconveniences that are promised prior to closing the sale. McDonald's says, "We'll give you a consistent, tasty meal, but you're cleaning up after yourself." Southwest says,

Setting Boundaries

The success of your business relationships may lie less in your ability to cater to every customer whim and more upon your ability to manage and limit expectations. Maybe it's foolish to assert that we can train professional

Realistic Expectations

THE BEST WAY TO IMPROVE CUSTOMER SATISFACTION IS TO CLEARLY DEFINE THE PARAMETERS OF YOUR PRODUCTS AND SERVICES.

McDonald's meal for granted until a day when your fries are not the crispy, delicious snack that has helped to make the franchise famous.)

Or consider Southwest Airlines—one of the great American business stories—which, as part of its low-frills,

"We'll get you there safely and on time and at a cheaper price, but pack your own meal. And get here early if you want an aisle seat."

On the flip side, in some situations a company will raise the expectations of customers too high, only to end up

builders to behave like the customers of Southwest or McDonald's ... or is it?

Consider Cliff, an outstanding Sales Leader in the Mid-Atlantic region. As amazing as this may seem, Cliff sells windows to customers only when they make an appointment to meet him at his

ILLUSTRATION: JAMES STEINBERG/WWW.JAMES-STEINBERG.COM

Sell Sheet

showroom, which is located in his home! He has created a reputation of expertise and a loyal client following that permits him to set lofty customer expectations.

Sandra is a Sales Leader in a secondary Midwestern market. She annually sells \$6 million in lumber drawing on her extensive industry knowledge. She has created the expectation among her clients that she can help them manage their projects as well as (or better than) they can and, to date, the expectation among her customers is that she will resolve problems and challenges for them. However, she has realized that she now needs to redefine customer expectations in order to grow her business. By using her reputation for knowledge and leveraging the trust her customers have in her, Sandra can shift customer expectations and transfer some

responsibility for project management back to her customers and internal support staff, thus freeing up her time to promote more products to prospects and established accounts.

Conversely, there are thousands of salespeople throughout our industry who, on a daily basis, react defensively to customer demands, many of which are unreasonable. Rather than set limitations to customer expectations, these salespeople continually strive to expand the capabilities of their employers to accommodate them. The ultimate cost is lost productivity and increased transactional costs for LBM dealers. For example, while some builders do their own take-offs of materials, most expect salespeople to provide a detailed list of required materials, even without assurance of gaining the business. The

ramification of this service includes excessive administrative work for the salesperson, which cuts into productive sales time.

Salespeople also should recognize that efforts to meet excessive customer demands place stress on their companies. When a customer requests additional services—e.g. instant deliveries, extensive after-sale service, lumber take-offs—there are costs to bear. While there probably is no way of avoiding all of the extra services that builders expect (take-offs being a prime example), there is a reasonable expectation of reciprocity that a salesperson should expect from customers in return for his or her efforts.

Taking Action

Try the following actions to better manage your customers' expectations, thus

Sell Sheet

creating more fulfilling experiences for them. At the same time, these measures will improve profits for you and your employer.

1. Learn the demands of your market. Consider this old story about two men in the woods: One man says, "I'm afraid of bears. If one comes after us, do you think we can outrun him?" The other replies, "I'm only worried about being faster than you." As offensive as this may sound, the objective of customer satisfaction requires only that you are better than the competition. Rather than reacting to outlandish demands or, worse yet, creating unreasonable expectations, strive to understand the situation in the marketplace. Sometimes "good enough" is good enough.

2. Be specific and clear about the services you can provide. It is extremely tempting for salespeople to make bold claims about product capabilities or services. Moreover, they are resistant to volunteer limitations of their companies. Statements and written correspondence must go beyond promoting your cause; they should also clarify expectations for customers. If there is any "bad news" to be delivered, it should be offered before problems mushroom into crises. Sales Leaders manage expectations by delivering the bad news with the good. The key to customer satisfaction is to provide accurate information.

3. Take responsibility for customer satisfaction after deliveries are complete. It is tempting and commonplace for salespeople to refer

customers to the "service department" when things go wrong, and it is easy to blame and delegate responsibility when problems arise. Taking the easy path often costs salespeople valuable relationships in the long run. Ensure that your customers' expectations are being met after the sale is complete.

Sales Leaders recognize that managing customer expectations is a uniquely challenging quest. They acquire information about customers' expectations in order to facilitate change, when appropriate, within their organizations. Most importantly, they recognize that it is vital to manage the expectations of customers to forge profitable alliances. Remember that your objective is not just to close deals, but to build long-term relationships. ■