



Plugged In

To maintain a warm connection with customers, you need to master the use of cold information technology tools. By Rick Davis



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Everyone knows that it is much easier to keep an existing customer than it is to gain a new one. Thus, an emerging trend among many pro dealers is to focus on developing customer relationship management programs. In this quest to strengthen customer relationships, many people believe the most important step is establishing deeper personal contact. An important key to building long-term business relationships is your company's ability to implement sound database management strategies behind the scenes.

Amazingly, many salespeople and sales managers today still are not utilizing computer programs to better manage basic information about their clients. This resistance reminds me of a legendary cartoon that depicts a salesperson at the back of a tepee waiting to meet the chief of a warring tribe who is in the midst of a battle being fought with bows and arrows. While the salesperson waited for an appointment to sell the chief a machine gun, the chief exclaimed, "I don't have time to see a salesperson. I am in the middle of a war!" Similarly, an organization that manages information about its customers without the use of modern technology is fighting a machine gun war with bows and arrows.

There are numerous database software programs on

the market—such as ACT!, Goldmine, and Microsoft Outlook—that provide simple methods to manage vast amounts of complex information. All of these programs extend far beyond the mere management of names, addresses, and phone numbers. For example, they allow a salesperson to track appointments, conversations, correspondence, and more. They provide simple methods to send newsletters, merge mail, and track secondary information about clients. The use of a structured database system results in stronger long-term relationships with customers.

Use caution, however, as some programs generate complex management reports, which can pose implementation problems if your information technology (IT) department is eager to help you implement every available software feature. These problems can occur when your database methods are lumped into the general category of IT. A sales manager's simple request to the IT department

for a database software solution can spoke out into a number of issues such as order entry, linking customer data with back-end systems, inventory management, information feedback to the sales force, and more. In the end, a simple IT request to log names and phone numbers turns into a multi-department initiative that threatens to cost tens of thousands of dollars! When this potential information overload arises, the key ingredient to a program's success—buy-in from the sales team—often is destroyed.

Many companies that I have worked with enthusiastically embrace the idea of a new software strategy to retain important customer information. However, managers quickly become distressed when they discover the difficulties of overcoming sales resistance. Moreover, they fail to realize that their approach is creating the very resistance they want to avoid.

Salespeople are rugged individualists. Rather than accepting the use of a modern technology as a personal productivity tool, some salespeople view a database software initiative as a way for the boss to keep an eye on them, a concept that smacks of George Orwell's "Big Brother" in the novel *1984*. In addition, many salespeople are technically challenged and, thus, are resistant to

investing in and learning new computer software.

Great sales managers have learned that in order to successfully lead they must continually focus on the needs of their employees. When it comes time to implement a new database strategy (or any initiative for that matter) they recognize that salespeople should be treated like customers and be sold on the



“What’s in it for me?” idea. Of course not every salesperson will happily embrace your new ideas, even after you explain the benefits, and at some point, coercive measures may be required to successfully implement a new software strategy. Still, it is easier to gain voluntary acceptance than enforced obedience, and

the value of information that an organization can obtain will be much better when salespeople are happily on board with the program. Therefore, sales managers should focus on the following keys to improve database implementation within their organizations:

1. Treat salespeople like customers. It is important to show them the value they receive by implementing a data-management process. Salespeople already know that when they quit or get fired, they can walk away with a lot of valuable information about your organization and its customers and that a database program helps companies keep that information in house. Therefore, be open and honest about the value that successful database management creates in *their* careers. Remind them that the information they obtain will help them personally in the form of increased

compensation and stronger personal business relationships. Salespeople often are critical of customer relationship management campaigns, in part because they are the ones that must gather the information that enables the organization to strengthen business relationships. Until your salespeople see the personal value in retaining important information, your database management program will be challenged. Sell them on the idea that the management of customer and prospect information will help build their careers.

2. Cater your training needs to each individual. Computer training courses are notorious for being worse than ineffective. They sometimes have a negative impact because individuals that attend often walk away less enthused about the software than they were before the training. In the training business, the answer to this challenge is the “contingency model” of learning, which requires organizations to recognize the various skill levels and learning modes of participants within the educational environment. If you want your computer training to have impact, divide your participants into small groups (or, better yet, set up one-on-one coaching sessions) based upon their proficiency levels. Using this approach, you will generate far more impact in less time.

3. Keep it simple at first. Your IT department and/or your VAR (value-added reseller of software) will excitedly tell you all the capabilities of your database software. They will assure you that it can track appointments, sales, prospecting values, notes from meetings, and much, much more. The problem is that you must first get your salespeople to input

information. Thus, plan on having your salespeople input only the most basic information—such as names, addresses, and phone numbers—to start your database initiative. Once your salespeople are on board, then you can build on the success of that simple model by asking them to add more details.

4. Own it. A battle line can emerge between the salesperson and employer over who should buy the computer. One valid argument asserts that a salesperson is not serious about his profession until he invests in his own computer. (A carpenter buys his own miter saw; a salesperson should buy his own tools.) Regardless of who owns the computer, information is king and the best database strategy requires that you retain ownership of the information. After all, you don’t want your salespeople walking out with all the data you pay them to accumulate. If you don’t buy the computer, then you should have a solid strategy that addresses the issue of retaining information, *not only on customers, but prospects as well.*

Successful companies share the common goal of managing customer information for the purpose of strengthening long-term relationships. Airlines, for example, offer frequent flyer programs to encourage loyalty, while automobile manufacturers are now offering loyalty discounts to existing customers. All these companies recognize two things: First, they know it is easier and much less expensive to keep a satisfied customer than to gain a new one. Second, they know that they can’t retain customers until they gather important information about them. They understand that knowledge is power. ■

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