

COMMUNICATE EFFECTIVELY

Ensure Good Service In A Bad Economy

9 Service providers of all types — consultants, certified public accountants, salespeople and others — can do well in an uncertain economy if they live by a few key principles, says business strategist Andrew Sobel.

Below are guidelines that have worked for clients large and small.

■ **Double your effort.** “If two years ago one in 10 contacts with customers brought in real business, today it’s one in 20,” said Sobel, whose clients include American Express, Citigroup and Cox Communications.

■ **In a crisis, judgment and wisdom can be more important than expertise.** “There are thousands of lawyers and CPAs out there all providing the same basic skills. What sets them apart? What sets you apart?” Sobel asked.

His advice: Become a trusted “generalist” — someone with a world-class specialty but also a breadth of knowledge.

“One person with the facts can offer analysis. Another person with the same facts can provide big-picture thinking and a clear strategy. It’s the big-picture guy who’s going to have the edge,” Sobel said in a recent interview.

■ **While doubling your efforts, hit the sweet spot.** Especially in an uncertain economy, stick to what you do best — and target the customers you serve best. Going after unproven markets can dilute your strength.

“In the early 1990s, Dell Computer tried marketing to retailers, and it was a disaster. Dell had perfected the art of direct selling, and it wasn’t able to tackle competitors in retail. They refocused on direct sales and got their momentum back,” Sobel said.

■ **Don’t cut prices; add value and be flexible.** “Most surveys show price is third or fourth on buyers’

IBD'S 10 SECRETS TO SUCCESS

Investor’s Business Daily has spent years analyzing leaders and successful people in all walks of life. Most have 10 traits that, when combined, can turn dreams into reality. Each day, we highlight one.

- 1 HOW YOU THINK IS EVERYTHING:** Always be positive. Think success, not failure. Beware of a negative environment.
- 2 DECIDE UPON YOUR TRUE DREAMS AND GOALS:** Write down your specific goals and develop a plan to reach them.
- 3 TAKE ACTION:** Goals are nothing without action. Don’t be afraid to get started. Just do it.
- 4 NEVER STOP LEARNING:** Go back to school or read books. Get training and acquire skills.
- 5 BE PERSISTENT AND WORK HARD:** Success is a marathon, not a sprint. Never give up.
- 6 LEARN TO ANALYZE DETAILS:** Get all the facts, all the input. Learn from your mistakes.
- 7 FOCUS YOUR TIME AND MONEY:** Don’t let other people or things distract you.
- 8 DON'T BE AFRAID TO INNOVATE; BE DIFFERENT:** Following the herd is a sure way to mediocrity.
- 9 DEAL AND COMMUNICATE WITH PEOPLE EFFECTIVELY:** No person is an island. Learn to understand and motivate others.
- 10 BE HONEST AND DEPENDABLE; TAKE RESPONSIBILITY:** Otherwise, Nos. 1-9 won’t matter.

lists when they’re considering a product or service,” he said.

What’s most important? The quality of the product and value-added services, which can range from ease of upgrade to technical support. “Focus on the added value you offer that competitors don’t,” Sobel advised.

You can show flexibility, he says, by billing budget-strapped clients in installments, perhaps into their next quarter. If you’re a consultant or adviser, you can “break a big project down into smaller parts and bill as you go.” Cutting prices should be the last resort, says Sobel, co-author of “Clients for Life.”

■ **Minimize risk and reduce uncertainty.** If you’re a service provider, offer product-style guarantees. “If someone isn’t satisfied,” Sobel said, “make sure he knows you’ll do what-

ever it takes to correct the problem.”

Give credible references and testimonials. Offer to charge by the project instead of the hour. Do your homework; knowledge and competence quickly erase any perceived risk.

■ **Segment your client base.** Group clients by activity level. Examples: new clients with strong potential for business, mature clients who are paying their way and older clients whose business is tapering off.

Then work each group differently. Target your most reliable clients while giving new clients incentives to do business with you. Look at your history with older clients. Try a few methods that worked during peak periods, and try new approaches that could give the relationship a boost, Sobel says. **Cord Cooper**