

# Media Selling, 4<sup>th</sup> Edition

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## Chapter 13 – Servicing

In Chapter 1 you learned that, “There is only one valid definition of a business purpose: to create a customer.” In Chapter 2 you learned the definition of selling: “Selling in the media is about creating customers and keeping them.” Up to this point, this book has focused on how to create customers. This chapter emphasizes the importance of the last step of selling, servicing, in order to keep the customers you create, because as you learned in Chapter 2, “Customers require outrageous service that will make them raving fans.”

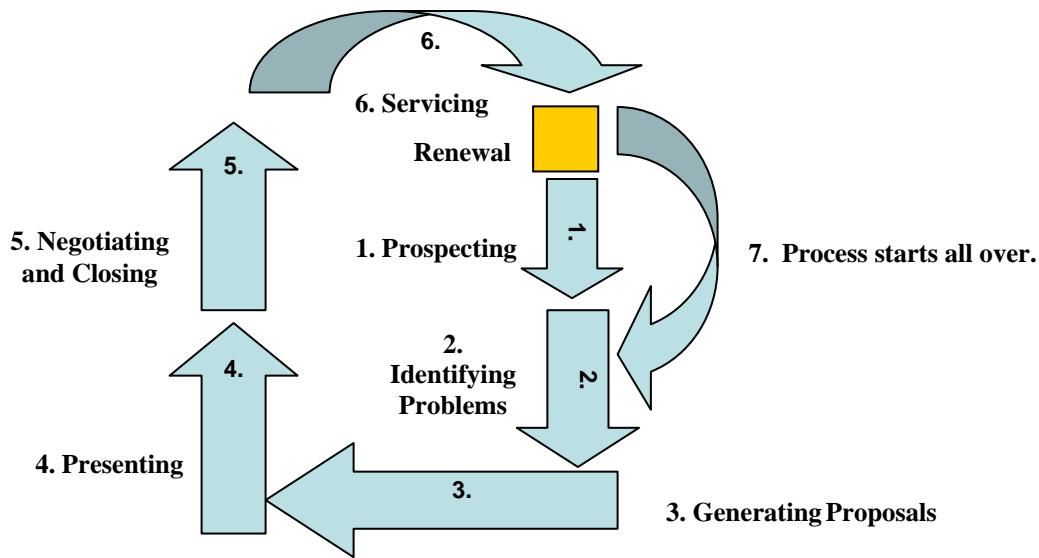
The terms “outrageous service” and “raving fans” come from a book titled *Raving Fans* by Ken Blanchard and Sheldon Bowles, and these terms reflect the increased expectations of consumers for excellent service in addition to a quality product.<sup>1</sup> Before 1990, the 4 Ps of marketing (product, price, place, and promotion) were taught in colleges and written about in marketing textbooks. But in the 1980s consumers became fed up with shoddy quality and service from many American manufacturers. Japanese, German, and a few American companies saw a marketing opportunity and began emphasizing the excellent service that accompanied the purchase of their quality products. The best-selling business book, *In Search of Excellence*, published in 1982, urged companies to be close to the customer, and this phrase became the mantra of many companies. Improvement in service by the 1990s raised the expectations of American consumers and post-purchase service became the fifth P of marketing. Today, service is an inextricable attribute of most products, especially with intangible services such as advertising, where the media salesperson’s service is the tangibilization of the advertising product.

### Servicing in the Sales Process

The sales process involves creating customers and keeping them. You know that you have kept your customers when they come back, when they renew. Exhibit 13.1 shows the Renewal Cycle and how it fits into the sales process.

Exhibit 13.1

### Creating Customers and Keeping Them: The Renewal Cycle



Note in Exhibit 13.1 that all of the steps of selling are the same in the renewal process except the first, Prospecting. Prospecting, the act of finding people to sell to, was accomplished when you received your first order from an account, but, as you learned from the Money engine in Chapter 9, advertisers do not become customers until they renew. Therefore, always sell for the second order, not the first. Prospecting is hard, often frustrating work and it is easier to get a renewal for a \$100,000 schedule than to prospect and sell a new \$100,000 account.

Effective servicing can accomplish the third primary sales objective, to retain and increase current business. Your current customers are your best prospects, and it is easier and more efficient to get an increase of, 25 percent (from \$100,000 to \$125,000, for example) from a current account that prospect and sell a new one for \$125,000. When you sell for a renewal, you have to go through the other five steps of selling because issues and challenges always arise when an advertising schedule runs and you must address them with new solutions. And even while your customers' schedules run, your competitors in your own and in competing media are monitoring your media and trying hard to steal your customers. Your best defense against competitors' attacks is to give your customers outrageous service.

What is outrageous service? Ken Blanchard and Sheldon Bowles define outrageous as substantially exceeding customers' service expectations. Your customers' expectations are determined by three factors: (1) What service they want, (2) what service they get from your competitors (your medium and other media), and (3) what service they have received from your organization in the past. Let's look at each of these factors separately.

**What Service Your Customers Want.** Just as you asked Discovery Questions before you got an order, you must ask Servicing Questions after each order you get from a customer (not just after the first one because their needs may change). The first step in providing service that substantially exceeds your customers' expectations is to find out what kind of service your customers want. You already have a good idea, in general,

what they want from the surveys listed in Chapters 2 and 8 (you might want to look at them again. They are on page xxx of Chapter 2). But those surveys are several years old and are based on the views of television and radio media buyers and advertising agency executives. The best thing to do is to ask your customers what they want and to give you a list of items that they believe constitutes ideal service. Asking customers what kind of service they want is an excellent idea for two reasons: (1) It lets them know up front that you care about them and (2) it identifies a standard, or measure, of expectations so you can know what you have to do to substantially exceed them in order to provide outrageous service.

***Rule: Find out what kind of service your customers want.***

**What Kind of Service Your Competitors Give.** Immediately after you ask your customers what service they want, the next step is to ask them which media salesperson gives them the best service and what makes their service the best. The reason you ask this question is because the first question will probably produce an extremely high, or even impossibly high, level standard of service – a wish list. The second question about your competitors’ best service lowers the bar of their expectations from perhaps impossible heights to a reasonable height. So, just as with presentations, with service you will know how good you have to be – just good enough to win.

As you learned from game theory, your servicing strategy depends on the servicing strategy of competitors. To defend against their inevitable attacks, your strategy must be better because customers will judge your service against the best service they get from competitors, not on an absolute basis compared to their own highly optimistic wish list. By asking customers about the best service they get, you anchor their perception of good service at a reasonable level that you have a good chance of exceeding, providing there are no institutional constraints on your ability to provide competitive service such as extravagant gifts and lavish entertainment. If you discover that your customers’ expectations include these types of gifts and entertainment, it is best to control their expectations immediately rather than try to compete inadequately. You might say, “I’m sorry I can’t match the entertainment or gift budget of my competition; it’s against company policy. But I will try to make up for it with faster response and by providing you with more and better research and promotion ideas.” If you are honest, sincere, and follow up on your promises, your customers, except for the few corrupt ones, will be pleased and satisfied.

***Rule: Find out which competitor gives the best service and what kind of service it is and then exceed it.***

**Your Past Service Level.** Your customers’ level of expectation is not only set by your competitors, but also by the level of service they have received in the past from your organization. After asking about the best service they receive from your competitors, ask them about the service they have received in the past from your organization. If you are lucky, you will not have to ask this question if a customer answers the question about the best service they get with a reply that it is from your or from your organization. In this case, you have a clear, measurable standard to meet and exceed. If you are not lucky and

customers answer the question about your company's service with, "Awful," or worse, you have a serious problem that promises will not even begin to solve. When you run into this problem, all you can say is, "I understand how you feel and I'm sorry for any inconvenience it has caused you. I know the only thing that will change your opinion is action and consistency, not words, so I'll say no more. I'll make no promises except that I will check in regularly to see how I'm doing. Let me try to get off on the right track by asking you what I can do for you right now – in the next few days?"

***Rule: Find out what kind of service customers have received from your organization in the past.***

### **Exceeding Expectations**

As you learned in Chapter 8 about creating value, if you want a happy customer, you under-promise and over-deliver in terms of what results they expect. It is the same with service; you must control your clients' expectations. Do not make any promises about what kind of service you will deliver; action always speaks louder than words. Also, as in negotiating, in servicing, start out small and increase the level of service slowly. If you start out with big perks and entertainment, you raise your customers' expectations. Your level of service must be good enough to be better than your competitors' to be considered superior and does not have to be extravagant or lavish, especially at first.

Also, the vast majority of customers value consistency more than extravagance. The same, consistent, high-level of service with every order, every schedule, every week, every month, and every year is what they prize most.

***Rule: Consistency, consistency, consistency.***<sup>ii</sup>

### **Systems**

Companies that have great reputations for excellent service are driven by excellent systems: mission statements, institutional service attitudes, service standards and policies, service tracking and measurement systems, and service feedback and reward systems. Without a service culture and systems that contain all of these elements, excellent service does not become an institutional priority, but an individual and inconsistent chore.

**Mission Statements.** Many media companies have mission statements. Some are sincere, but many are public relations documents. Virtually all media companies' mission statements mention customers in one way or another, but rarely do they put their customers (advertisers) as a top priority; most of them, understandably, put their audience first.

ESPN is one media organization that gets its priorities right in its mission statement. Note in the last paragraph of ESPN's mission statement in Exhibit 13.2 that employees, customers, community, and shareholders are the order of its priorities (viewers are assumed to be the top priority because of the opening paragraph).

#### **Exhibit 13.2**

**ESPN**

**OUR MISSION**

ESPN is committed to enhancing its position as the premier sports programmer in the world by delivering a superior product to its viewers, affiliates, and advertisers. We seek to attract and retain the most talented people by fostering an environment for them to thrive in their work efforts as they develop the finest sports program distribution system for both domestic and international markets.

People are the most valuable resource at ESPN. We believe in treating every employee with respect and dignity. We endeavor to support and reward our people for their efforts and we will strive to make ESPN a caring company, cognizant of each employee's personal and professional needs.

Our success has always been dependent upon people working together as a Team. To sustain our success and competitive advantage, we must communicate with one another openly and honestly, assist each other in time of need and vigorously support the team building effort.

From the start, aggressive thinking and risk taking have been at the heart of our success. We must constantly practice and encourage these qualities to secure our future. We must feel free to honestly disagree with one another while knowing when to treat mistakes as learning opportunities. In our competitive environment, creative risk taking can net us huge rewards.

We will continue to maintain our reputation for excellence while insuring our levels of profitability, as we look for creative ways to deliver the best programming and services within cost effective practices.

As an organization, we will strive to abide by these Values. We believe that by embracing them, our EMPLOYEES will be enriched, our CUSTOMERS will be better served, we will have a positive impact on our COMMUNITY, and our SHAREHOLDERS will enjoy a healthy return on their investment.

Why are organizational mission statements included in a chapter about servicing advertisers? Because if your company does not have a mission statement or has one that does not indicate or imply that being fair and responsive to customers is important, then you must write a personal mission statement that delineates what kind of a salesperson you want to be and what kind of service you want to provide to your customers. It is more than just setting a goal of providing excellent service. Writing a personal mission statement that includes superior service is making a promise, a commitment, to yourself and to your customers that you will provide service that is better than your competitors' and that exceeds your customers' expectations. And by writing it down, you increase your commitment.

**Institutional Service Attitude.** Many media organizations have a culture, an attitude about providing excellent service that is inculcated throughout the organization. Time, Inc., Condé Nast, and some broadcast and cable television networks, are examples of these. Some retailers, such as Nordstrom and Stu Leonard's grocery stores, are widely acclaimed for their outrageous service. Wal-Mart is famous for having greeters at the doors that pleasantly welcome shoppers. As Sam Walton said, "The way you treat your associates is the way they will treat customers." Unfortunately, the majority of media organizations have neither an institutional service attitude nor a management that treats salespeople the way they want salespeople to treat customers.

What do you do if you work in a media company that does not have an institutional service attitude but practices the do-as-I-say-not-as-I-do, get-the-order-regardless style of management? Write a service-oriented personal sales mission statement and vow never to treat your customers as management treats you. You cannot change your corporate culture, but you can change your own culture and attitude. Help

yourself to change your attitude and remind yourself of your commitment to outrageous service by pasting Sam Walton's Rule #8 (in Exhibit 13.3) over your desk. It is also available on [www.mediaselling.us](http://www.mediaselling.us) so you can download it and print it out.

### **Exhibit 13.3**

#### **Sam Walton's Rule #8**

Exceed your customer's expectations. If you do, they'll come back over and over. Give them what they want—and a little more. Let them know you appreciate them. Make good on all your mistakes, and don't make excuses—apologize. Stand behind everything you do. "Satisfaction guaranteed" will make all the difference.<sup>iii</sup>

**Service Standards and Policies.** Some companies have service standards and policies that are based on a customer-oriented approach such as Stu Leonard's, "Our Policy: Rule 1: The customer is always right! Rule 2: If the customer is ever wrong, re-read rule 1."<sup>iv</sup> If your company does not have written standards, guidelines, or policies for service, use the Servicing Checklist in Exhibit 13.4 (also available on [www.mediaselling.us](http://www.mediaselling.us)) as your personal guidelines for servicing.

### **Exhibit 13.4**

#### **Servicing Checklist**

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| <b>1. Ask customers what they want.</b>                     | Ask what service they would consider perfect.  |
| <b>2. Ask customers what competitors do.</b>                | Ask what competitors are best at servicing and what they do that is so good. Use the answer as a benchmark and deliver better service.   |
| <b>3. Set servicing objectives.</b>                         | After you discover what your customers' expectations are, set specific objectives for giving outrageous service.   |
| <b>4. Always say "thank you."</b>                           | As soon as you get an order, compliment your customers on their good judgment, thank the person who gave you the order, and, of course, leave quickly. When you return to the office, send a brief handwritten note saying "thank you" again. Handwritten notes are much more personal than e-mails, but send an email at the minimum.                                     |
| <b>5. Review your account list regularly.</b>               | Some salespeople review their account list every three days. Do not let a week go by that you do not review all the accounts on your list. Do not rely on your memory because you will forget to call on the grumps and over-call on the sweetie pies.   |
| <b>6. Presell</b>   | Servicing is selling, so always take the opportunity to sell a new benefit or advantage. Your preselling will serve you particularly well when a customer or buyer is under pressure to make a buy in a hurry.   |
| <b>7. Make copy, ideas, and schedule improvement calls.</b> | In situations where advertising copy can be changed easily, as on websites and in medium- and small-market radio, make a copy call, suggest creative be revised, and recommend a new angle or another banner execution. This recommendation can be welcome in situations where a client has been running the same creative over and over again and may be boring everyone. |

Furthermore, poor creative is often the cause of poor results for a client. Keep on top of how customers are doing. Is the advertising creating traffic, sales, or other results? If not, is it the creative? Is it the schedule? Change both if necessary, but do not hide your head in the sand and just hope for things to

improve. Do something to help your customer.

Improvements in schedules, such as moving spots to a new time slot (for example, from daytime to early fringe in television), often allow customers to reach a new audience. Making unsolicited improvements for your customers can be a wonderful relationship builder. This service should be used rarely (on an occasional and random basis), though, or customers come to expect it.

**8. Handle complaints immediately and honestly.**

Fast response to client complaints is a must. If your medium has made an error of some kind, customers are probably upset; do not add fuel to the fire with a slow response. If you have made an error, admit it, apologize, and set about correcting the situation immediately. Problems tend to make customers impatient, so do not put them off. Give them status reports if a complaint takes longer than a day or two to be resolved. Do not allow clients to think you have let it slip your mind.

Be quick to admit your own errors. If clients have to tell you first, you lose some trust. If you tell them first, you maintain your credibility. Also, if you tell customers first, you are more in control of the proposed solution. For example, the reproduction of a client's magazine ad is off register, call the client immediately and offer a suitable make-good. Your chances of getting approval are much greater with this method than if a customer calls you.

**9. Ask for referrals.**

There is no better endorsement of you and your medium than a thrilled customer. After you are assured that customers are delighted with their campaign and their results, ask them to refer you to someone else for whom you might be able to solve some advertising problems.

**10. Develop case studies.**

Case studies are more effective than client success letters. Case studies can give specific details on how you solved marketing and advertising problems. Case studies can be used to demonstrate how an organization can marshal its resources and expertise to help customers achieve their specific marketing objectives. In addition, if you develop good advertising success case studies, you will hone your skills of defining and solving advertising problems—the perfect solution-selling approach. Finally, if you develop a case study with current customers, you will find that you will not only cement your relationship with those customers but also that you will come up with additional ideas for them. See “How to Write an Advertising Success Case Study” in Appendix A and on [www.mediaselling.us](http://www.mediaselling.us).

**11. Ask for feedback.**

Third-party surveys are best; customer polling by management is next best. If you cannot get either of these, then always ask customers, “How am I doing? Is there anything I could do to give you better service?”

**12. Adjust and improve.**

When you get feedback, use it to adjust your service approach and improve your service until it is outrageous.

**Service Tracking and Measurement Systems:** Most media companies have Sales Force Automation (SFA) software programs that track sales calls, including service calls. Management rarely examines these tracking reports, especially reports that track service calls, except in some large, national media companies. And when media sales managers peruse call reports, they are usually more interested in the quantity rather than quality. Typically, media salespeople must develop their own system for tracking, measuring, and evaluating all calls, including service calls. These systems will be covered in Chapter 28.

**Service Feedback and Reward Systems:** If you set servicing standards and goals and attempt to carry them out, how do you know if your customers believe you are providing the best service? You must have a feedback system. You can ask on a regular basis, “How am I doing?”, but you will rarely get a candid answer because most people do not like to tell others people that they are not doing well. The typical answer to the how-am-I-doing question is, “fine,” which does not give you much useful data. Many companies, including IBM and some premium automobile dealers, have third-party research organizations conduct customer satisfaction surveys immediately after a service encounter or on a regular basis with on-going customers. Some national media companies, and a few local media companies conduct yearly, third-party customer satisfaction surveys and these surveys give invaluable feedback to management about the level of service they provide so they can correct problems and learn what their competitors are doing right and wrong.

If your company does not conduct third-party customer satisfaction surveys at least once a year, then you should encourage your sales manager or ad director to conduct such a survey personally and informally on all of your accounts to see how you, your company, and your competitors are doing. If all else fails, you might consider sending out a survey yourself under the name of a fictitious research company and to a sample of at least 100 customers and agencies (fewer than 100 will give you an unreliable sample because your return rate will probably be around 20 percent) . Include a self-addressed return envelope with postage included to the fictitious company’s mail box number (which you have rented) or do the survey by e-mail. This process will ensure you remain anonymous and will give you invaluable feedback. Be prepared for the worst – that you and your management might not be perceived to be the best. But it takes courage to find out and face up to your weaknesses. You will find a sample Customer Satisfaction Survey in the Appendix and on [www.mediaselling.us](http://www.mediaselling.us) in case you want to do one. Make sure you sales manager or ad director’s approval. If they ask you not to send out a survey, do not send one out; you do not want your management to think you are trying to make them look bad.

More and more global companies have added an incentive payment to their sales compensation plans based on customer satisfaction ratings; 35 percent of IBM’s incentive package is based on customer satisfaction. Media companies have generally lagged behind this trend and, unfortunately, few of them include rewards for excellent customer service. However, you can institute your own reward system – a high percentage of renewals at increased rates from raving fans.

## **Test Yourself**

1. What is the purpose of selling?
2. What do customers require?
3. What step of selling does the renewal cycle eliminate?
4. What is the first rule of servicing?
5. Give two reasons for finding out what kind of service your competitors give.

## **Projects**

**Project #1:** If you are not a media salesperson, contact a local advertising agency media buyer or executive and ask if they would complete a customer satisfaction survey. If you get approval, customize the Customer Satisfaction Survey in the Appendix or on [www.mediaselling.us](http://www.mediaselling.us) appropriately for your market, make an appointment, and fill out the survey along with the agency person. Analyze the survey and see what the importance of price, ratings, or Web traffic are in your market.

**Project #2:** If you are a media salesperson, write a mission statement for yourself that includes exceeding your customers' service expectations.

## References

Ken Blanchard and Sheldon Bowles. 1993. *Raving Fans*. New York: William Morrow.  
Thomas J. Peters and Robert H. Waterman, Jr. 1982. *In Search of Excellence*. New York: Harper & Row.

## Endnotes

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<sup>i</sup> Ken Blanchard and Sheldon Bowles. 1993. *Raving Fans*. New York: William Morrow.

<sup>ii</sup> Ibid.

<sup>iii</sup> [www.refresh.com/walton.html](http://www.refresh.com/walton.html). April, 2003.

<sup>iv</sup> [www.chartcourse.com/articlegoodservice.html](http://www.chartcourse.com/articlegoodservice.html)