Chapter 13

Follow-Up: The Power of Providing Service That Sells

Video Ride-Along with Rachel Gordon, Account Manager at WMGK Radio

You met Rachel Gordon in Chapter 6 “Why and How People Buy: The Power of Understanding the Customer” when she shared her tips for finding the decision maker. Now she talks about the importance of follow-up and provides some valuable tips about how she follows up with prospects and customers.

Ride along with Rachel and hear about the importance of handwritten thank-you notes and other elements that are important to making the sale again and again.

(click to see video)
13.1 Follow-Up: The Lasting Impression

LEARNING OBJECTIVES

1. Understand what follow-up entails and why it is so important.
2. Discuss the ongoing nature of follow-up.

You have spending power, and lots of it. Millennials (or Gen Y, if you prefer) are estimated to have over $1.3 trillion in direct spending for apparel, food, music, entertainment, and other products and services. That number is understated due to the influence you have on parents and other older people who seek your tech-savvy advice on all types of products from computers to cars. Sarah Littman, “Welcome to the New Millennium,” Response Magazine, May 1, 2008, http://www.responsemagazine.com/response-magazine/welcome-new-millenials-1192 (accessed November 25, 2009). You are one of the most sought-after consumer groups around. More sales and marketing efforts are aimed at you than at any other generation. You determine where and when you will spend your money. You have the power.

So what is it that makes you decide to choose Nintendo over Xbox, Mini Cooper over Chrysler, or Apple over Toshiba? Of course, the product has a lot to do with your choice. Price is certainly a consideration, but you don’t always buy the lowest-priced product or service. Think about it. It’s the ongoing relationship you have with the brand that makes a difference. It’s the fact that the company continues to serve up exactly the new products and services you need (how do they do that?). It’s how the company keeps in touch on Facebook and other ways that keeps you engaged in the conversation. And it’s the fact that you feel appreciated as a customer. When a company makes you feel like they forgot about you, it’s time to move on and spend your money elsewhere.

What Is Follow-Up?

Follow-up entails everything that takes place after the sale is closed from getting signatures on all contracts and paperwork to scheduling delivery. It also includes your ongoing relationship with your customer. Relationship is the key word here. If you were involved in transactional selling, only focused on making the short-term sale, you would not be worried about follow-up because someone else in your company would take care of it. You would move on to the next customer. In many retail selling environments, this may be the case. You would not expect to receive a
thank-you note from the checker at the grocery store or the cashier at a fast-food restaurant. However, you would expect to hear from a real estate agent who sold you a new home, or from a financial services consultant who is managing your money.

It’s the attention to detail to be sure that your transaction goes smoothly that you rely on your salesperson to do. Think about how you feel when your salesperson adds value to your new investment with additional information and insights. That makes you feel like a valuable customer. Chances are, when you need something else (another house or more money to invest), the first person you will call will be the salesperson who continues to follow up with you. When one of your friends wants to buy a house or invest some money, you will be very likely to go out of your way to recommend your salesperson.

While the specific follow-up activities may vary from company to company and even customer to customer, Figure 13.1 "Areas That Require Follow-Up" provides a summary of some of the most common follow-up actions that are expected. Many companies have a checklist or best practices that are used as guidelines to ensure that all details are covered. In the case of complex sales, follow-up may include a transition team with members from both the company and the customer. The transition team may work closely together, including weekly or in some cases daily status calls, to ensure that the transition to the new product or service goes smoothly. For example, the implementation of a new logistics system or software program may require that the old system runs parallel with the new system until all aspects are completely set up and appropriate training is conducted. This is especially true for products or services like these that have a direct impact on the operation of the customer’s business.
Why Follow Up?

No matter what product or service you are selling, the sales process can be challenging. The selling process starts with prospecting and qualifying (that was six chapters ago!). Depending on the complexity and buying cycle of the product or service, it could takes weeks, months, or even years until you close the sale. In fact, 81 percent of all sales happen on or after the fifth sales call, according to study conducted by the Association of Sales Executives. David Frey, “Follow-up Marketing: How to Win More Sales with Less Effort,” Marketing Best Practices, http://www.marketingbestpractices.com/Articles/FollowUpMarketing.htm (accessed November 22, 2009). It takes time, energy, and commitment to get to the point where the deal is done. Some salespeople spend all their time and effort to research the prospect, get the appointment, make the presentation, handle objections, and close the sale—and then expect to collect their commission check. They seem to literally disappear after the sale is completed. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, http://www.salesandmarketing.com/article/personal-touch-making-sale2026after-sale (accessed November 23, 2009).
Relationship selling doesn’t work that way. The relationship really begins with the close of the sale; follow-up is what makes a relationship grow and prosper. Follow-up is how most customers evaluate the performance of the product or service they just bought. As you may recall from Chapter 1 "The Power to Get What You Want in Life", you are the brand to the customer. How you proactively handle follow-ups will make all the difference in your relationships and your sales. In other words, the best way to make the sale is by the way you handle things after the sale.

Here’s the not-so-subtle point here. Even though the sale is closed, you should never assume the sale is closed. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, http://www.salesandmarketing.com/article/personal-touch-making-sale206after-sale (accessed November 23, 2009). This is especially important when there is a gap in time between the closing of the sale and the delivery of the product or service (as in the delivery of a major software package, installation of new equipment, or bringing on board a new product or service vendor). A customer can have second thoughts, sometimes called buyer’s remorse or cognitive dissonance (covered in detail in Chapter 6 "Why and How People Buy: The Power of Understanding the Customer"). This is when a customer may think that the decision she made is not the right one. She may be in contact with a competitor, receive additional information, or be concerned that she made the wrong decision, paid too much, or didn’t consider some alternatives properly. You can help avoid letting your customers be vulnerable to alternatives. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, http://www.salesandmarketing.com/article/personal-touch-making-sale206after-sale (accessed November 23, 2009). Joan Leotta, “When Buyers Change, Grin and Sell It,” Selling Power 21, no. 5, http://www.sellingpower.com/content/article.php?a=5769 (accessed March 16, 2010). Increase your return on your time investment and your customer’s return on her financial investment and put your follow-up plan into place immediately.

Plan Your Follow-Up

Put together your follow-up plan even before you begin your prospecting efforts. While follow-up is the last step in the selling process, it is the step that can have the most impact on your customer. You worked hard to establish trust with your customer during the selling process. After the sale is the time to put that trust to work and continue to earn it every day. Lip service, saying that you’ll do something but not really putting in the effort to do it, doesn’t go very far in sales. And just going through the motions will put you farther behind. It may seem more exciting to be working on a new proposal rather than doing follow-up for a sale that has already closed.
Think about your follow-up plan with the following five elements in mind:

1. **Demonstrate your personal commitment and connection to the customer.** Start by saying thank you to your customer for her business. “Customers want to know you care about them, their business, their challenges, and them as individuals,” according to author and professional speaker George Hedley. “The number one reason customers stop doing business with a company is an attitude of indifference,” he says. George Hedley, “Customer Care = Cash,” *American Salesman*, March 2009, [http://www.hardhatpresentations.com/CustomerCareCash.htm](http://www.hardhatpresentations.com/CustomerCareCash.htm) (accessed March 16, 2010). How you follow up after the sale is a good indication of how you will respond throughout the relationship.

Start off on the right foot by sending a thank-you letter. Everyone likes to feel appreciated, especially right after they have made a commitment to spend money. Your letter should be professional, yet personal, and sincere. This is the perfect opportunity to reinforce to the customer that she has made a wise decision; this is a perfect opportunity to reiterate the product or service benefits with a focus on the information you learned about the customer’s business during the selling process. Dana Ray, “Phenomenal Follow-up,” *Selling Power* 19, no. 6, [http://www.sellingpower.com/content/article.php?a=5081](http://www.sellingpower.com/content/article.php?a=5081) (accessed March 16, 2010). Joan Leotta, “When Buyers Change, Grin and Sell It,” *Selling Power* 21, no. 5, [http://www.sellingpower.com/content/article.php?a=5769](http://www.sellingpower.com/content/article.php?a=5769) (accessed March 16, 2010).

Besides demonstrating good business etiquette, a personal thank-you letter also serves some operational objectives. It should include your contact information, phone numbers, e-mail address, Web sites for customer contact (in addition to your contact information), receipt or order confirmation, and a list of next steps. Joan Leotta, “When Buyers Change, Grin and Sell It,” *Selling Power* 21, no. 5, [http://www.sellingpower.com/content/article.php?a=5769](http://www.sellingpower.com/content/article.php?a=5769) (accessed March 16, 2010).

Don’t just say thank you after you close the sale. Be ready to follow up with three to five “selling points” timed after the sale. For example, after a salesperson sells a car, she follows up with an article about a safety award that the brand was awarded. She also sends a birthday card to the customer with a note to indicate the value of the

Most of all show your customers that you appreciate them and their business regularly with a handwritten thank-you note, an unexpected visit, or small gift like a box of candy. Little gestures go a long way; they are like “one-a-day vitamins” for your business. George Hedley, “Customer Care = Cash,” American Salesman, March 2009, http://www.hardhatpresentations.com/CustomerCareCash.htm (accessed March 16, 2010).

**Video Clip**

*Follow-Up Letter*

(click to see video)

Looking for tips about how to write a sales follow-up letter? This video includes some great tips.

**What If the Answer Is No?**

So what if you didn’t get the sale? Send a thank-you note anyway. It’s a professional way to set yourself apart and keep the door open for future conversations. A personal thank-you note or letter really stands out in today’s fast-paced world. You might be surprised where a thank-you note or letter can lead. See a sample thank-you letter.


2. **Deliver as promised.** While you are the person on the front line with the customer, you have a team of people who are responsible for delivering the product or service as specified. “Don’t just check the box,” says executive coach and author Marshall Goldsmith. Marshall Goldsmith, “Don’t Just Check the Box,” Fast Company, February 1, 2005, http://www.fastcompany.com/magazine/91/mgoldsmith.html (accessed November 23, 2009). Take the time to follow up internally to be sure all the i’s are dotted and t’s are crossed so that your customer’s delivery is flawless. That means taking the time to share details and insights about the customer’s
business and preferences with your entire team (whether your team is large or small). When salespeople just fill out the forms to get things moving internally, there’s a high likelihood that some nuances can fall between the cracks. Keep in mind that your customer made the purchase because you can deliver consistently for her, but you can’t deliver the product or service alone. There are most likely internal processes for communication and delivery, contracts to be signed, schedules to be communicated, and other operational activities that require the entire team to be working in harmony. Follow the internal processes and go a step farther. Make your coworkers care as much about delivering consistently for the customer as you do; take the time to share information about the customer that goes above and beyond your internal forms. You’ll also be surprised to see that everyone involved will add value when each has a connection to the customer. And don’t forget to say thank you to your team. You couldn’t do it without them; share the positive feedback from your customer with the team. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, http://www.salesandmarketing.com/article/personal-touch-making-sale2026after-sale (accessed November 23, 2009).

Call the customer to be sure the delivery was made as promised and everything is to the customer’s liking. Kelley Robertson, “The Power of Follow Up,” About.com, http://entrepreneurs.about.com/od/salesmarketing/a/poweroffollowup.htm (accessed November 23, 2009).

3. Add value to your customer’s business. Follow-up isn’t a one-time event. Rather, it is an ongoing process that takes place after the sale is closed. Just like when you researched, asked questions, and listened to your customer to learn as much as possible about you might solve his business challenges before he made the commitment to buy, you want to continue to do the same thing as part of your ongoing follow-up.

busy with making new proposals and putting out fires that they lose track of time and details.

What’s important to the customer should be important to you so make yourself easily accessible and respond to his inquiries in a timely manner. Dana Ray, “Phenomenal Follow-up,” Selling Power 19, no. 6, http://www.sellingpower.com/content/article.php?a=5081 (accessed March 16, 2010). Deliver the same energy, enthusiasm, and level of service you did before you closed the sale. And just as you did when you were working to close the business, be honest about timing and resolution of issues. In other words, set expectations and then overdeliver on them. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, http://www.salesandmarketing.com/article/personal-touch-making-sale2026after-sale (accessed November 23, 2009).

Adding value goes beyond the typical “I’m just checking in.” Every time you contact your customer, offer some insight, news, or expertise to help him and his business. Make yourself the trusted advisor and key collaborator. Provide insights from industry events, forward copies of relevant white papers, make introductions to subject matter experts in your company, and send company (or your own) newsletters. You can complement your personal follow-up with the Internet to provide valuable updates and networking connections through a blog, Twitter updates, LinkedIn discussions, and other social networking tools. All these types of communications help add value to your customer’s business so that when she has a problem (any problem), you deliver so much value that she calls you first to help her solve it. This is how you earn your seat at the table as a true business partner, not a salesperson. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, http://www.salesandmarketing.com/article/personal-touch-making-sale2026after-sale (accessed November 23, 2009).

4. Get feedback. It’s not enough to talk to your customers; it’s also important to listen. Tamara Monosoff, “Focus on Core Customers,” Entrepreneur, October 21, 2009, http://www.entrepreneur.com/article/printthis/203774.html (accessed November 23, 2009). Ask for their input, insight, and ideas about everything from things you can do better to new products and services. Customers, especially those with whom you have good relationships, can provide invaluable guidance to you and your company. One-on-one planning meetings, product development meetings, and other forward-looking events are ideal ways of gaining firsthand feedback and getting buy-in from the start. There’s nothing that your customer would rather talk about than his business. Be genuine and ask him about it, then listen and use the information to help his business (and yours) grow. George Hedley, “Customer Care = Cash,” American Salesman, March 2009, http://www.hardhatpresentations.com/CustomerCareCash.htm (accessed March 16, 2010).
Customer Feedback Meets Social Networking

Figure 13.3

Asking customers to share ideas online is a good way to get feedback.

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IdeaStorm (http://www.ideastorm.com) is a Web site created by Dell that literally turns customer feedback into a social network. You can post, vote, promote, or demote ideas for Dell. What makes this Web site so unique is that you can actually see the ideas that have been put into action. Talk about showing customers you care about what they think, Dell puts customer feedback to good use. Alister Cameron, “Dell IdeaStorm—Ultimate Customer Feedback Example,” WebProNews, February 27, 2007, http://www.webpronews.com/blogtalk/2007/02/27/dell-ideastorm-the-ultimate-customer-feedback-example (accessed November 23, 2009).

Starbucks has incorporated MyStarbucksIdea into its Web site as a place for customers to share their ideas, vote on their favorites, discuss the pros and cons, and see the actions that have been taken as a result. Starbucks, http://mystarbucksidea.force.com (accessed November 24, 2009). Suggest an idea at http://mystarbucksidea.force.com.
5. **Make your customers into fans.** Focusing on your customers’ businesses as if they were yours, adding value, and showing your customers that you appreciate their business makes them more than customers—it makes them fans. Fans share stories of their great experiences. Your customers can help you sell with testimonials, referrals, and references. One of the most effective ways to handle objections from prospects is to call on excited and energized customers who are more than satisfied with your product and service. There are no more powerful words to win over a new prospect than those of a more-than-satisfied customer. Jeffrey Gitomer, “Objection Prevention & Objection Cure,” video, May 18, 2009, [http://www.youtube.com/watch?v=CgfmcuE_06w](http://www.youtube.com/watch?v=CgfmcuE_06w) (accessed November 24, 2009). Use customer testimonials as part of your selling presentation, on your company’s Web site, and on your professional Web site and social networking pages. In fact, it’s a good idea to ask customers to write a recommendation for you on LinkedIn.

**Link**

**Referrals Build Sales**

See how testimonials are used by Atlanta REMAX real estate agent Ellen Crawford on her professional Web site.

[http://www.atlantabesthomes.com/testimonials.htm](http://www.atlantabesthomes.com/testimonials.htm)

Reward your best customers with special offers and added value such as additional training, additional advertising space or time, or other additional service. Jeff Schmitt, “The Personal Touch: Make the Sale...after the Sale,” Sales & Marketing Management, September 9, 2009, [http://www.salesandmarketing.com/article/personal-touch-making-salex2026after-sale](http://www.salesandmarketing.com/article/personal-touch-making-salex2026after-sale) (accessed November 23, 2009). While you may extend a special pricing offer, focus on delivering value and giving your best customers the opportunity to experience the other services you have to offer. This lets your best customers know you appreciate their business and gives you an opportunity to move your relationship to the next level by becoming an even more important business partner to them.
It is these loyal customers who build your business in two ways. First, they buy more from you because they feel that you are bringing them value in more ways than simply selling a product. Second, when they are loyal customers, they become fans or advocates of your product or service, and they tell their friends about you.

Power Point: Lessons in Selling from the Customer’s Point of View

The Making of a Fan—Yahoo!-Style

Blogger Michael Eisenberg went from a detractor to a promoter of Yahoo! with one e-mail. Eisenberg made a “not-so-flattering post” about the functionality of what was then the new MyYahoo! in March 2007. Within twenty-four hours he received an e-mail from the manager of Yahoo!’s Front Doors Group that said, “I would love to find out what you would like to see and which features you are most concerned about losing. We want to be sure that our heavy users remain satisfied. If you have a few minutes to e-mail me, I’d very much appreciate it.” Eisenberg promptly posted the response from the Yahoo! manager on his blog along with his fanatic endorsement of the company that can be summed up in one word: “Kudos!” Michael Eisenberg, “Yahoo!—Great Customer Feedback Loop,” March 13, 2007, [http://sixkidsandafulltimejob.blogspot.com/2007/03/yahoo-great-customer-feedback-loop.html](http://sixkidsandafulltimejob.blogspot.com/2007/03/yahoo-great-customer-feedback-loop.html) (accessed November 19, 2009).
Heroic Recovery: How a Service Failure Can Be a Good Thing

No matter how good you and your company are at taking care of customers, there will be a time when something doesn’t go as planned or as your customer expected. When you experience a setback, your mettle is put to the test. “Errors are inevitable, dissatisfied customers are not.” Chia-Chi Chang, “When Service Fails: The Role of the Salesperson and the Customer,” *Psychology & Marketing* 23, no. 3 (March 2006): 204. It’s not about the fact that the problem occurred; it’s how you respond that matters. When a salesperson responds quickly to a service failure and delights the customer with the outcome, it is called heroic recovery. The salesperson has the opportunity to perform a “heroic” action to save the customer’s business. For example, when a food service distributor sales rep personally delivers a case of ground beef that was missing from the truck earlier in the morning to a restaurant before lunch, he goes above and beyond to demonstrate service and help the customer avoid missed lunch sales.

In some cases, heroic recovery can improve a customer’s perception of the quality of service provided by a salesperson. Some customers actually rate companies higher when there has been a service failure and it has been corrected quickly than if there was no service failure at all. In addition, service failures can ultimately help identify service issues that are important to the customer. For example, an industrial packing company had an internal service standard of shipping 95 percent of all orders complete. This had a negative impact on the company’s ability to make deliveries within seventy-two hours, which is the industry average. After conducting focus groups, the company learned that customers valued complete shipments more than the seventy-two-hour delivery window. The company has since changed its policies and has created a competitive advantage based on service that is important to the customer. Gabriel R. Gonzalez, K. Douglas Hoffman, and Thomas N. Ingram, “Improving Relationship Selling Through Failure Analysis and Recovery Efforts: A Framework and Call to Action,” *Journal of Personal Selling & Sales Management* 25, no. 1 (Winter 2005): 58.

This is not to imply that a constant state of heroic recovery is acceptable to a customer. In fact, providing excellent service begins with understanding what the customer values and then having internal operations in place to be able to consistently deliver that level of service. Recall from Chapter 1 "The Power to Get What You Want in Life" that consistency is one of the elements of a brand. If you as a salesperson, or your company, can consistently deliver on a service promise, then heroic recovery is not efficient or effective in servicing the customer or creating a loyal customer.

1. Response to a service failure that delights the customer.

Part of heroic recovery includes taking care of the customer—whatever it takes to make the impact of the service failure right for the customer. In addition, it
includes internal analysis to identify where and why the service failure occurred, what it takes to correct the problem, and how to prevent it from happening again. As a salesperson, you want to be able to recover from a service failure with confidence so that you know the root cause of the problem has been fixed.

**Power Player: Lessons in Selling from Successful Salespeople**

**Inspiration from Air Conditioning**

Said Hilal, CEO of Applied Medical Resources, owned one of the early Mercedes S series and was happy with the performance of the car. After one year, Mercedes notified him that the air conditioner was appropriate for Europe but was underpowered for the United States and offered to replace the air conditioner. Hilal was so impressed with how Mercedes proactively handled the issue that he decided to use the same approach to his business. “We ask our customers what they want to see in our future product—what problems they have that we can help resolve,” says Hilal. “We consistently remind ourselves to listen to what the customer needs, not what we need.” Ilan Mochari, “What You Learn on the Other Side,” *Inc.*, November 1, 2002, [http://www.inc.com/magazine/20021101/24833.html](http://www.inc.com/magazine/20021101/24833.html) (accessed November 23, 2009).

The bottom line is that companies and salespeople should view heroic recovery efforts as an investment in customer service perceptions, rather than as a cost. If handled properly, service failures can improve a relationship with a customer even more so than excellent service. Gabriel R. Gonzalez, K. Douglas Hoffman, and Thomas N. Ingram, “Improving Relationship Selling through Failure Analysis and Recovery Efforts: A Framework and Call to Action,” *Journal of Personal Selling & Sales Management* 25, no. 1 (Winter 2005): 58.
KEY TAKEAWAYS

• Follow-up is what builds a relationship after the sale. You should never assume the sale is closed.
• Follow-up should take place regularly so your customer knows he can count on hearing from you.
• A personal thank-you note or letter is appropriate after the close of the sale. The letter can also include some operational information such as contact information and receipts.
• Follow up to be sure everything is delivered as promised. Do your follow-up inside the company and touch base with the customer to be sure everything is to her satisfaction.
• Add value to your customer's business with industry information, white papers, blogs, and newsletters. These bring value to your customer and keep your name in front of him.
• Feedback is an important part of follow-up.
• Customers can become your best-selling tool with testimonials and referrals.
• **Heroic recovery** can be a way to delight your customer (only if a service failure occurs infrequently and it is handled in a satisfactory manner).
EXERCISES

1. Identify a company with whom you have a relationship (you purchase its products or services on an ongoing basis). What makes the relationship work? What role does follow-up play in the relationship?

2. Identify a company from which you have purchased products or services that doesn’t follow up with you. Why do you continue to purchase the products or services? If another alternative comes along, will you be open to trying the new alternative? Why or why not?

3. Assume you work for a video game manufacturer and you sell video games to bricks-and-mortar and online retailers. Identify three things you would do as part of your follow-up plan after you close the sale to Best Buy.

4. Assume you are selling security systems to businesses, how would you use a news article about recent security issues as part of your follow-up with your customers?

5. Assume you sell landscaping to businesses. Once you have arranged for the landscaping to be installed, are there any other opportunities for follow-up?
   - If so, what would you do to follow up during the spring and summer?
   - What would you do to follow up during the fall and winter?

6. Imagine that you are a sales rep for a major insurance company. How can you gather customer feedback to improve your service? How can you use customer feedback that you receive about products and services for which you are not responsible?
13.2 Customer Satisfaction Isn’t Enough

Customer loyalty and retention are the holy grail in sales—and in all areas of business, for that matter. Loyal customers are how successful businesses are built. Not only is it easier to sell more to existing customers, it is financially prudent to do so. Some companies have increased their profit by as much as 100 percent by focusing on retaining an additional 5 percent of customers. Since it costs about five times more to acquire a new customer than to retain an existing customer, companies are well served to focus on retaining existing customers and making them into advocates for their brand. Chia-Chi Chang, “When Service Fails: The Role of the Salesperson and the Customer,” Psychology & Marketing 23, no. 3 (March 2006): 204. In other words, “Customer acquisition is an investment, but customer retention delivers profitability.” Guy Maser, “How to Earn Your Customers’ Loyalty,” CRMBuyer.com, July 16, 2009, http://www.crmbuyer.com/story/67608.html (accessed November 23, 2009).

Follow-Up, Feedback, and Fans

Earlier in this chapter, the five elements of follow-up were discussed including getting feedback from customers. This concept is so important, it’s worth drilling a little deeper into it. It is loyal customers who buy more from you in the form of more products and services more often. Companies that focus on creating customer loyalty usually invest in developing an effective customer feedback loop, a formal process for gathering, synthesizing, and acting on customer feedback. The most successful customer feedback loops are simple, focus on understanding what is important to customers, and empower front-line employees (i.e., those who interact with customers on a day-to-day basis, such as salespeople). For example, Charles Schwab, an online investment services company, has a process whereby managers review customer feedback daily from comments on the company Web site, transactions, and other communications with the company. Managers and sales reps respond personally to negative customer comments. Cheryl Pasquale, a branch manager, says she looks forward to customer calls to follow up on complaints or less-than-positive comments. She feels she has an opportunity to turn “critics into fans.” Rob Markey, Fred Reichheld, and Andreas Dullweber, “Closing the Customer Feedback Loop,” Harvard Business Review,
Power Selling: Lessons in Selling from Successful Brands

Follow-Up Is Just a Tweet Away

Personal follow-up meets technology with more than half of Fortune 100 companies using Twitter as one of the tools in their arsenal to respond to customer service issues. Comcast is a leader in this area. The company believes that Twitter has provided more transparency and improved communication with customers in multiple channels. Jon Swartz, “Twitter Helps Customer Service,” USA Today, November 18, 2009, 3B. Comcast uses Twitter to address follow-up issues such as a service call that didn’t happen on time, service that isn’t operating properly, and even billing issues. According to Frank Eliason, director of digital care at Comcast, Twitter is not a replacement for phone and e-mail follow-up. However, he says, “It gives immediacy to interactions.” He finds that customers are surprised—and pleased—to hear from him so quickly on Twitter. Rebecca Resisner, “Comcast’s Twitter Man,” BusinessWeek, January 13, 2009, http://www.businessweek.com/managing/content/jan2009/ca20090113_373506.htm (accessed January 8, 2010). The bottom line is to take care of the customer, no matter what method you use for follow-up.

One Simple Question

Successful companies have found that customers can be more than customers; they can be advocates, supporters, promoters, and fans. It’s these passionate fans that not only spend their money with these companies but also tell their friends and ultimately their friends’ friends to patronize the company. The mutual admiration of brand and customer starts with the culture of the company. Those companies that not only listen to their customers but also engage them in communities, new product development, and other improvements are the ones that have a maniacal focus on the customer. They get it. For example, watch this video of a Southwest Airlines flight attendant that was posted to YouTube by a passenger. Talk about being a fan of the brand—it’s hard not to be after you watch this video.

Video Clip

Southwest Gets It

(click to see video)
See how an ordinary activity can create an extraordinary customer experience.

In another example, it’s no surprise that Zappos, the dominant online shoe and apparel retailer, has a maniacal focus on the customer when you listen to CEO Tony Hsieh talk about his philosophy of customer service. Zappos has grown to be a billion-dollar business in just ten years. Although shoes have a notoriously high return rate due to fit problems, Zappos offers free shipping both ways to encourage purchases. Hsieh’s vision for the ultimate experience in customer service is clear throughout the company (try calling their 800 number for customer service and experience Zappos’ unique telephone greeting).

Video Clip

Zappos Gets It

(click to see video)

Hear CEO Tony Hsieh talk about why Zappos is a fan favorite.

Many companies have found that Net Promoter Score (NPS) is the ideal customer feedback tool because it is simple, keeps the customer at the forefront, allows frontline employees to act, thereby closing the customer feedback loop. Rob Markey, Fred Reichheld, and Andreas Dullweber, “Closing the Customer Feedback Loop,” Harvard Business Review, http://hbr.harvardbusiness.org/2009/12/closing-the-customer-feedback-loop/ar/pr (accessed November 23, 2009). Net Promoter Score is based on asking customers the ultimate question: “How likely are you to recommend this product or company to a colleague or friend?” The response is based on a ten-point scale and categorizes responses as follows:

4. Compiled results of customer responses to the question, “How likely are you to recommend this product or company to a colleague or friend?”

5. Loyal fans of a brand that are most likely to share their good experiences with their friends and be a brand advocate; those who respond to the NPS question with a score of 9 or 10.

6. Satisfied customers of a brand who are at risk of tying a competitive brand; those who respond to the NPS question with a score of 7 or 8.

7. Unhappy customers that are likely to share their bad experiences via word of mouth or social networking; those who respond to the NPS question with a score of 0 to 6.

- **Promoters** (customers who answer with a 9 or 10). These are customers who are advocates or loyal fans who will willingly tell their friends to do business with the company.
- **Passives** (customers who answer with a 7 or 8). These are customers who might be categorized as satisfied, but do not enthusiastically support the company. They are vulnerable to competitive offerings.
- **Detractors** (customers who answer with a 0 to 6). These are customers who are not happy and are likely to pass along stories about their bad experiences to their friends via word of mouth or social networking.

A company’s Net Promoter Score is determined by taking the percentage of promoters (scores of 9 or 10) and subtracting the percentage of detractors (scores of
For example, assume that Widgets, Inc., received the following ratings:

Promoters (score of 9 or 10) = 60%
Passives (score of 7 or 8) = 30%
Detractors (score of 0 to 6) = 10%

The Net Promoter Score for Widgets, Inc., is calculated as follows:

\[ 60\% - 10\% = 50\% \]

Promoters - Detractors = NPS

Figure 13.6 Net Promoter Score Calculation

The premise of Net Promoter Score is simple and elegant. The answer to one question says it all. Customers are then asked why they would be likely or unlikely to recommend the company. Rob Markey, Fred Reichheld, and Andreas Dullweber, “Closing the Customer Feedback Loop,” Harvard Business Review, http://hbr.harvardbusiness.org/2009/12/closing-the-customer-feedback-loop/ar/pr (accessed November 23, 2009). If the customer is not a promoter after their experience with the brand, they are at risk either to try another brand or become a detractor of the brand. As you can see from the formula, customers that are passives (scores of 7 to 8), reflect poorly on the brand’s NPS. Being satisfied isn’t enough; a brand’s goal is to have promoters or fans. This process quickly lets frontline managers and employees identify where problems exist and allow them to act quickly to respond and fix them. Net Promoter, “How to Calculate Your Score,” http://www.netpromoter.com/np/calculate.jsp (accessed November 25, 2009).

While Net Promoter Score is a simple concept, it does require a complete operational commitment on the part of every level of management of the company to make it work effectively. Listen to Fred Reichheld, author of *The Ultimate Question: Driving Good Profits and True Growth*, and Brad Smith, CEO of Intuit, Inc., talk about how Net Promoter Score works.

**Video Clip**

*How Net Promoter Score Works*

([click to see video](#))

Hear about how Net Promoter Score changes the way companies do business.

**KEY TAKEAWAYS**

- Customer loyalty pays. It costs five times more to acquire a new customer than to keep an existing customer.
- A **customer feedback loop** is a formal process for gathering, synthesizing, and acting on customer feedback. Customer feedback loops are most effective when front-line employees have the power to respond to customer feedback to turn “critics into fans.”
- **Net Promoter Score (NPS)** is a closed **customer feedback loop** that is based on the theory that a loyal customer is one that will recommend the brand to their friends.
- **NPS** is determined based on a brand’s percentage of **promoters** minus the percentage of **detractors**.
EXERCISES

1. Describe why Net Promoter Score is a closed customer feedback loop.

2. Assume you worked as a financial planner. How would you use Net Promoter Score with your customers? How would you respond to promoters? How would you respond to passives? How would you respond to detractors?

3. Imagine that you are a sales rep for a medical supply company and you have just received your Net Promoter Score for the past month, which is as follows:

   - Promoters: 63 percent
   - Passives: 28 percent
   - Detractors: 9 percent

   Calculate your overall Net Promoter Score. What steps would you take to communicate with the customers in each of the categories?

4. Research one of the companies that use Net Promoter Score and identify at least one way it impacts how the company does business.

5. Research Net Promoter Score online and find some articles that discuss the drawbacks of using it as the customer feedback loop. What do you think? Is Net Promoter Score something you think you might find helpful in sales?

6. Imagine that you are a salesperson for a software company and a portion of your compensation is based on your Net Promoter Score. Is it ethical for you to tell your customers that you need their positive comments to earn your salary? Why or why not?
13.3 Selling U: What Happens after You Accept the Offer?

LEARNING OBJECTIVES

1. Learn how to follow up after accepting a job offer.
2. Understand how to adapt to your new job.

So you’ve got your offer letter, and you’re excited about starting your new job in a few weeks. Time to take it easy? Maybe a little. But don’t kick back completely. There’s follow-up work to be done.

From Classroom to the Corporate World

Just as you should never assume the sale is closed, the same is true about your job. Even though you have your offer, it’s really the beginning of proving yourself in your new career. Whether you decide to work for a large corporation, a small company, or start your own business, it all starts right here.

Figure 13.7

Classroom challenges are different from corporate challenges.

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The first thing to realize is that the corporate world is very different from the classroom. For starters, everything will not be mapped out for you in a syllabus with predetermined reading, homework, and final exams. If you think you’re busy now while you are in school, wait until you start working! At work, everything is

### Before You Start

Starting strong is important in any job. The first ninety days can make the difference in how well you do at your job, so do your follow-up from your job interviews before you even start working. It will not only give you a head start; it can make the difference about how well you do at the company. Andy Wang, “The First 90 Days,” *Forbes*, September 7, 2006, [http://www.forbes.com/2006/09/06/leadership-pink-careers-cx_ag_0906ninetydays.html](http://www.forbes.com/2006/09/06/leadership-pink-careers-cx_ag_0906ninetydays.html) (accessed November 25, 2009).

Here are five things you should do before you start your new job:

- **Say thank you.** Drop a handwritten note to your new boss, the human resources person, and any other people with whom you interviewed. Although you already sent thank-you notes to each of these people after your interviews, it’s a good idea to send each one a personal note to thank them for their support and tell each how much you are looking forward to working with him. This is a great way to set yourself apart even before you begin your new job.

- **Continue to do your research on the company.** Just because you have a job offer doesn’t mean you should stop researching the company. In fact, you should do just the opposite. Visit the company’s stores, Web site, talk to customers, read press releases, and talk to current employees. Do everything you can to learn even more about the company you will work for. “Brave New World: What to Do before...
Chapter 13 Follow-Up: The Power of Providing Service That Sells


- **Dress for success.** Plan what you are going to wear on your first day, even your first week of work. It’s best to dress more conservatively during your first days until you can begin to really understand the company culture. Even if the company is very casual, dress up on your first day. According to Alexandra Levit, author of *They Don’t Teach Corporate in College: A Twenty-Something’s Guide to the Business World*, “You might be overdressed, but I guarantee no one will criticize you for it. Rather, your colleagues will respect that you mean business, and your boss will be proud to introduce you around the company.” Alexandra Levit, *They Don’t Teach Corporate in College: A Twenty-Something’s Guide to the Business World* (Franklin Lakes, NJ: Career Press, 2009), 51. Try on your clothes, take items to the dry cleaner, or have them tailored as needed. You want to avoid any last-minute fashion emergencies on your first day of work. Dawn Rosenberg McKay, “Starting a New Job: What You Can Do before Your First Day,” About.com, http://careerplanning.about.com/cs/firstjob/a/new_job.htm (accessed November 24, 2009).

- **Plan your route.** Even though you probably know your way to the office, it’s a good idea to take a test run during actual conditions during rush hour. You want to avoid being late for any reason so that includes knowing the public transportation schedule, traffic, or parking situation, depending on how you will get to work. Have an alternate route in mind just in case there is a traffic problem on your first day. Allow extra time on your first day. It's better to be early than to be late. Dawn Rosenberg McKay, “Starting a New Job: What You Can Do before Your First Day,” About.com, http://careerplanning.about.com/cs/firstjob/a/new_job.htm (accessed November 24, 2009).

- **Walk in with a smile.** While you will most likely be nervous with anticipation on your first day of work, follow the process similar to what you did for your job interview. Arrive a bit early, use the restroom, take one last look at yourself, use a breath mint, and smile. People will be helpful, so just relax and enjoy your first day on the job. A smile goes a long way on your first day and every day. Dawn Rosenberg McKay, “Starting a New Job: Fitting In,” About.com, http://careerplanning.about.com/od/newjobfirstjob/New_Job_First_Job.htm (accessed November 24, 2009).
You’ve Got the Power: Tips for Your Job Search

Impress Your New Boss

You already sent your thank-you note to the people with whom you interviewed and have just accepted your offer. What’s next? It’s a good idea to send a handwritten note to your new boss and tell her how much you are looking forward to working with her. It’s the perfect way to make a good first impression before you even start your new job.

After You Start

Your first few weeks on the job will be a whirlwind. You will meet lots of people, and it will be difficult to remember anyone’s name, title, or function. It takes a while to adjust and fit in at any company. Remember how it felt when you were a freshman? By the time you became a sophomore, you knew a lot of people, and you knew the ropes. The same thing happens at a job. There’s no magic time frame to adjust to a new job; everyone is different. It’s good to know that you’re not alone and that adjusting to your new job just takes time—and commitment.


• **Listen, observe, and ask questions.** This is the best way to learn the ropes and the company culture. There is no stupid question, so take advantage of the fact that you are new to ask as many questions as possible. When you watch and listen to other people, it’s easier to understand the culture or the unwritten rules of the company. Dawn Rosenberg McKay, “Your First Job: Making a Good Impression,” About.com, http://careerplanning.about.com/cs/firstjob/a/first_job.htm (accessed November 24, 2009).

• **Avoid office gossip.** It might sound obvious, but engaging in office gossip can only hurt you. You never know to whom you are speaking so it’s better to heed your mother’s words: “If you can’t say something nice about someone, don’t say anything at all.” But do pay attention to the office grapevine. This will help you understand the informal rules, who’s who in the office, and how people perceive what’s going on in the company. Dawn Rosenberg McKay, “Your First Job: Etiquette and
Gossip,” About.com, http://careerplanning.about.com/cs/firstjob/a/first_job_2.htm (accessed November 24, 2009). On similar note, it’s never appropriate to use company time and resources to check or update your status on social networking sites. Even if other employees do it, avoid the temptation to participate in social networking at work.

- **Find a mentor.** A mentor is someone who has experience in the area you wish to pursue and who exhibits a “generosity of spirit,” a natural gift to go out of her way to help others. Alexandra Levit, They Don’t Teach Corporate in College: A Twenty-Something’s Guide to the Business World (Franklin Lakes, NJ: Career Press, 2009), 106. A mentor is a person with whom you develop a personal relationship: someone whom you trust and are comfortable asking questions to and getting feedback from to take your career to the next level. Some companies offer formal mentoring programs, but at most companies finding a mentor is usually a less formal process. Go out of your way to get to know people whom you think might be a good mentor and take the time to get to know them. You should consider having several mentors throughout your career.


- **Fine-tune your writing and speaking skills.** Now that you are working, you have to develop and communicate your ideas and point of view to your boss, your colleagues, and even your clients. Be a good listener and a confident communicator. It will make a difference in how people perceive you and your work. Alexandra Levit, They Don’t Teach Corporate in College: A Twenty-Something’s Guide to the Business World (Franklin Lakes, NJ: Career Press, 2009), 161.

Now, it’s time to relax, enjoy, and start this next chapter in your life.
KEY TAKEAWAYS

• Even though you receive a job offer, there are still a lot of things you can do to follow up after your interview and before you start your new job.
• The corporate world is different from the classroom with a different environment and expectations. Your performance is no longer just about you; it’s about how you help the company achieve its goals.
• It takes time to adapt to a new job.

EXERCISES

1. Assume you just accepted a job offer to become a sales rep at a national food manufacturer. Write a personal note to your new boss to tell him how you are looking forward to starting your new job. Who are some other people in the company to whom you might also write a note?
2. What is a mentor? Identify someone who is currently a mentor to you. What makes him a good mentor? How might you be able to find additional mentors when you begin working?
3. Identify two resources that would be helpful to fine-tune your writing and speaking skills. How can you use these resources to help prepare you for your career?
Now that you have read this chapter, you should be able to understand the importance of follow-up on your relationships and sales.

- You can **understand** the role of follow-up in the selling process.
- You can **identify** how to plan your follow-up even before you begin prospecting.
- You can **learn** that follow-up is a personal commitment and has a reflection on you as a brand.
- You can **identify** ways to add value to your customers’ businesses as part of follow-up.
- You can **describe** how follow-up can build your business with additional sales from your existing customers, testimonials, and referrals.
- You can **define** heroic recovery and the impact it can have on how customers perceive you.
- You can **understand** how the customer feedback loop works.
- You can **describe** how Net Promoter Score works to improve follow-up and customer service.
- You can **list** things you can do after you accept a job offer.

**TEST YOUR POWER KNOWLEDGE (ANSWERS ARE BELOW)**

1. How many calls does it take on average to close a sale?
2. True or false: After the sale is closed, the role of the salesperson is finished.
3. What does this statement mean: “Even though the sale is closed, you should never assume the sale is closed”?
4. Name three areas that require follow-up on the part of the salesperson.
5. Identify three ways that you can add value to your customers’ businesses during the follow-up process.
6. Name three benefits of having a loyal customer.
7. Describe how heroic recovery can have a positive impact on your relationship with your customer.
8. What is a customer feedback loop?
9. Describe Net Promoter Score?
10. What is the formula to calculate NPS?
11. Identify at least one thing you can do after you receive your job offer but before you start your job.
Now it’s time to put what you’ve learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Let It Snow

**Role: Facilities manager at the Tri-County Office Complex**

You are responsible for the overall maintenance at the largest office complex in the area. There are ten office buildings in the complex, which provides office space for thirty companies. You oversee the exterior maintenance, which includes everything from trash and snow removal to lawn care and window washing. You have just signed a contract with All Weather Maintenance Co., two days ago. It’s 5:00 a.m., and a major snowstorm just hit, so you are on your way to inspect the property to be sure that the walkways are shoveled and parking lot is plowed.

- What role do you expect the salesperson to play now that the contract has been signed?
- Who will you call if the snow removal is not completed to your satisfaction?
- How will this experience impact your expectations of All Weather Maintenance Co., for other snowstorms and situations that require maintenance, especially time-sensitive maintenance?

**Role: Sales rep, All Weather Maintenance Co.**

You recently signed your largest client, Tri-County Office Complex. You have a very good relationship with the facilities manager based on the selling process. You have communicated the maintenance requirements to your company’s operations department. Now the job is up to them to conduct year-round maintenance. Your normal hours are 8:00 a.m. to 5:00 p.m., but you were concerned about the weather report last night, so you set your
alarm early. You wake up at 5:00 a.m. to see a blanket of snow and ice and immediately wonder if the maintenance crew made it to the Tri-County Office Complex.

- What action, if any, do you take?
- What kind of follow-up will you do with the customer?
- When will you do follow-up?
- What will you say to the customer?
- What will you do to ensure that time-sensitive maintenance is completed as expected?

**PUT YOUR POWER TO WORK: SELLING U ACTIVITIES**

1. Visit your career center and ask them for information about mentors. Learn how you can get a mentor even before you start your job.
2. Identify someone who already works at the company from which you received an offer. Set up a meeting with her before you start your new job to learn more about the company, company culture, and other things that will be important to know for your new job.
## Test Your Power Knowledge Answers

1. Five.
2. False.
3. Good salespeople help avoid buyer’s remorse by following up quickly after the sale is closed and reinforcing the fact that the buyer made a good decision.
4. Contracts to be signed, delivery to be scheduled, customer shipping and billing information to be added to CRM system, credit checks, addition of customers to all appropriate correspondence, invoice to be generated, welcome package to be sent to customer, introductions to be make to all appropriate internal people on the team, and status calls to be scheduled.
5. Phone and in-person regular status updates, newsletters, white papers, industry information, networking, asking questions, spending time in the business.
6. Additional sales from the loyal customer, testimonials to be used in presentations for prospects, and referrals to new customers.
7. If a service failure is handled quickly and meets or exceeds the expectations of the customer, it can have an even more positive impact on how the customer perceives the service from the sales rep and the company.
8. A formal process for gathering, synthesizing, and acting upon customer feedback.
9. NPS is a closed loop customer feedback system that relies on the answer from customers to one key question: “How likely would you be to recommend this product or service to your friends or colleagues?”
10. NPS = Promoters – Detractors.
11. Say thank you with a personal note to your new boss, continue to do research on the company, dress for success, plan your route, and walk in with a smile.