

Turning The Tables

Paying Attention To The Technology *In* Your Business

by Ronald E. Lang

This is the second of a two-part series on finding profitable customers. See the January 2005 issue for the first segment.

Expansion and growth is the reason why the United States is a superpower today and it did it through technology and innovation. Like the U.S., businesses would remain stagnant or perish altogether without the progress brought by these two forces. In particular, differentiation from competitors and customer acquisition can be facilitated by enhanced sales tracking procedures.

Here's a look at how to expand

your client base via technology. First of all, do you have technology that gives you more information about your client other than general contact information and invoice history? Technology can do wonders for your business if you planned accordingly, created the vision for what your business needs in order to be successful, and understand the ongoing investment for eventual results that your business will yield from your success. Once you have mapped out a winning strategy, it's time for a "surgical strike" into your customer base to increase sales and expand your business.

If you are capturing asset-orient-

ed information on your client's purchases (i.e. what equipment they are buying), do you track serial numbers, manufacturer's warranty information and/or sell maintenance or support contracts? If not, you should, because this is a lost opportunity for expanding your offerings. We all know it is easier and less expensive to sell to existing clients than acquire new ones.

This will yield you more business and prove a valuable resource to your customers. For example, if your database automatically e-mailed you reports weekly that gave you strategic intelligence on which clients are coming due on contracts and manufacturer's warranties, what would that yield you in gross revenue and net profit if your conversion rate went up 10, 20 or even 30 percent. We have found that many businesses often forget about contracts until they already go out for bid, then it might be too late for you even though your company is the incumbent service provider. This is very sad, but true.

Have you considered acquiring clients that are currently working with competitors? Even if you may have lost the original business to a competitor, there might be a profitable opportunity to acquire a new client through a "takeover" process.

Let's consider the "takeover" process from two perspectives—the first from losing the original business, the second based upon prospecting efforts that uncover a situation that you are too late and a project is currently being serviced by a competitor. Either way your technology should be helping you get in front of these potential "takeover" clients at least two, three or even six months prior to them looking to bid service and/or contract work. If you lost the original business, your database should be tracking the following; whom you lost the business to, when their service contracts expire, and you should have an idea of the equipment purchased and the standard manufacturer's warranties.

Based upon this invaluable information, your database system should be sending you weekly reports of all non-clients whose service contracts and manufacturer's

warranties are coming due at least six months ahead of time. Keep in regular contact with those companies every 30 days with six months to go. Make sure your contacts at the company are the people who will be part of the decision-making process if they decide to bid and make a service change. If they aren't, find out who is and establish a relationship with them.

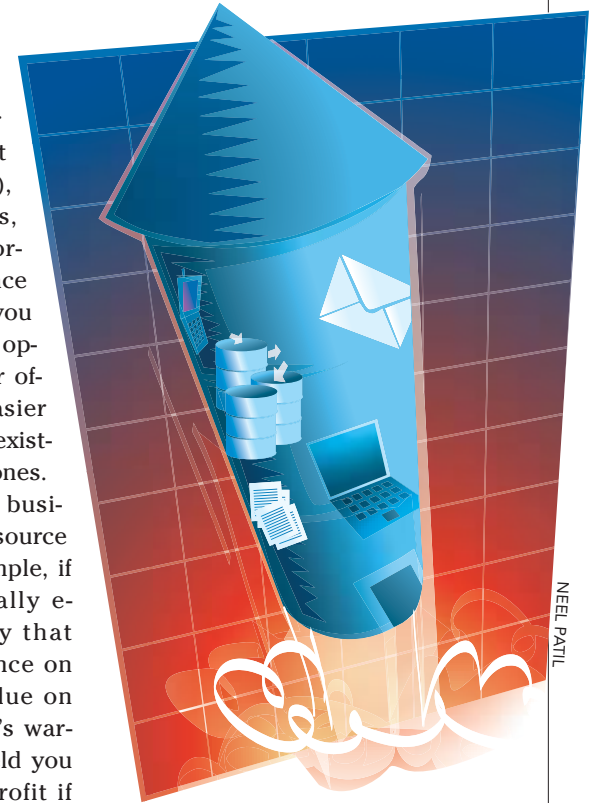
Action Plan: Capture the information, populate your database, review your automated reports, follow up, get the business and reap the rewards. Sounds easy, huh?

Technology should be doing the "heavy lifting" to disseminate information rather than administrative people. Sales people should not be spending arduous time consolidating information. What is it costing your business to have people, specifically sales people, performing administrative activities versus selling?

If technology is capturing the information, create a "dashboard" for your database so it is easily visible for identification and drill down capability. Make sure you are reviewing reports frequently and creating an action plan to measure your success.

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www.majestictechnology.com

Ronald E. Lang (rlang@majestictechnology.com) is president of Majestic Consulting Group, developers of AVLogix sales and customer service automation software.



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