

CUSTOMER SATISFACTION ● *The third party*

# Help sales force see relationship benefit

By PAUL HARRISON

**R**elationships in retailing and services are a hot topic at the moment. While earlier relationship marketing research and practice focused on developing chain relationships, one-to-one relationships with end-line consumers now fascinate both the industry and researchers alike. As technology provides better distribution, easier advertising and quicker access to pricing promotions for consumers, forming a long-term relationship

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with your best customers could be the key to your organization's future competitive advantage. It's a return to the good old days, when you knew from whom you were buying and trusted them.

However, one of the reasons people enter into relationships is because both parties benefit in some way—yet no one is looking at how the employee can benefit from the relationship and how their benefits actually may help the organization become more

profitable.

At the moment, the only benefit that most frontline salespeople can see is more job security and a dependable income—salary or commission. The more innovative organizations reward staff by providing investments in the company, which they believe provide employees incentive to contribute to the organization's bottom line through more sales. While these incentives are important, just as your customers get rewards for being loyal, good salespeople ought to be further rewarded as their rela-

tionship with a customer develops and deepens.

For example, a new customer arrives at your outlet and your salesperson assumes that the customer, like every customer walking through your door, is a potential long-term customer. If the salespeople know right from the start that they will be rewarded for keeping that customer coming back, their behavior and service may differ from the usual one-off sales approach. Then, perhaps when that same customer makes her third purchase, the salesperson is given a gift or an increase in her commission percentage. This reward system can increase as the relationship deepens. Or alternatively, you can set reward points for each ongoing purchase a loyal customer makes with a particular salesperson.

The underlying issue here is moving away from one-off sales and increasing ongoing relationships with your store. Inherent in this process is that each salesperson has to tap in to the needs of particular customers and provide them with the service that they want rather than going for the one-off sale. If the customer doesn't have a good experience, she won't come back—even if she bought the product after being pressured by

**If the customer doesn't have a good experience, she won't come back—even if she bought the product after being pressured by the salesperson.**

the salesperson. It makes sense to satisfy the customer and then reward your employees for doing so; both parties in the exchange will want to do it more often.

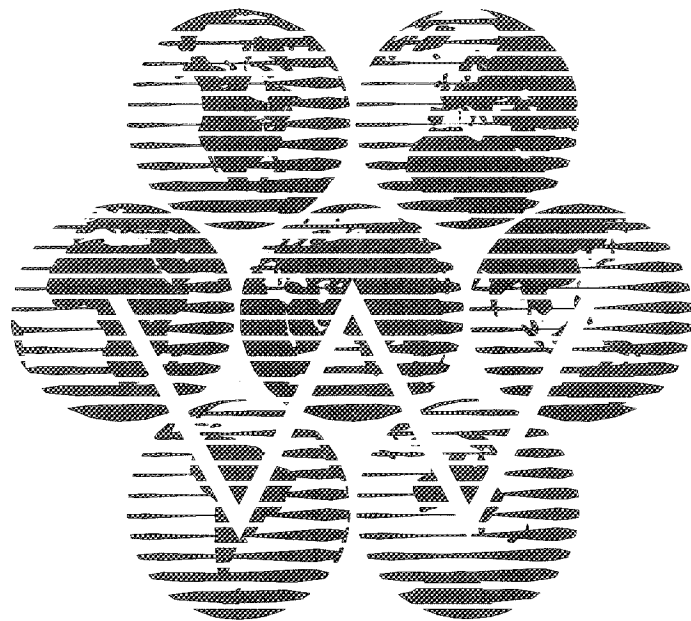
A program such as this must be linked to an overall organizational commitment to forming long-term relationships with customers as well as a commitment to the organization's employees. If you lose one of your best salespeople because of organizational policy confusion or bureaucracy,

then it is highly likely that the same employee will take her satisfied clients with her. With that in mind, here are some steps to make the program successful for all involved:

- ◆ Establish a training program that teaches employees how to respond to individual customer needs.
- ◆ Acclimate your business toward relationship marketing by positioning your organization as a long-term opportunity for employees.
- ◆ Develop a system of rewards for employees that increase as their relationship with a particular customer increases.
- ◆ Use that relationship to develop other relationships through word-of-mouth, perhaps even rewarding customers for becoming your advertisers.
- ◆ Reduce promotional costs as you create more satisfied customers, who are more loyal, less price sensitive and strong supporters of your business. In a sense, your customers become stakeholders.

James Heskett, Earl Sasser and Leonard Schlesinger in *The Service Profit Chain* argue that recognizing and rewarding committed employees will positively affect the organizational bottom line. This approach could be one of the tools that you will use to differentiate yourself from your competitors. ■

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