

BUSINESS INTELLIGENCE

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Chamber of Commerce

Strategies and Trends for the Successful Business

e-REPORT

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IDEAwatch

Tips for Growing Your Business

■ **Are you relying too much on a single advertising approach?** Research by Edelman discovered that if consumers are exposed to a brand's message across a number of marketing channels, trust in the message strengthens. For respondents who engaged with a message on just one channel, only 32% had a strong message trust (8-9 on a 9-point scale) while 34% had a weak message trust (6-7). The strong message trust goes up to 87% of respondents for those who engaged with a message across six different channels. Be careful to not overdo it. A different study has shown that two-thirds of the consumers surveyed found that being targeted too many times is annoying.

Source: www.marketingcharts.com

■ **An easy way to collect glowing customer testimonials** is to create a customer satisfaction survey and include a space for comments. Be sure to ask "May we use your name and comments in our marketing materials?" Include a space for them to check "yes" or "no," along with their signature. Most people are delighted to have you use their comments.

Source: www.businessknowhow.com

■ **Showcase the hard work of your employees through social media.** This no-cost tactic shows your appreciation to employees that deserve credit, while showing your followers and their friends that you have a positive work environment. Post the employee's photo on your website and social media, explaining what they do at your company and why they won. Then, encourage customers and co-workers to make comments, perhaps sharing stories about why they enjoy working with the person or offering their congratulations.

Source: www.ithinkbigger.com

STRATEGY

Why Convenience is Essential

by Stephanie Burns

OUR WORLD MOVES pretty fast. In the midst of a pandemic, while life may have slowed down, businesses have had to pivot, fast. As a result, businesses are doing their best right now to cater to customers since virtually everyone's needs have changed. Countless hours have been spent fine-tuning

products and services to ensure this. While there are many things you should do to make your business more customer-focused, few are more important than maximizing the convenience you can offer to consumers — especially right now.

Whether or not your offerings are truly convenient will go a long way in helping you better serve your customers. The easier it is for them to get needed information and complete a purchase with you, the happier they'll be. In the long run, convenience may just decide your ability to grow your business.

What Is Convenience in Business?

As Caitlin Burgess writes for TopRank Marketing, "Your goal is to deliver the right information, at the right time, to the right person, on the right platform. This is the essence of convenience. You want to make it easy on your audience to get the information they need and to make a decision — and you want to enhance the journey and create a better experience for all. How do you do this? By reducing friction. Why? Because where friction exists, frustration exists — and frustrated buyers and customers will seek out the path of least resistance."

To create convenience, business owners must find ways to eliminate that "friction" that could pop up anywhere in the process when a potential customer is interacting with or buying from your brand.

Quite often, your current customers will provide feedback or reviews that mention ways in which your business (or your competitor's business!) didn't live up to those expectations of convenience.

Where friction exists, frustration exists — pushing buyers to find a competitor offering less resistance.

This gives you great insight into the buyer's journey and can help you identify areas that could be streamlined or simplified.

Just How Influential Is Convenience?

Our desire to find convenient solutions can prove very powerful, as I recently discussed in an email conversation with Antonio Perini, CEO of Milkman. He explained, "Human beings are designed to generally choose the more convenient option when making intuitive decisions. It's no surprise to see this lead to a race for more speed and convenience in retail."

Continued Perini, "However, the optimal point between convenience and price is a personal choice that can vary from person to person. Giving your customers a range of balance points between convenience and price will make them far more likely to do business with you, and at the same time, your offering will remain financially sustainable."

This becomes particularly relevant in light of one of e-commerce's biggest convenience factors: delivery services like Amazon Prime. In fact, a survey from Smart Insights found that 66% of customers pay for an online delivery service. Of those surveyed, 25% actually pay for multiple delivery services.

In this case, the convenience of getting an order in as little as one or two days is worth the extra cost. Of course,

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■ **What are your customers most anxious about right now?** In this environment of fear, pain and uncertainty, it is important to apply empathy to your marketing. Empathetic marketing is about helping, not selling. Instead of shouting, posturing or trying to entertain your way to a sale, listen deeply and explore how you may be of service. For example, Delta Airlines is making potentially nerve-racking flights more bearable by showing empathy in pre-trip messages that explain concrete steps they are taking to make their flights safer and then carrying out those mitigating policies and procedures. How can you reassure your customers, not just with words but actions?

Source: www.yudkin.com

■ **Be careful how you advertise a sale price.** “Regular price: \$599; Now: \$399” is a common tactic to boost sales. However, research shows that putting your product on sale for cheap can make consumers perceive your product as, well, cheap. What to do? Make sure to include a time-limit on the promotion (e.g., “for 3 days only”). In one study, consumers in the market for a product had more favorable perceptions about brands that were on sale and had a time-limited offer than they did to the same brand at the regular price or the sale price. And, it was the same for people who were not in the market for the product.

Source: www.marketingprofs.com

■ **Customer complaints are almost inevitable.** How you handle them will determine whether you make an enemy or an advocate. Start by telling new customers that you welcome complaints and provide easy ways for them to provide feedback. Whenever you receive negative feedback, first listen — most of the time people just want to know that their gripe has been heard and appropriate action will be taken as soon as possible. Then “make it right,” whether that’s an apology, a refund, replacement or all of the above. Exceeding customer expectations, especially when they’ve made a complaint, is how you can delight an upset customer and turn them into an advocate.

Source: www.forbes.com

Research: Type less, talk more

Modern communication media allow us to exchange information with others using text, voice and audiovisual cues. But because communication also involves maintaining social relationships that are critical for the smooth running of a business, reaching out to others requires deciding how best to do so.

New research from the University of Texas at Austin finds that the value of voice is key. Experiments revealed that people tend to undervalue the positive relational consequences of talking by phone relative to the efficiency and speed of texting or emailing, in addition to trying to avoid any potential awkwardness in a phone conversation, leading them to favor typing rather than talking — a potentially unwise preference.

In addition, concerns about awkwardness were typically unwarranted. When

reconnecting with an old colleague or friend, people felt more connected to the person after talking than after typing.

Furthermore, adding video to a phone call may not further increase our sense of connection to another person, as the research suggests. Being able to see another person, in short, did not make people feel any more connected than if they simply talked with them. A sense of connection does not seem to come from being able to see another person but rather from hearing their voice.

So, if you’re sending a simple message, a quick update or an attachment, then emails and texts are the way to go. Otherwise, take a little more time to talk to others than you might be inclined to do. You — and those you talk to — are likely to feel better as a result.

Source: *Harvard Business Review*, October 2020

PPP loan forgiveness now easier

Recipients of PPP loans of \$50,000 or less can apply for forgiveness using a simplified application that was released by the Treasury Department and the Small Business Administration. The new application (Form 3508S) streamlines the forgiveness process by doing away with complicated full-time equivalence (FTE) or salary reduction calculations.

Businesses that borrowed \$50,000 or less will still have to certify that: funds were used for eligible expenses; payroll costs were at least 60% of the forgiveness amount; and they meet the owner-employee’s limitations and caps.

Borrowers also need to provide docu-

mentation that supports the eligible payroll and nonpayroll payments from the covered period, such as tax forms; payment receipts, cancelled checks or account statements documenting the amount of employer contributions to employee benefit plans; copies of lender amortization schedules and receipts or cancelled checks verifying eligible payments from the covered period; business rent or lease payments; and business utility payments.

The supporting documentation must be retained for six years after the date the loan is forgiven or repaid in full.

Source: Kiplinger.com, Oct. 16, 2020

Effects of measuring real-time productivity

Should you let employees keep score of their output as it is happening? To find out, Aruna Ranganathan, an associate professor at Stanford Graduate School of Business, spent several months at a garment factory and then analyzed multiple years of the factory’s data to find out.

The company installed an electronic system that gave employees real-time feedback on how many items they were producing. The devices were installed with no notice to factory workers or stated expectations.

It was discovered that when companies quantify simple tasks in this manner, productivity goes up. Quantifying complex work, however, has the opposite

effect: It drives productivity down.

What’s behind this phenomenon? When workers completing simple tasks have their work quantified, they’re more likely to turn the experience into a personal game, a concept known as “autogamification.” They compete against themselves to increase efficiency, even when there’s no reward for doing so and no punishment if they don’t.

In contrast, those who perform complex tasks that require higher levels of artisanship believe quantification to be an imperfect measure of their on-the-job performance and are thus demotivated by such real-time scorekeeping.

Source: gsb.stanford.edu, Oct. 5, 2020

■ **If you don't offer a health insurance plan for employees** or do have a plan but you don't pay all of the cost, you can still help employees save money by letting them pay all or the balance of their premiums on a pre-tax basis through the use of a Section 125 Cafeteria Plan. The plan must offer employees a choice between cash or reimbursement for health insurance coverage. If they choose the coverage, the amount of what they'd pay for premiums that's withheld from their paycheck is not treated as taxable compensation to them. There are no employment taxes on this benefit. If, however, they choose the cash option, it's taxable compensation.

Source: www.smallbiztrends.com

■ **Having an outside board of directors can be a big plus** if the IRS questions practices such as giving yourself salary increases or fringe benefits, renting property to the company or borrowing from or loaning money to the business. Having your board's written approval doesn't give you 100% protection, but it is considered by the IRS and the courts, especially if you abstain from the vote.

Source: www.smallbusinessedge.com

■ **Increase your chances for RFP success.** Research shows that a request for proposal (RFP) is more likely to be successful when more people are involved because you're accessing a diverse pool of expertise. Including more of your staff will increase the process time, but that can be a plus. Research shows companies with 80-99% win rates are 6% more likely to spend 61 hours or more writing an RFP. On average, companies across all industries only spend 23.8 hours writing an RFP. From there, select a clear owner of the RFP and institute a straightforward process. Those with a defined process have an average win rate of 55%, while those without average 38%.

Source: www.sellingpower.com

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The B2B purchase process has changed in 2020

The Covid-19 pandemic has led many B2B buyers to lengthen their purchase cycles and to expect more personalized attention from vendors, according to recent research from Demand Gen Report.

More than two-thirds (68%) of B2B buyers say the length of their purchase cycles has increased, on average, compared with a year ago.

Asked how their purchase process has changed over the past year, 82% of B2B buyers say decisions are now based

more on changing needs/priorities, 77% say they spend more time researching purchases and 76% say they expect more personalized service from solution vendors based on their specific needs.

Some 47% of respondents say the pandemic has forced them to delay potential purchases because of budget freezes. However, 30% of B2B buyers say they have escalated some purchases because of changing business needs.

Source: Marketingprofs.com, Oct. 7, 2020

Convenience... continued from page 1

even non-Prime members are given several shipping options, with varying price points and delivery speeds to match their preferences. The same survey also found that 66% of shoppers are willing to pay more for their groceries if the grocer offered something to make their purchase more convenient through options like delivery or curbside pickup.

As this shows, convenience can actually help increase your profit margin, allowing you to charge more than your competitors because you have differentiated with a helpful, beneficial solution.

Implementing Convenient Solutions

Convenience can mean different things for different companies. One company might provide fast answers to customer questions through a robust online chat system. Others will use a dedicated FAQ page to provide in-depth information. Both solutions can work well to alleviate customer pain points. For businesses, the challenge is determining which option will be best suited for your target audience.

Quite often, a big part of making your business more convenient for your customers involves trimming down, rather than adding more to your website or in-store experience.

Writing for Adobe Marketo Engage, web designer Lexie Lu gives this example regarding online navigation: "You need to limit the number of categories in your navigation bar, so it doesn't become overly bulky — you should also place it in the same location on every

page. Conduct some A/B testing with your bar, trying slightly different positions, tab arrangements and even wording. This will tell you what users prefer and what works best for your site."

This idea is further supported by the Canadian Marketing Association's Janet Schoel, Debbie Major and Shafiu Fuad, who note, "Offering customers too many channels can be overwhelming to the consumer and lower overall satisfaction. There should be internal dialogue that takes place to determine if new channels eliminate the need for existing ones or if they require an overuse of company resources to manage."

Committing to Convenience

Whenever you are making a change to your business, it's important to truly put yourself in your customer's shoes and consider whether it will make their interactions with you more or less convenient.

Delivering convenience requires a proactive mindset, one that actively anticipates the changing needs of your customers. By ensuring that your entire team is fully engaged in improving the customer experience, you will be able to eliminate friction points entirely. A more enjoyable and streamlined process will ultimately benefit everyone, making life easier for your customers while reducing your workload.

Stephanie Burns is the founder of Chic CEO, a resource for female entrepreneurs starting businesses. Download a free business plan template and follow Chic CEO on Twitter and Instagram.



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