

## Bullet-Proof Your Business

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Today's business environment isn't getting any easier, nor will it get easier anytime in the future. I'm not psychic but I have learned that business NEVER gets simpler. More competition, shrinking profit margins, increases in fixed and operating costs are just a few of the issues we deal with everyday. You can lament this fact or, you can take proactive measures to bullet-proof your business. Here are few strategies that can help:

**Clearly define your business.** The most successful business people know what they are in business for. They have one or two areas of specialty or expertise and they stick to what they're good at. They avoid the temptation to try to become everything to everybody. In many fields, specialists tend to do better than generalists and, in bookselling, it's no different.

Have you created a niche market for yourself?  
Is your niche viable in your location/city/town/market?  
Are you the best at what you do in your trading area?  
Do you stick to what you're good at or do you stray from this when revenues are lean?

Mounting bills, a slow month or months, pressure to generate dollars to the bottom line; it's tempting to take on new work or do something in an area you don't have a lot of experience. Unfortunately, this spreads our resources thin and can cause us to lose focus in our specific area of specialty. And, because we're in an area that isn't our strength, the quality of our work may not be as good. This causes customer dissatisfaction which leads to lower repeat and referral business. It then becomes a vicious circle; we take on more work that falls outside our area of expertise because we need the sales. We don't execute at 100% and we lose a customer. Our sales continue to drop so we pick up more work. And so on.

**Create and maintain customer loyalty.** In today's competitive environment, many business owners think that consumers are concerned only with getting the lowest price for the product or service they are buying. So, they spend money trying to attract new customers based on price which means they constantly erode their profit margins. Although price is a factor in every sale it is not always the most important factor. It is much more effective, not to mention profitable, to create and maintain customer loyalty. Here are a few questions to consider:

Do you keep a data base of clients and stay in regular contact with them?  
Do you know and use your customer's names?  
Do you give them a reason to continue doing business with you?  
Do you know what your customers want or expect?

The benefits of investing your time, effort, energy and money to create loyalty include: more referral business, higher margins, and reduced advertising costs. It's important to note though, developing customer loyalty is not something you do once in a while, it is the way you conduct and run your business.

**Deliver outstanding customer service.** Virtually every business recognizes the importance of delivering excellent customer service. Yet, few actually consistently execute. The excuses run from “I have to reduce my head count” to “My employees are just here to collect a paycheck” to “I can’t be in the store twenty-four hours a day.” Again, it comes back to why you are in business. Obviously, if you want to deliver great customer service on a consistent basis you won’t be the lowest priced vendor; it’s economically impossible to achieve this goal.

To deliver outstanding customer service you need to get personally involved. You need to determine what great service means to you and, even more critical, what it means to your customers.

Do you have written customer service policies? If so, do you follow them?

Do you handle customer complaints or concerns with grace and dignity?

Do you make it easy for people to do business with you?

Do you have a generous customer satisfaction policy?

Do you smile and interact with your customers?

How quickly do you respond to telephone calls, emails or requests?

Do you look at the long term investment versus the short term cost?

Are your employees willing to go above and beyond the call of duty to satisfy a customer’s needs?

Do you view customer concerns as an opportunity to improve your operation?

The investment in time, effort and energy will always pay dividends through increased sales, profitability, and customer loyalty.

**Recruit and train the right employees.** A long term employee has just left to start up her own business and now you are short-handed. You sift through the applications you have on hand, conduct a few brief interviews, and, based on your gut instinct, eventually hire someone you hope will be able to do the job. This individual will turn out to be either an ambassador, meaning they will treat customers like gold and do an excellent job representing your business or, they’ll be an assassin which means they will have a negative effect on your business because of the manner in which they deal with customers. Obviously, your goal is to hire an ambassador, not an assassin.

Recruiting potential employees should not rely on gut instinct alone. A well structured, thought-out interview with behavioural-based questions will help you hire the right person for your store. Learn to ask questions such as:

“Tell me about a time when you surpassed a customer’s expectations.”

“What was the most difficult situation you faced and how did you deal with it?”

Involve other store members in the interviewing process. Have several people briefly interview the candidate and seek their feedback. A group discussion after the interviewing process can flesh out inconsistencies and help you see how the rest of

your team will get along with the new employee. Remember, you want to hire someone who will fit in with the rest of the team. They don't have to be an exact clone, but there should be a level of comfort with the other people in your store.

Once they're hired, invest the time to train them properly. Carefully explain your customer service policies, routines, operations, etc. Give them information on sales techniques or send them to a training program if resources permit it. Whenever possible, pair them up with another employee for a few days to help them learn the ropes as quickly as possible.

**Improve your selling skills.** Constant refining of your sales skills will help you close more sales and/or increase the value of each sale. I don't suggest you adopt or use aggressive, hard selling tactics. Instead, I recommend you develop your skill at uncovering your customer's needs, suggesting solutions that are appropriate to their needs, and overcoming objections. Learn how to engage the customer in the sales process and how to ask for a referral. There are many selling skills books on the market; review a few and adapt some of the concepts to your specific situation. And make sure you teach your employees how to apply these concepts too.

Running a small business is not easy. Define your business, give people a reason to buy from you, hire and train the right employees and get involved in your community. These strategies will help you remain competitive now and in the future.

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