

WHAT BUSINESS SCHOOL DOESN'T TEACH YOU

THE DEVIL YOU KNOW VS. THE DEVIL YOU DON'T

By Tim Stanley, President and Owner, Total Document Solutions

Change is scary. So is the unknown. That's a big reason why it is so difficult to gain new business by convincing owners to switch from the vendor they're currently using to yours. Let's take a look at some of the reasons that business owners fear change and some methods you can use to earn this extremely difficult type of new business.

UNDERSTAND THE REASONS

A business owner may be unhappy with their current situation or even have grown apathetic from years of poor service, but still they won't change vendors. Why not? Generally it's because they're comfortable with the incumbent because they understand the billing, recognize the faces or really just don't want to think about your product until theirs is broken. It's the devil you know versus the devil you don't. They figure every vendor has problems and it's just easier to stick with the problems they understand, even if you could save them time and money. Sometimes you lose a bid because of brand loyalty. Other times there's a relationship in play. So-and-so's brother-in-law works for your competitor so they're going to stick with them. Maybe it's not nepotism and the relationship has been forged through years of attention and good service. Not much you can do there besides thank them for their time and reinforce that they're doing the right thing. As business owners ourselves, we know that kind of relationship is sacred.

STAY VISIBLE

So, how do we build that kind of relationship? Be visible in the community. Sponsor events. Go to your kid's school events and athletic contests. Meet people personally before you discuss business. Target certain businesses that you feel you might have a shot at and visit them on a regular basis with enough frequency to be remembered without being annoying. Try to avoid the sales pitch unless prompted by the customer. They know why you're there. Owner accessibility is important. Customers like to feel like they can get right to the top if they have a problem. Turnover is a huge problem with building relationships. The rep that visited a business 6 months ago might not be the same rep that stopped by today. Sales representatives come and go, but the owners generally don't, so it's important to get your face out there.

USE YOUR COMPETITIVE EDGE

A business owner may be unhappy with Your business has unique elements. Every business has elements that set it apart from the competition. Don't speak ill of competitors, but you have to grab the megaphone and point these differences out to potential new clients. Start with those points and ask if their current vendor can keep up. Are you being trained the way I would? Are you being supported the way I would? Make your strengths the incumbent's weakness.



Get your potential new customers' hands on your product. Let them see, touch, feel and smell. Give them a test drive. Customers always want to see the product benefits on a spreadsheet, but they don't always want to see how it works. However, that product demo is your biggest selling point. Buy them lunch at your office, or even better, bring the product to them for a trial period. That will help them make a better decision to change.

PROVIDE A SOLUTION

When you're in front of your potential new customer, don't be afraid to ask hard, pointed questions. This will build respect or at the very least save you some time. They agreed to meet with you for a reason. What percentage of savings would you have to see to make a vendor change? If you ever were going to make a change, what would that vendor have to do? If I could get you a product that is better, cheaper, faster and remove your pain points, would you make a change? If they say no, thank them and

part ways. A lot of decision makers don't know just how bad their current situation is. End users get used to the problems they're having, develop a work around and stop complaining. You need to reach the end users. Not complaining is different than happy. Work that angle and it can help induce change.

At the end of the day, there is no substitute for experience. Find ways to retain your employees and you will have a much better shot at gaining some new business.



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