

**BUSINESS
DEVELOPMENT**



White Paper: Adding Zeros Through The Discipline of Business Development

A White Paper
adapted from

Pulling Profits Out of a Hat

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addingZEROS

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— PREDICTABILITY: The Crystal Ball —

Adding Zeros Through the Discipline of Business Development

A fortune teller with a crystal ball doesn't actually predict the future: she predicts what her customer wants to hear. She doesn't read tea leaves; instead, she reads subtle cues from her clients: how they wear their clothing, the questions they ask, even the rate of their breathing as she surreptitiously probes what they're really looking to hear. A fortune teller is an expert in using what she learns about a customer's past to tell him what he wants in his future. No crystal balls or tarot cards necessary.



Understanding your customers' past behavior is key if you want to grow exponentially, meaning business development must be viewed in a new light: predictability. Whether you're

ADDING ZEROS THROUGH THE DISCIPLINE OF
BUSINESS DEVELOPMENT

a CEO, line manager, or department head, your ultimate goal should be predicting your business's future based on proven marketing techniques, a fabulous sales process, and second-to-none customer service.

This white paper is adapted from our book, *Pulling Profits out of a Hat*, and in this series of white papers, we are exploring what we call the 5 Disciplines to exponential growth. In our previous white paper, we looked at the discipline of Sustainability. Here, we are looking at predictability, and how disciplines leads to that powerful outcome.

We create predictability by testing and measuring for a period of time and then analyzing the data that produces. This tells us whether the actions we're taking are giving us the results we need. When we know what action produces which result, we have reasonable certainty about how to have the future we want. Achieving exponential success doesn't require a crystal ball.

— How to *add zeros* to —
BUSINESS DEVELOPMENT

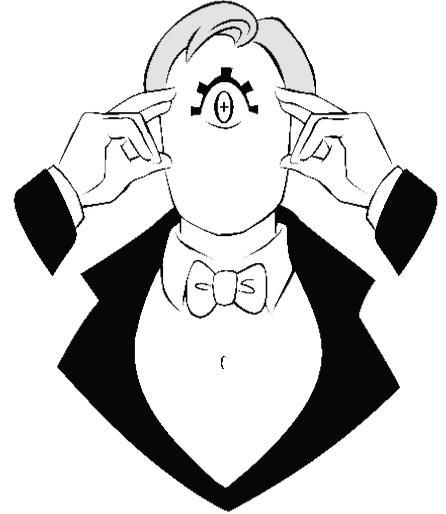
You can increase predictability by maximizing these three components of the Discipline of

Business Development:

- Marketing
- Sales
- Customer Service

Let's look at each of these now in detail to see how they enable exponential sales growth.

Marketing



Predictability is every marketer's dream:

knowing with a high degree of certainty where to find the next customer and when and what they'll buy. Unfortunately, inconsistent and haphazard marketing efforts prevent this, mainly because many people don't know there's a difference between advertising and marketing.

They think marketing is advertising. It isn't.

Marketing consists of two principal activities: education and communication. Marketing is getting the right message to the right people via the right media and methods, according to Dan

MARKETING

Kennedy in his book, *The Ultimate Marketing Plan*. With this in mind, realize that while advertising – placing ads – both educates and communicates, there are other parts of marketing that do that, too, which is why advertising is just one part of the larger concept of marketing.



As such, everyone associated with a company – investors, team members, owners – shares responsibility for its marketing. Each person should have a copy of the organization's marketing plan and be so familiar with it they can state what the organization does, how it differs from the competition, and who the core customers are.

The Marketing Plan

A marketing plan is a comprehensive document describing what a business will do to accomplish

MARKETING PLAN

specific objectives within a specified period. It outlines how, when, and how often the company will get its message in front of its core customers.

A great marketing plan:

- is documented;
- shows a return on investment (ROI) for the dollars spent;
- describes the core customer(s) in detail;
- explains how the company solves the core customer's needs, answering "Why us?";
- outlines how the company

will get its message in front of the core customer;

- is action-oriented;
 - includes a timeline of action;
 - highlights why the company differs from the competition (brand promise);
 - includes measurable outcomes for



MARKETING PLAN

gauging success;

- contains budgets for all activities.

The marketing plan sets out what consumers need to know about the business and how the company will communicate that information to them and everyone in the organization.

—— The Purpose ——
of the MARKETING PLAN

The entire organization must understand the purpose of the marketing plan: generating a direct response to produce a return on investment (ROI) or brand improvement, for which there is no measurable ROI.

Understanding the marketing plan is critical because marketing is a massive investment for the company to make. If a campaign is designed to raise brand awareness, everyone must understand that there is no direct expectation that the campaign will directly pay for itself. Direct response campaigns drive sales because they get

THE PURPOSE OF MARKETING PLAN

consumers to buy as a result of encountering the promotional plan.

The Components of Marketing

- Branding
- Pricing
- Lead Generation
- Direct Response
- Product Management



Let's examine each of these in detail.

Branding

Branding involves far more than a company's logo: it's everything the company does. Branding extends down to the smallest details that make you stand out and differentiate you from your competition. And you decide what those features will be.

Why should people buy from you instead of another company

BRANDING

down the road, across the country, or online? Because you have a clear understanding of your customer's needs, wants, and desires, and what you're promising them.



The promises you make to your customers are your brand. According to Duane Knapp, a recognized authority on building authentic brands and a pioneer in the field of brand science, a brand promise is the new currency for success. Brand success, he says, rests on the following three principles:

1. Providing a unique experience with products or services that enhance your customers' lives.
2. Inspiring employee partnership, passion, and support.

3. Creating the perception of exceptional value and distinctive benefits and delivering on your promise.

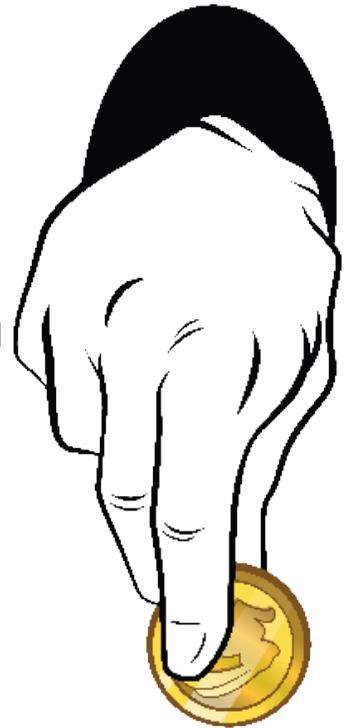
Pricing

Pricing is a precise process, not a gut feeling.

Your pricing should reflect the confidence and benefit you bring to your customer. Customers are willing to pay more for excellent service and perceived value, so it makes sense to provide that value at an optimal price, creatively educating and communicating to your customers that you are offering much more than a perceived commodity.

If you and your customers think you're offering a product or service that's the same as everyone else's, you'll live and die by price.

For that reason, we don't recommend sending proposals that encourage clients to look at your price



PRICING

instead of your benefit to them. If you're asked for bids or estimates, we suggest using a Client Action Plan (CAP) to show the value that you provide and how your approach uniquely solves their problem. A CAP leads off by describing the benefit to the customer, and then explains your process, your timing, your ROI, and the timing of specific actions and results.



Lead Generation

Generating leads is the process of collecting lots of data about potential consumers and analyzing it to find potential sales. It is possibly the single most crucial part of business: without a constant stream of new customers who are first identified by a lead generation process, companies would need to rely on repeat business alone without much hope of attracting new business, and that is not a recipe for longevity.

Technology – most specifically, the internet and social media – has rendered many traditional strategies – classified advertising, radio campaigns,

LEAD GENERATION



host-beneficiary relationships, and referral programs – obsolete. Generating leads today requires fresh approaches to reach new markets, sales channels, and prospects.

Harley-Davidson’s dealership in New York City used one such method.

Asaf Jacobi, the dealership’s CEO, met with Or Shari, CEO of the artificial-intelligence company Algorithms, and mentioned that he wasn’t happy with the way sales were going. Shari suggested using Albert, an artificial-intelligence marketing platform that wades through massive amounts of data and eliminates the manual and time-consuming tasks that currently limit the effectiveness of digital marketing.

LEAD GENERATION

The first weekend that Jacobi used Albert, he sold 15 motorcycles, doubling his sales. He quickly increased his qualified leads from 1 per day to 40. After three months, website views increased by 566% and leads increased by 2930%. Jacobi had to hire six new employees just to handle the demand. Analyzing the dealership's key performance indicators (KPIs), business logic, and minimal past customer performance data, Albert's artificial intelligence discovered trending behavior at lighting speed in real time. It used continuously incoming information to identify new audiences and recognize top-performing creative and messaging combinations, prioritizing them across all digital channels.

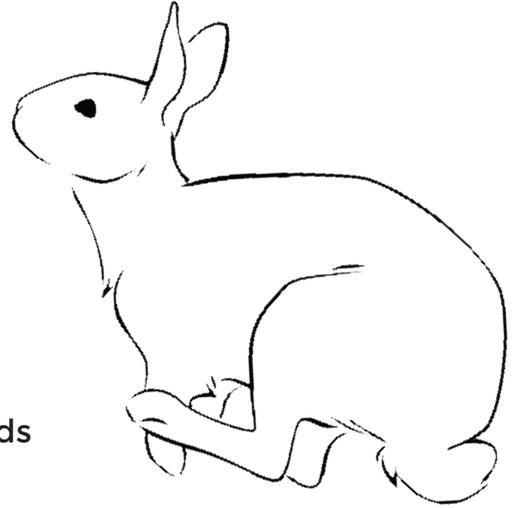
The *Consumer-Oriented* Model of LEAD GENERATION

This model is a far cry from the 60-year old traditional marketing approach known as the 4 Ps. Also known as the producer-oriented model, the 4 Ps mandate a focus on Product, Price, Promotion, and Place, pushing your message into the world.

Since modern buyers can learn

THE CONSUMER-ORIENTED MODEL OF LEAD GENERATION

almost everything about your business online, the 4 Ps are an incredibly old-fashioned way of marketing. Instead, you need to focus on attracting consumers to you and your information. Craig Bloem, Founder, and CEO of FreeLogoServices.com, recommends a consumer-oriented model based on four fundamental questions:



1. WHO ARE YOU TALKING TO?

Get to know your core consumers. Learn their needs and understand their concerns. Study how they consume information and where they search for solutions.

2. WHAT ARE YOU SAYING?

Perform a competitive analysis to learn how you stack up against your competition and then tailor your message. Make yourself different in a way that's sustainable.

THE CONSUMER-ORIENTED MODEL OF
LEAD GENERATION**3. WHERE DO YOU SAY IT?**

Choose your channels and map your resources accordingly. Focus on the channels your prospects use.

4. HOW DO YOU KNOW IT WORKS?

Set growth targets and track your results.

Your CORE CONSUMER
— *is the model* for leads —

As you can see, the consumer-oriented model means you have to know who you want to attract: your core consumer, who's the person most likely to buy your product or service. There need to be enough of them to buy in the quantity required for optimal profit.

Before you can set about developing new leads for your business, it's important to know who you want to attract: The core customer for your product. Your core customer is the person most likely to buy your product or service in the quantity required for optimal profit.

Before you can set about
developing new leads for your

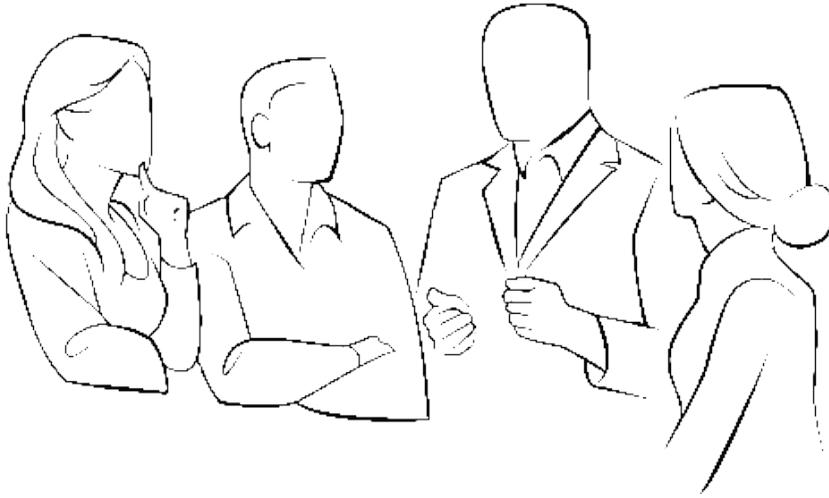
YOUR CORE CONSUMER IS THE MODEL FOR LEADS

business, it's important to know who you want to attract: The core customer for your product. Your core customer is the person most likely to buy your product or service in the quantity required for optimal profit.

The person most likely to buy your stuff is the person who needs it: they're buying a solution to a problem. Not the person who wants it, but needs it. It's important to understand their need because they might not even know they had this need until they hear about what you have to offer. You are providing what Robert Bloom calls a tangible and emotional customer benefit. Your product or service meets a need that the customer may not even be aware of until they learn about you. Did anyone know they needed a smartphone until they first saw one?

Every company should define its core customers in two sentences: 25 words that include their demographics, psychographics, wants and



YOUR CORE CONSUMER IS THE MODEL
FOR LEADS

needs. Since it's entirely probable that you'll have different core customers for each of your products, groups of products, or services, you'll need separate definitions for each of them. These ensure that everyone in the organization knows who you're trying to attract.

You may already describe your core customer using demographics, the dry facts such as age, marital status, gender, race, ethnic origin, education, household size, and occupation. We think you should also focus on psychographics, which is information like buying behaviors, hobbies, spending habits, and values. Demographics explain who your buyer is, while psychographics explains why they buy.

PSYCHOGRAPHICS *help identify* leads

When you understand your core consumer's demographics and psychographics, you can reach them effectively. Combine both sets of data to create your core customer's buyer persona: a detailed description of who they are and what motivates them to buy.

Here's some fundamental demographic information about a nutritional counselor's core customer:



- Female
 - Aged 45-65
 - Married, with children
 - Dealing with issues of weight gain, diabetes, lack of energy or hormonal imbalance
 - Household income \$100K+

PSYCHOGRAPHICS HELP IDENTIFY LEADS

Demographics alone are not enough to create a marketing plan for reaching customers like this. While you might understand her needs related to nutrition, you have no idea where to find her or what moves her to action. Psychographics gives you so much more insight into what's important to her, your core customer:

- Concerned with health and appearance
- Wants a healthy lifestyle, but doesn't have much time
- Enjoys going online in the evenings, big fan of Pinterest
- Tends to favor quality over economy
- Finds fulfilment in her career and family
- Values time with a small group of friends

She's spending her free time on Pinterest, so stop spending money on Facebook, newspaper, and magazine ads that offer deep discounts. Instead, use Pinterest to share timesaving household and nutrition tips or ideas for fun things to do with family and friends. Post stories about how your nutritional counseling service has worked for others, improving health without a considerable time commitment. Then watch

PSYCHOGRAPHICS HELP IDENTIFY LEADS

what gets re-pinned and analyze what that tells you about her. If she loved the smiley-face veggie platters for after-school snacks, offer more ways to help keep her kids eating well. If the girl's night out inspirational quote went over well, suggest things to do to have fun with friends.



Knowing more about her hobbies and interests will help you when you need to choose a prize for your next contest, what to blog about, and what sorts of images to use in your next ad. Before you know it, you'll have more qualified leads than you thought possible!

Psychographics are indispensable in today's marketing

PSYCHOGRAPHICS HELP IDENTIFY LEADS

environment. Here are two methods of collecting them.

Interview Existing Clients

Next time you talk to your current best client, ask her to tell you a little more about herself. When you ask the right questions, you can find out what she does for fun, whether she's a bargain-hunter, what motivates her and what her personal goals are.

What was your weekend like?

What good movies have you seen lately?

No? You're more of an online entertainment fan?

Have you found any great holiday deals or made any

New Year's resolutions?

If your relationship allows it, be direct and tell her exactly why you're asking. If not, consider talking to friends who are like your ideal client.

If you want a larger sample, send out a customer survey that's open and honest about telling your clients that you want to understand better what they care about.

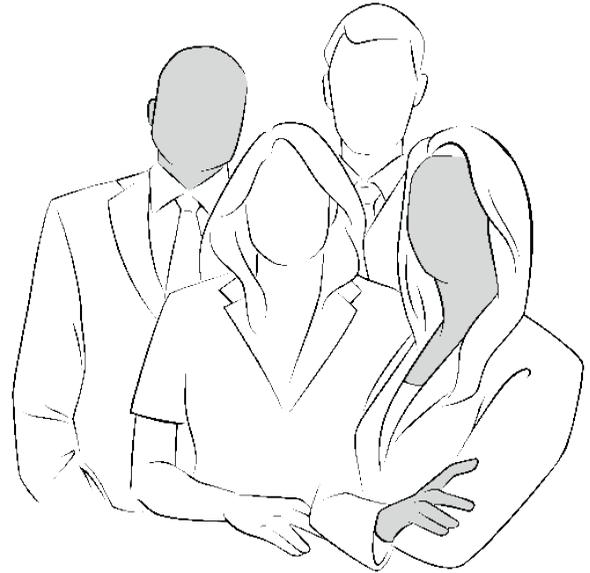
INTERVIEW EXISTING CLIENTS

Most people are more than happy to share.

WEBSITE ANALYTICS

A more behind-the-scenes kind of investigation involves analyzing your existing website content and previous special offers. What has moved people to click, call, or buy? These actions reveal people's real motivations.

They may not think of themselves as bargain-hunters, but if a discount code worked, you know the truth.



DIRECT RESPONSE

Since direct response plans are meant to inspire consumers to buy a product immediately, they should follow the classic AIDA formula: Attention, Interest, Desire, and Action.

- Grab **Attention** through a message, image, emotion

DIRECT RESPONSE

or all three.

- Pique **Interest** by relating to a core customer and their specific needs.
- Create **Desire** with a vision of life once your solution has solved their need.
- Give a call to **Action** to tell them what to do, such as make a purchase or call a number.

Product Management

Every product or service should have:

- clear market positioning or messaging;
- clear understanding of production or manufacturing or cost to fulfil your service;
- a future direction or long-term view of where that product is going.

Defining and managing your products or services helps the

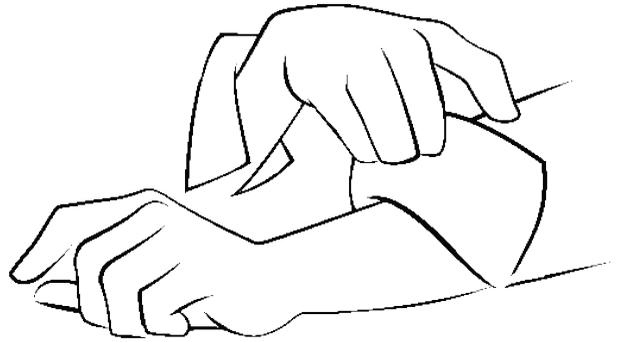
PRODUCT MANAGEMENT

team and the business with clear direction. Product management is a proactive and intentional approach to guiding your offerings, product, and services.

Sales

We all love to buy, but nobody wants to be “sold.”

Scott Edinger, the author of *The Hidden Leader*, says that widespread resistance to being sold something stems from an antiquated idea that selling is pushing people to buy something they don't want,



don't need, or can't afford. But it's not. Selling is moving somebody else to action, Edinger says, and that is part of professional life.

We agree. Our definition of sales is, “Professionally helping others to buy.” That means everyone in a company should be moving someone else to action every

SALES

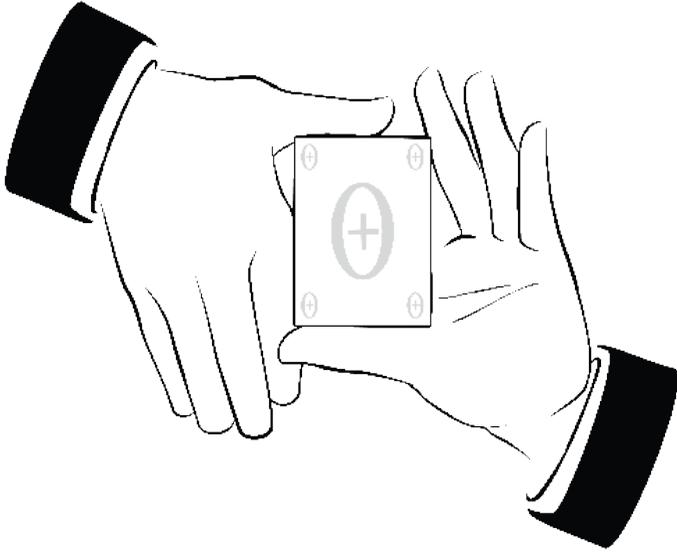
day, whether through creating exceptional products or services or by educating prospective customers as to the benefits of the company's offerings. The whole organization is involved in selling, not just the sales department. That's important to remember because, without sales, there is no business.

An EDUCATED CONSUMER — *Is Your Best Customer* —

People want to know the benefits of a product or service so they can decide whether it addresses their need, which makes educating the prospect a significant part of the sales process. This process is a two-way means of offering the customer various options to explore as they gauge the product's suitability.

One of the benefits of engaging in an education process like this is that it builds strong, long-lasting business relationships. Education benefits the business because people prefer doing business with those whom they like, respect and trust.

The Sales Playbook



An efficient sales process doesn't just educate a potential customer about products and services. A proper sales process first guides salespeople to determine if a prospective buyer represents the company's core customer. Second, the sales process gauges whether the potential customer will be happy with their purchase. This process leads to high conversion rates, avoiding problems caused by selling to the wrong audience, not understanding buyers' needs, or attempting to sell them something they don't want.

A reliable sales process also helps salespeople monitor what's happening in the process by having them confirm each step in the sales process with customers to keep them

THE SALES PLAYBOOK

involved and informed and to provide a sense of urgency to help close the sale. The goal is to reduce or eliminate risk by satisfying concerns before they become unresolved issues that block a sale.

For this reason, it's necessary to ensure that everyone in the sales department has a copy of the company's sales playbook. It's a reference manual that codifies the sales process, so it's predictable, repeatable, and scalable.

A powerful sales playbook contains the following sections:

• **Annual Goals or Key Performance Indicators needed for success:**

- o history of results and past measurements;
- o number of appointments;
- o conversion rate;
- o average dollar sale;
- o total revenue;
- o margin;
- o number of total customers needed;
- o number of new and repeat customers.

• **Expectations of salespeople and others involved in the sales process:**

- o Skills/behaviors
- o Weekly/monthly expectations for:
 - activity;
 - productivity;
 - individual KPIs;
 - individual goals or measurements of success.



• **Essential characteristics of your core customers or customer segments:**

- o their needs/wants;
- o their demographics ;
- o their psychographics.

• **Your products, services, pricing, and terms. May also include:**

- o pieces of the marketing plan to share where you fit in the market;
- o comparisons to competition;
- o clear positioning.

THE SALES PLAYBOOK

- **Tools and resources to assist in gaining and managing sales:**
 - o Customer Relationship Management (CRM) technology;
 - o Brochures/1 pagers/white papers;
 - o Internal and external incentives, promotions, or sales programs.

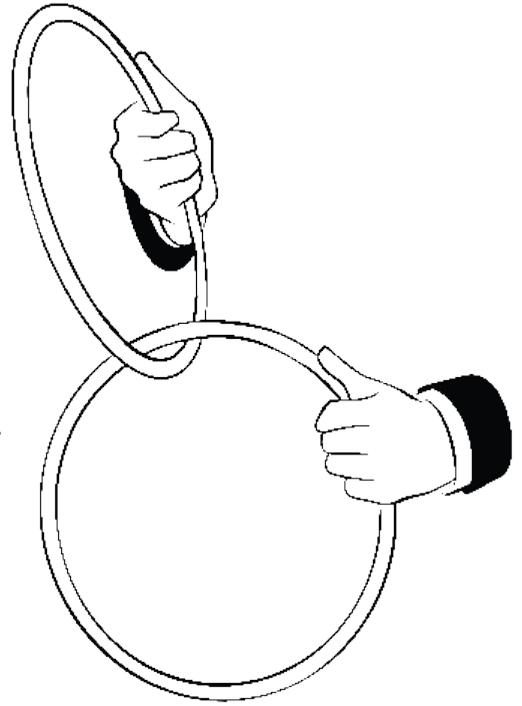
- **Outline of the sales process: the steps you use to guide a prospect in professionally helping them make a decision.**

- **Proven, open-ended questions that reveal the prospect's needs and wants:**
 - o Examples of actions, touchpoints, and steps to initiate, build and deepen relationships;
 - o Options and activities to ask for the order.

- **Common objections that we receive and how to handle them:**
 - o listing of 6-8 typical objections;
 - o methods and/or scripts for resolving these situations without the need to escalate them.

• **Steps to take after confirming the sale:**

- o How to place the order;
- o How to onboard a client or customer;
- o How to fulfill the order or service;
- o Flowchart showing who does what.



• **Ways to show gratitude and thank a client for being a customer.**

Now that we have a customer, it's time to examine customer service.

Customer Service

Excellent customer service is a mindset that places the needs of the customer above your own at all times. An attitude of gratitude reminds everyone that the company appreciates the customer's business.

CUSTOMER SERVICE

A mindset centered on appreciation is positive and proactive, making it easy for people to do business with you.

As Jeffrey Gitomer says in his *Little Gold Book of Yes Attitude*,

.....
“Every business winner has one thing in common:

A YES! ATTITUDE that’s powerful enough to help them achieve the impossible! When you’ve got a YES! Attitude, you assume everything will start with YES! ... and you’ll find a way to YES! even when the first, second, and third answer you hear is NO!

.....

This mindset will empower employees and increase job satisfaction. It supports a positive “frame of mind at work, so people leave for home feeling right about their day. Continually thinking about how to put the needs of others above one’s own makes people into better decision makers who consistently treat their customers with respect.

And a smile!

TRAIN YOUR TEAM

Some people say that the only people who have to worry about customer service are those who work in the Complaints Department.

Uh... no.



Everyone in your company is responsible for customer service because they all interact with representatives of each Constituent Group (customer, team member, stakeholder, community, company). Even if they don't directly communicate with customers, they might encounter suppliers, distributors, and other members of their team, members of the community: you never know. And treating everyone with gratitude and putting their needs above one's own makes this standard of behavior a company habit.

No matter who a customer or constituent encounters, their experience should be

TRAIN YOUR TEAM

consistent, meaning that providing excellent customer service should be automatic for everyone in the company.

Each employee at every level should be clear about and have practice in your customer treatment expectations. There should be a short list, in clear, concise, and understandable language, of expectations and standards, not rules or policies.

It could be as simple as this three-step process:

- Aim for consistency.
- Make it easy for customers to buy.
- Introduce the WOW factor by surpassing every expectation.

Another good statement of standards comes from the highly relationship-focused K. Renee women's clothing boutique in West Des Moines, Iowa. "We believe that the lifeblood of our business is the relationships we've forged with our customers and our team members," says Jeff Schulz, the owner, The company achieves this with their customer service standards,

TRAIN YOUR TEAM

defined by the acronym RELI:

- Relate
- Engage
- Less me/More them
- Inspire

REMEMBER: people will pay more for exceptional service. The difference between a 2-star hotel and a 5-star comes down to the level of service, with a price tag to match.



Use the right numbers

When making decisions that will affect their future, companies with exponential growth, use facts, not speculation. They know the figures that drive their business: how long it takes to close a typical client; the average client retention rate, return on investment (ROI) from marketing efforts; your customers'

USE THE RIGHT NUMBERS

lifetime value, and how much they spend on each purchase.

Sustainable businesses know these numbers and use them to identify the actions that create results. They do this by creating Key Performance Indicators (KPIs) for each department and each position in that area. The KPIs are used to measure progress, comparing today's results with yesterday's and with the projections for tomorrow. As a result, every member of the team understands how their work contributes to a winning company with consistent leads, a consistent conversion rate, and repeat customers.

Measuring *the right numbers* for predictability with KPIs

An organization creates natural links between its goals and corresponding Key Performance Indicators (KPIs). High-level KPIs may focus on the overall performance of the company, while low-level KPIs may focus on processes in the sales or marketing departments, or in a call center. Some common KPIs include measures of foot traffic year-over-year or

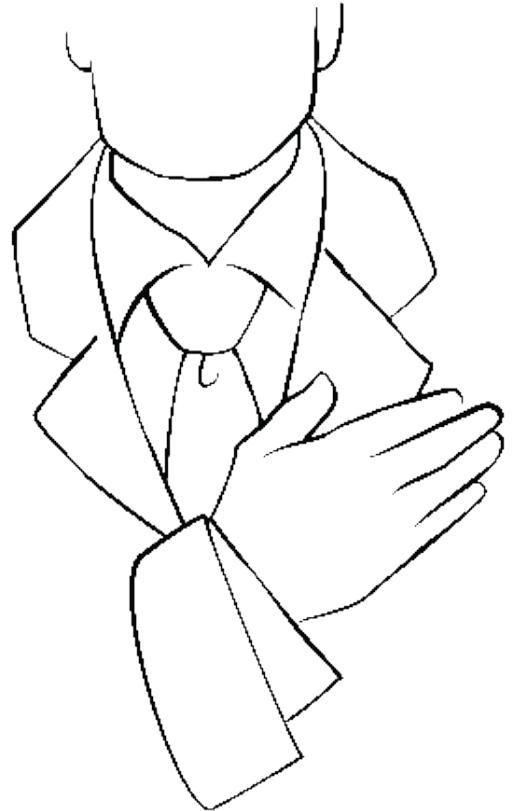
MEASURING THE RIGHT NUMBERS FOR PREDICTABILITY WITH KPIS

month-over-month (sales); number of repeat customers compared to new customers; and various quality metrics. The specific numbers a company tracks are dictated by its current goals and may change over time as the business evolves and sets new performance measures.

Some KPIs are lagging indicators and simply show results from the past. Financial metrics are classic examples of these types of measures. They show the results of past programs and campaigns.

They may

not have value in predicting future performance but can help managers assess whether they're on track to meet the organization's goals by measuring employees' success in achieving their objectives. In customer service, this can include such leading indicators as lifetime value,



MEASURING THE RIGHT NUMBERS FOR PREDICTABILITY WITH KPIS

customer loyalty, and Net Promoter Scores. Examples of lagging indicators for customer service would be financial reports, previous sales numbers, and the number of total customers in the past.

Other KPIs are leading indicators, which provide guidance on future results. For example, lead generation from campaigns, conversion rates, average dollar sale, customer satisfaction, and client retention can all predict the future.

The focus is on having the right balance of both leading and lagging indicators and improving them.

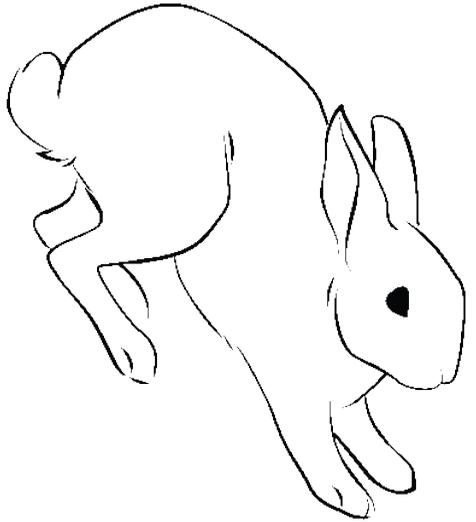
Some key challenges include:

- Unclear strategy and company goals, so measures focus only on lagging indicators, such as financial outcomes.
- Too much reliance on financial indicators, providing an imbalanced and incomplete view of the company's health.
- Lack of KPI to focus on when departments manage their resources

MEASURING THE RIGHT NUMBERS FOR PREDICTABILITY WITH KPIS

for reaching goals.

- Tying compensation to key performance indicator targets, which introduces conflicts of interest and bias.
- Identifying appropriate leading indicators can be difficult if we don't know what success looks like for the individual, the department, the company.



A healthy process for identifying and implementing key performance indicators requires regularly revisiting and revising the measures.

Number of transactions

A critical KPI is whether the number of transactions a customer makes is above or below the company's baseline number. If this KPI decreases, strategies for success include:

- **Making customers feel extra special.** Use their name as

NUMBER OF TRANSACTIONS

much as possible and learn and remember their interests. Find out about their family and do something for them.

- **Under-promising and overdelivering.** Do a little more than the customer expects. If you say the product will be in stock on Wednesday, get it in on Tuesday, and call them on Monday to let them know the good news. This isn't as easy as it sounds, but keeping something small in reserve can produce surprising results. There is a catch, however: the more you deliver, the more the customer expects.

- **Delivering consistently and reliably.** All it takes to lose a reliable customer is a single bad experience. You are only as good as your last encounter, so don't become complacent.

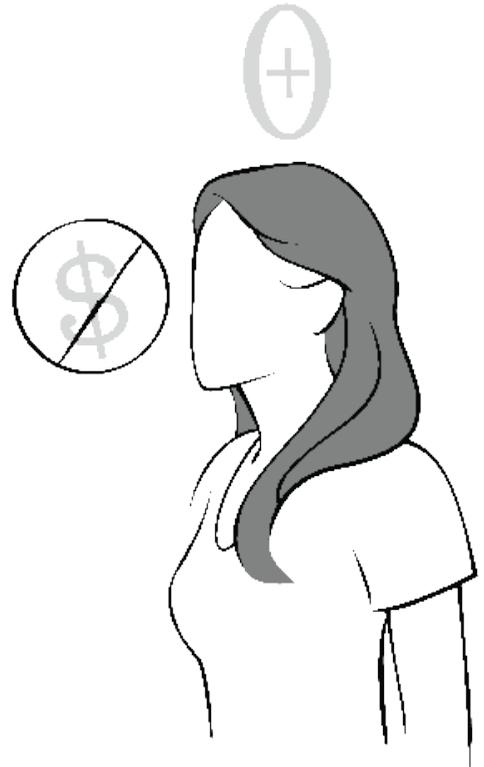
- **Keeping in regular contact.** Endeavor to contact with all your clients at intervals that make sense for your business, but at least every three months. Your business is the last thing on their minds, so make your correspondence memorable. A personalized postcard is more special than an email;

NUMBER OF TRANSACTIONS

a special offer can inspire a call or a visit.

- **Informing customers of your entire**

range. A customer looking for a specific solution may not be aware of everything you offer. Introducing them to even a single additional product or service could produce tremendous results. If already they trust your company, they'll be more inclined to do further business with you for other products and services. After all, they're probably buying what they need from someone else already.



- **Increasing your range.** As you discover what your customers need, keep accessories or complements to existing products in stock. Advertise and alert your customers as to what you offer.

- **Making sure you always have stock.**

Nothing is more annoying for a customer who needs something than to be told that it's out of

NUMBER OF TRANSACTIONS

stock, especially items that comprise your core business. When they buy it elsewhere, they might just stay with their new supplier.

- **Offering closed-door sales.** Create exclusive after-hours sales that are only open to existing customers. Provide excellent bargains with drinks and refreshments.

Net Promoter Score

A broader measure of predictability is customer loyalty. People prefer to buy from those they know, like, and trust. When a business knows their customers are loyal, they can be sure they'll get valuable repeat business. And since word-of-mouth (now called Social Proof, in the digital age) is the best form of advertising, when loyal customers tell others about you, you're likely to get new customers in addition to repeat sales.

The Net Promoter Score (NPS) is a system that rates loyalty by determining how many customers are Promoters, Detractors, or Passives. Promoters are loyal customers who say they'll recommend

NET PROMOTER SCORE

the company to their family and friends.

Detractors are those who are unlikely to recommend the company, and may even speak against it. Passives are satisfied in general but could just as well do business with someone else.

A business, to determine its NPS, asks its customers a simple question: On a scale of 1 to 10, how likely are you to recommend this company to your family and friends?

Nines and tens denote Promoters and add a point to the

score (1). Sevens and eights are Passives and add no points (0). Sixes and below indicate Detractors and receive a negative point (-1). Add the points together, and divide the result by the total number responses, giving the Net Promoter Score as a percentage of promoters.



NET PROMOTER SCORE

customer would promote the company without reservation. An NPS close to zero indicates that customers don't care either way. Negative numbers show that work needs to be done to ensure that customers spread the word about your company.

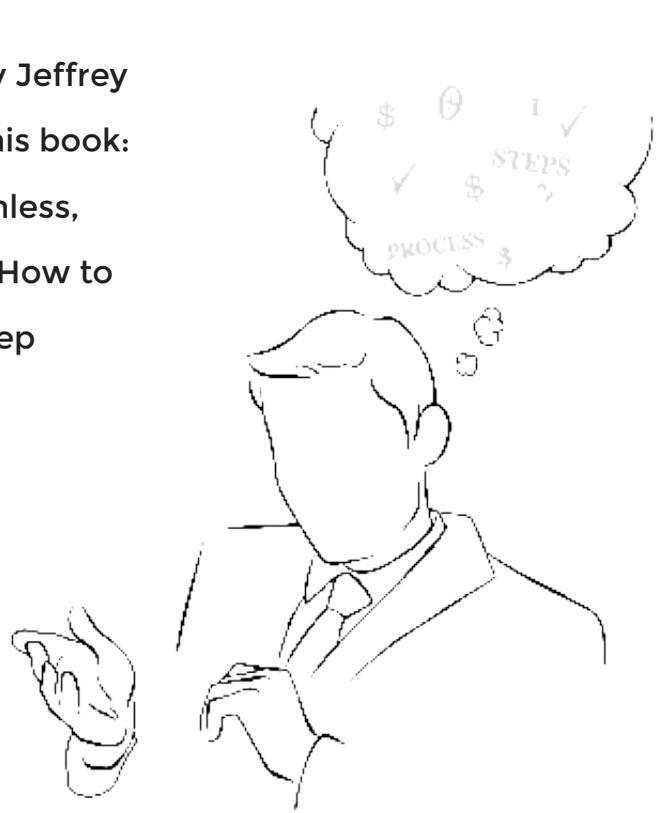
To follow up on scores below 6, design a survey asking for information about what could be improved. All NPS surveys should be as simple as two questions, one of which should be the open-ended, What can we improve? This provides a pretty accurate map for addressing shortfalls and making the business more predictable.

According to loyalty experts Fred Reichheld and Rob Markey, efficient Net Promoter Systems have three requirements:

- a simple and reliable metric for gauging how well you have earned your customers' loyalty;
- operational processes to support action and learning by front-line employees;
- sustained commitment from leadership who model inspirational behaviors.

NET PROMOTER SCORE

This is all nicely summed up by Jeffrey Gitomer's rather long title for his book: *Customer Satisfaction Is Worthless, Customer Loyalty Is Priceless: How to Make Customers Love You, Keep Them Coming Back and Tell Everyone They Know.*



The Magic of
Adding Zeros
Through
BUSINESS
DEVELOPMENT

Tell people you can predict the future and they immediately start thinking of fortune tellers in veils and turbans before crossing the street to avoid you. Show your customers that you can anticipate their needs because you know what's coming, though, and they'll run across the street to see you.

As you've seen in this chapter, foreseeing your future

THE MAGIC OF ADDING ZEROS THROUGH
BUSINESS DEVELOPMENT

exponential success isn't magic, it's using past performance to calculate future growth. It's steady, painstaking work that, when done well, seems like magic because no one wants to believe you've worked that hard. That work is necessary to build the predictability develops and rewards consumer loyalty and creates long-term sustainability. By developing and rewarding consumer loyalty and benefits the Company by promising long-term sustainability.

As you saw in this white paper, the Discipline of Business Development increases sales growth through:

- marketing that attracts the right clients;
- sales that professionally help the client to buy; and
- customer service that retains clients by rewarding loyalty.

While we may not live forever, we can ensure that our company will long continue to make the world a better place to live and work.

Facing an unknown business future is terrifying – and unnecessary when previous performance

THE MAGIC OF ADDING ZEROS THROUGH BUSINESS DEVELOPMENT

gives us the information we need to understand what has to happen next. Without knowledge of the past, there can be no future.