

Soundbytes

# Stuck on sticky tech

When indecision and uncertainty rule business, use some electronic glue



**GLOBALIZATION, THE WAR ON TERROR,** the Internet and other new technologies accelerating innovation all add up to a whole lot of uncertainty and indecision. In fact, uncertainty now drives the business agenda – and it can drive you nuts. Uncertain prospects are unwilling to commit to any deals until the last minute – giving competitors too much time to steal them away.

How can you thrive in the economy of indecision? Stick to your customers with electronic glue: any strategy that employs technology to make it so easy for your customers to buy from you that they won't take their business elsewhere.

The strategy was adopted long ago by many innovative large companies, but it can work equally well for you. Just follow the big boys' simple mantra: use technology to become a part of the business operations of your customers. Consider Progressive Insurance, one of the largest property and casualty insurance companies in the U.S. Its sophisticated online system allows insurance brokers to access policy details, bind new policies and easily generate renewal business electronically. These brokers have become so reliant on the system they're unlikely to bolt to an alternative supplier – it would be too darned difficult to do so.

In today's world, companies big and small are in the same boat. Everyone must work harder than ever before to turn potential customers into real customers as quickly as possible. Technology can give you an edge.

So, how can you weave yourself into your customers' operations, in such a way that they have no alternative but to do business with you? Start by asking your customers what you could do to help them run their businesses better. Maybe they'd like to be able to make direct inquiries of your inventory system to see if a particular product is in stock. Let them do so, and at the same time, give them the ability to then generate electronic purchase orders. If the client is a large organization, find out if it has a supply-chain initiative in the works; if so, get involved. By doing so, your information system becomes a part of the customer's information system. The result: it

becomes very difficult for either party to remove this form of mutual electronic reliance.

Is this feasible or affordable for your firm? Absolutely. For example, the latest version of Simply Accounting, a popular and inexpensive financial-management software for small business, includes a "WebStore" module that integrates Web-based order-taking with your existing inventory and sales systems. For \$20 a month plus transaction charges, you can add online-payment capabilities to that system. Naturally, more sophisticated alternatives aimed at larger organizations exist. The point is this: no matter how big you are, you can find a supplier of ready-made solutions for electronic glue.

Second, think about opportunities to use technology to drive renewal business. For an insurance broker, electronic glue might involve a system that automatically generates e-mail reminders sent to clients three weeks before their policy expires. The e-mail would point each individual client to a personalized webpage presenting a variety of renewal scenarios. All they have to do is visit, make a selection, press a button – and the renewal is done. It's so easy to renew that many customers will forgo the inconvenience of finding a better deal.

Third, learn to take advantage of the shortened business cycle. Use e-mail, your website and other technology to keep in touch with your clients right up to the point when they're ready to commit. In a world of uncertainty and indecision, you have to be in their face enough (but not too much) to be top of mind when decision time finally arrives. Customer-relationship management software can remind you when to be in touch and can help you tailor the message you need to deliver.

As far as winning clients is concerned, the more things change, the more you want them to stay the same. Electronic glue makes it easier to keep you and your customers together. **■**

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## Hold the phone

Is it time to close your call centre? U.S. consumers made more customer-service inquiries online than over the phone in the first quarter of last year, according to Milwaukee-based Dieringer Research Group. While 64.3 million adults dialed up traditional call centres, 30.8 million contacted customer-service staff via e-mail, 26.7 million used the Web and 11.1 million opted for instant messaging. Is phone service better? Not much. Some 60% of callers expressed satisfaction with phone service versus 59% with e-mail, 52% with Web contact and 46% with instant messaging.