



## TenStep Supplemental Paper

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### **One a Penny, Two a Penny, Hot Cross-Selling!**

#### *The importance of service training*

A customer found that his new home PC had suddenly developed complex problems. He contacted the company's service department to lodge a complaint. The service representative who answered put him through another representative. To the customer's chagrin instead of addressing the problem, the representative tried to sell him a recently launched product.

What irritated the customer more was that the representative persisted in trying to convince him to buy the new product despite the customer's disinterest. Distraught with the representative's behavior the customer approached the manager. Strangely, the manager responded nonchalantly saying that, "I am really sorry sir, but he was simply doing what he had been trained to do!"

#### **Training blamed yet again!**

Poor customer service is a major cause for concern. However, with customers spending more and more, the equation will soon change - radically and rapidly. Learning departments of selling organizations must ready themselves to respond to this change. The only solution lies in training their customer service representatives to excel in cross-selling skills or service training (the art of addressing service issues satisfactorily to create opportunities for additional sales).

#### **Changing market scenarios**

A recent report by the World Watch Institute claims that 25 percent of the world's population is part of '*consumer culture*'. With more than 50,000 new products flooding the market each year, advertising too is growing more 'in-your-face', aggressively convincing customers to buy.

Another organization, The Forum Corp, conducted a survey to find out customers views on cross selling. Randomly selected respondents from across the world were asked, "What makes cross-selling a good or bad experience?" They were also asked "What behaviors and practices of the service representatives helps strengthen relationship with customers convincing them to not only buy but come back for more?"

#### **An eye-opener**

The survey shattered the myth that *customers do not value cross-selling*. The following findings should serve as a revelation for learning departments who let service-training take a back seat.

- 88 percent customers value representatives who suggest alternate products that address their requirements better
- With 42 percent buying additional products frequently or sometimes, 61 percent got back to their 'valued' sales representatives to enquire about the new products



## TenStep Supplemental Paper

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- 73 percent of customers are interested in learning about new products that the service representatives promote
- Customers like to discuss their sales issues with representatives

### **King customer**

Be it a car or a mobile phone, service is an integral part of any purchase a customer makes. Organizations that recognize this need also realize the business and competitive advantages of providing good customer-service.

Customer service provides a strategic value that moves beyond a single purchase. Organizations cash in on good customer-service representative rapport to introduce new products and services. This in turn creates brand loyalty and reduces sales costs.

Large business organizations invest in technology and call centers to provide premium customer service. A cost effective way out is for learning departments to train service representatives in skills that increase consistency and quality of service. Some organizations continue to rely on representatives who use the sales pitch to drive sales, but most customers do not like to be approached this way. However, a majority would willingly buy additional products provided they take a liking to the service representative.

To ensure that the service representatives demonstrate the right behavior and practices learning departments would need to understand what behaviors and attitudes please and displease customers.

### **Guidelines to an effective service training program:**

The Forum Corp. survey lists factors that strongly influence a customer's decision to purchase a product or service. The following factors topped the list:

- Satisfaction with the current product or services purchased
- How well additional products meet their needs
- Price

### **The edge**

A focus on training services representatives in skills that address customer's services issues satisfactorily, inadvertently equips these representatives to be effective cross-sellers. A customer is likely to consider alternate or additional product purchases only if he is satisfied with the current services.

What a service representative says or does often persuade a customer to buy. The survey highlights many instances where services representatives' behaviors were directly linked to increased sales. Common appealing behaviors include:

- Appreciating the customer's needs instead of forcing a product upon him
- Solving service issues before attempting to cross-sell or talk about additional products
- Explaining in detail product's benefits



## TenStep Supplemental Paper

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- Taking personal interest in the situation rather than dealing with the customer and his needs in an impersonal manner

An effective services training program ingrains such appealing and additional sales generating behavior in service representatives. It is equally important that training rid services representatives off annoying or irritating behavior and practices. Common irritants include:

- Continuing with the sales pitch despite the customer's lack of interest
- Keeping to the script especially when the demand is improvising
- Pushing products or services that will not benefit the customer

### **A competitive analysis**

Can learning departments develop a service-training program providing their organizations the opportunity to distinguish themselves from their competitors? Most organizations are now realizing that good customer service is the 'price of admission' in a highly competitive business environment. Apart from incorporating good behavior and practices, a program that guarantees the competitive edge must include behaviors that customers expect service representatives to display. These behaviors include:

- Respecting the customer's right to refuse
- Respecting the customer's time
- Speaking intelligibly
- Letting the customer clarify doubts instead of bombarding him with unrelated questions

Impersonal and insensitive customer service can prove favorable to organizations that invest in effective service training programs. The likelihood of surprising a customer with a well-behaved service representative is more today! More so, the likelihood of a customer remembering a good service representative is high. Such pleasant interactions have better chances of successful cross selling.

Bad and mediocre customer services fail to translate into additional sales. They also mar customer relations. Equipping sales representatives with skills that address services issues well will ensure additional profits with cross selling.