ABC’s of Selling
10th Edition

Charles M. Futrell
Chapter 13

Service and Follow-Up for Customer Retention
Main Topics

- The Business Tree of Life: Service
- The Importance of Service and Follow-Up
- Building a Long-Term Business Friendship
- Relationship Marketing and Customer Retention
- The Product and Its Service Component
- Customer Satisfaction and Retention
- Excellent Customer Service and Satisfaction Require Technology
- So, How Does Service Increase Your Sales?
Main Topics, cont...

- Turn Follow-up and Service into a Sale
- Account Penetration Is a Secret to Success
- Service Can Keep Your Customers
- You Lose a Customer—Keep on Trucking
- Increasing your Customer’s Sales
- Returned Goods Make You a Hero
- Handle Complaints Fairly
- Is the Customer Always Right?
- Build a Professional Reputation
Main Topics, cont...

- Dos and Don’ts for Business Salespeople
- The Path to Sales Success: Seek, Knock, Ask, Serve
The Tree of Business Life: Service

Guided by The Golden Rule:

- Prove you truly care with royal service
- Prove what you said in your presentation was the truth
- Take your time to build long-term business friendships
- Realize that customer satisfaction leads to customer retention
- Place the customer’s interest before your own
- You can see that ethical service builds true relationships
Only Through Truth Can Trust Be Supported to Bridge the Gap between People
Which of the following is the meaning of customer service as discussed in the “Service and Follow-Up for Customer Retention” chapter?

- Service is part of a product, such as insurance or advertising
- Service makes a contribution to others
Correct! Service Refers To:

- Making a contribution to others such as our customers
What Is the Difference Between Service and Follow-Up?

- Follow-up refers to maintaining contact with a customer in order to evaluate the effectiveness of the product and the satisfaction of the customer.
Sales Proverbs! Examples are:

- You do business with the one you trust and you trust the one you know
- Obtaining new customers and selling more products to present customers are the ways to increase sales
- It is always easier to sell a satisfied customer than an unsatisfied one or a prospect

What does this mean to the salesperson?

- Take excellent care of your current customers
Knowledge versus Wisdom
- Knowledge: having these facts
- Wisdom: applying these facts to take care of customers

Wisdom is learned
- Trust and honor people
- Realize that our purpose is to help people
- Make right choices and avoid moral pitfalls
- Learn from errors and recover
When Does the Business Relationship Begin?

- After you first sell someone and they become a customer
Which of the Following Is the Purpose of the Sales Call? Is it:

- Solely to make a sale?
- To help someone?
Now You Have it! The Purpose Is to:

- Help someone by:
  - Solving a problem
  - Fulfilling a need
- The Relationship should be stronger, not weaker, after the sale
Is Being More Concerned For Helping Someone than Making the Sale Hard for Most People?

- Yes it is!
- Motivation needs to come from the heart, not from the bank account
Exhibit 13-2: If Customers are Truly Important, Their Needs Come First
Putting the Customer First Requires Salespeople to Have Personal Characteristics That Allow Them to:

- ______ for the customer
- Take _____ in their work
- Find __________ in the sales relationship
- Have __________ in closing the sale
- Be __________ to all people
- Have high __________ __________
- Be __________ to their word
- Be _______ in the sale
- Be ______-_________ in emotions
How Would You Answer these Questions?

- Do these success characteristics describe you?
- Do you have all, or part of them?
- Can you develop the missing ones?
Once Again, Are You:

- Caring?
- Joyful?
- Able to get along with others?
- Patient?
- Kind?
- Ethical?
- Honest?
- Fair?
- Self-controlled?
These Personal Characteristics Are Important if You Want to:

- Have personal friends
- Have business relationships
What Is A Business Relationship?

- A relationship revolving around business issues
- A business relationship much like a personal friendship
Exhibit 13-3: Trust and Wisdom in a Relationship Grow Over Time
The Three Levels of Friends

- Level 1 – Acquaintance
- Level 2 – Friend
- Level 3 – Intimate Friend
To Move Up in Levels of Friendship Requires:

- Self-disclosure – sharing a ________ things about each other
- Acknowledgement – ________ to your client
- Attending – ________ attention
- Talking – ________ communication is the foundation of any ________ relationship
Relationship Marketing and Customer Retention

- Transaction selling – sells once
- Relationship selling – periodically stays in touch
- Partnering – continually works with customers
How Does Relationship Marketing Build Friendships?

- Creates customer loyalty
- Results in retention
- Customer relationship marketing provides the key to retaining customers
The Product and Its Service Component

- Customer service
  - Product
  - Price
  - Place
  - Promotion
  - Exchange transaction
  - After the sale

- Expectations determine service quality
People Buy the Product Plus What?

- A product is a bundle of tangible and intangible attributes, including packaging, color, and brand, plus the services and even the reputation of the seller.
So What Would Be Meant by the Term “Product Plus?”

- The product is a good or service
- “Plus” refers to the other attributes of the product as described in the definition
“Plus” Also Refers to Such Things As:

- Product has no defects
- Price is fair
- Product is available when needed
- Correct, honest advertising
- Warranty honored
In a Business Friendship, How Can You:

- Mistreat a person you consider a friend?
- Be uncaring, sad, pushy, impatient, rude, unethical, untruthful, self-centered, and/or emotional?
Customer Satisfaction and Retention

- Customer satisfaction
- Feelings towards purchase
- Customer retention – if satisfied, they will buy again
Exhibit 13-4: Customer Retention: When the Buyer is Satisfied with Purchases Over Time
Excellent Customer Service and Satisfaction Require Technology

- Technology and automation is often required to provide excellent service
So, How Does Service Increase Your Sales?

- You increase sales by obtaining new customers and selling more to present customers.
- Satisfied customers will provide customer referrals.
- Thus very important to service for:
  - Future sales
  - Referrals
Exhibit 13-5: Sales Come From Present and New Customers

__________ are constantly involved in ______-__ and service in addition to planning their next sales call on the customer; they also spend time ____________
Turn Follow-Up and Service Into a Sale

- Convert follow-up and service situations into sales
- Follow-up and service help satisfy the needs of customers
The Circular Relationship in Managing a Sales Call
Account ______________ is a Secret to Success

- Account ______________
- Determined by:
  - _______ and major-brand sales _______ in an account
  - Distribution of the _______ of products in a product line
  - Level of cooperation obtained
  - Your _______ as the authority on your type of _______ for the buyer
Service Can Help You Keep Your Customers

- Concentrate on improving your account penetration
- Contact new accounts frequently on a regular schedule
- Handle customer’s complaints promptly
- Always do what you say you will do
- Provide service as you would to royalty
- Show your appreciation
You Lose a Customer—Keep on Trucking

To win back a customer:

- Visit and investigate
- Be professional
- Don’t be unfriendly
- Keep calling
Returned Goods Make You a Hero

- Cheerfully return merchandise following the company’s returned goods policies
- It is in your best interest to return faulty merchandise
Handle Complaints Fairly

- Customers may be dissatisfied with products for any number of reasons
- “The customer is always right”
- Occasionally a dishonest customer may require you and your company not to honor a request
- Customers should get the benefit of the doubt
- Take care of your customers
“Always” is the key word in the phrase
The Author of Your Textbook Feels The Customer is Not Always Right

- Is he correct?
How Does One Know What is Right or Wrong in a Business Setting?

What can you use to make a morally ethical decision when dealing with a customer?

- Company guidelines
- Legal laws
- What the boss says
- What else?
Dress in Your Armor

- You need to be prepared to meet a few ________ and __________ people
  - They may ask you to do something ___________ and/or ____________
What is Meant by “Dress in Your Armor”?  

Armor is something that will _________ you, but from what?

- You need _________ from a person who is _________ and/or dishonest with you such as:
  - A customer or _________
  - A _________
  - A _________
  - A co-_________
  - Your _________
Your Armor Consists of:

- Speaking the ________
- Doing what is _________
- Readiness to discuss what is _________
- Trusting you know what is right, _______ and ethical
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<tr>
<th>Point</th>
<th>Follow Up</th>
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<td>Think positively</td>
<td>... and follow up</td>
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<td>Plan carefully</td>
<td>... and follow up</td>
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<td>Present thoroughly</td>
<td>... and follow up</td>
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Build a Professional Reputation

- Be _________ and follow through on what you _____ the customer
- Maintain an intimate __________ of your firm, its products, and your industry
- Speak _________ of others
- Keep customer information ___________
- _________ take advantage of a customer by using unfair, high-pressure techniques
- Be active in __________ affairs – make your community a better place
Think of yourself as a professional and always act accordingly
Provide service “above and beyond the call of duty”
Dos and Don’ts for Business Salespeople

A survey of purchasing agents showed the most important traits that purchasing agents found in their top business sales people:

- Willingness to go to bat for the buyer
- Thoroughness and follow-through
- Knowledge of the firm’s product line
- Market knowledge and willingness to “keep the buyer posted”
- Imagination in applying their products to the buyer’s needs
- Knowledge of the buyer’s product line
- Preparation for sales calls
- Regularity of sales calls
- Diplomacy in dealing with operating departments
- Technical knowledge of specifications and applications
Dos and Don’ts for Business Salespeople, cont...

- Seven deadly sins of business selling
- B. J. Hughes’ checklists of dos and don’ts
Exhibit 13-10: The Seven Deadly Sins of Business Selling

1. **Lack of product knowledge.** Salespeople must know their product line as well as the buyer’s line or nothing productive can occur.

2. **Time wasting.** Unannounced sales visits are a nuisance. When salespeople start droning about golf or grandchildren, more time is wasted.

3. **Poor planning.** A routine sales call must be preceded by some homework—see if it’s necessary.

4. **Pushiness.** This includes prying to find out a competitor’s prices, an overwhelming attitude, and backdoor selling.

5. **Lack of dependability.** Failure to stand behind the product, keep communications clear, and honor promises.

6. **Unprofessional conduct.** Knocking competitors, drinking excessively at a business lunch, sloppy dress, and poor taste aren’t professional.

7. **Unlimited optimism.** Honesty is preferred to the hallmark of the good news bearers who promise anything to get an order. Never promise more than you can deliver.

*Here are a few comments purchasing agents made on these deadly sins:*

- They take it personally if they don’t get the business: it’s as though you owe them something because they constantly call on you.

- I don’t like it when they blast through the front door like know-it-alls and put on an unsolicited dog-and-pony show that will guarantee cost saving off in limbo somewhere.

- Many salespeople will give you any delivery you want, book an order, and then let you face the results of their “short quote.”

- They try to sell you, rather than the product.

- After the order is won, the honeymoon is over.

- Beware the humble pest who is too nice to insult, won’t take a hint, won’t listen to blunt advice, and is selling a product you neither use nor want to use, yet won’t go away.
Exhibit 13-11: B.J. Hughes’ Checklist of Do’s and Don’ts Help It to be a Customer-Oriented Company

<table>
<thead>
<tr>
<th>Salesperson’s Checklist of Do’s</th>
<th>Salesperson’s Checklist of Don’ts</th>
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<tbody>
<tr>
<td>1. Know the current products/services and their applications in your area. Look for the new</td>
<td>1. Never bluff; if you don’t know, find out.</td>
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<td>techniques/services your customers want.</td>
<td>2. Never compromise your, or anyone else’s, morals or principles.</td>
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<td>2. Maintain an up-to-date personal call list.</td>
<td>3. Don’t be presumptuous—never with friends.</td>
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<td>3. Listen attentively to the customers.</td>
<td>4. Never criticize a competitor—especially to a customer.</td>
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<td>4. Seek out specific problems and the improvements your customers want.</td>
<td>5. Do not take criticisms or turndowns personally—they’re seldom meant that way.</td>
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<td>5. Keep calls under five minutes unless invited to stay.</td>
<td>6. Do not worry or agonize over what you cannot control or influence. Be concerned about what</td>
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<td>6. Leave a calling card if the customer is not in.</td>
<td>you can affect.</td>
</tr>
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<td>7. Identify the individual who makes or influences decisions, and concentrate on that person.</td>
<td>7. Do not offend others with profanity.</td>
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<td>8. Entertain selectively: your time and your expense account are investments.</td>
<td>8. Do not allow idle conversation to dominate your sales call. Concentrate on your purpose.</td>
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<td>9. Make written notes as reminders.</td>
<td>9. Don’t try to match the customer drink-for-drink when entertaining. Drink only if you want</td>
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<td>10. Plan work by the week, not by the clock. Plan use of available time, plan sales presentation.</td>
<td>10. Don’t be so gung ho that you use high-pressure tactics.</td>
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<td>11. Ask for business on every sales call.</td>
<td>11. Never talk your company down—especially to customers. Be proud of it and yourself.</td>
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<td>12. Follow through with appropriate action.</td>
<td>12. If you smoke, never do so in the customer’s office unless invited to smoke.</td>
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Summary of Major Selling Issues

- Salespeople _________ sales by obtaining new customers and selling more products to present customers
- Customer _________ are the best way to find new _________
- By building a relationship and _________, you can provide a high level of customer service
- Customers expect _________
- To serve customers best, improve account _________
Summary of Major Selling Issues, cont...

- Always strive to help your customers get the best use from products you have sold them or to increase the resale of these products.
- Today’s professional salesperson is oriented toward service.