

Face Time

Never leaving the comfort of the conference room is the short road to failure.



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SHOULD WE REMOVE the human element from business? Every time I turn around, there is a plan to substitute technology for a person. But should such thinking, which clearly pertains to production and manufacturing, apply to sales as well? During a brainstorming session, a client raised the idea of replacing sales reps with video conferencing. Since the key to brainstorming is to keep an open mind, we mulled over the idea. Longtime readers of this column

know I'm not too thrilled at the prospect of replacing reps with machines, but being the good facilitator that I am, I went along for the sake of argument.

One benefit of the idea was cost savings. For a \$10 million company, perhaps 5% of gross revenue – \$500,000 – goes to reps. Replace that with, say, \$20,000 in equipment and \$10,000 in phone fees: that's a net savings of \$470,000. Not bad.

But could we better service our customers? On paper, it seemed like it could work. We would get closer to our customers, working directly with them, with no middleman to muddy the communication waters (especially one with the gall to tell us when we screwed up!).

We could send quotes direct, rather than waiting for a rep to hand-deliver it. This would be much faster and more efficient. We would be able to pump out more quotes faster. And as customers acclimated to video conferencing, we could use it for other things. Whenever we had important matters to discuss we could hold video meetings. We might never get on a plane again. Think of the time and money saved. One in our group went so far as to suggest that by coordinating meetings at noon, we could hold a luncheon meeting while never leaving the comfort of our conference room.

This was starting to sound pretty good. Even I was getting swept up in the possibilities. No reps (or their commissions), no travel or flying, no expensive meals (nor could we be expected to pick up the tab for pizza delivered and eaten 3,000 miles away). Yes, we were really on to something, that is, until we started considering relationships, and tracking how we originally landed our customers.

We started reviewing the contracts we negotiated; the problems we solved; the times when we almost lost a customer, when only a visit and a "look them in the eye" meeting saved the business. Only after we started thinking about a world sans human contact did we realize that in business, as in life, success comes down to interpersonal relationships. We deal with people, not companies. We sell for people, not companies. And we solve our problems with people, not companies.

Sans people there is no Microsoft, Raytheon, or Cisco. There is no Photocircuits, DDi, or Sanmina-SCI. Without

people, a company is just a logo and a symbol on the stock exchange. We humans prefer dealing with other humans.

And that's why a good rep is invaluable. When you hire a rep, you buy their relationships. The successful rep has a great network of satisfied customers. The network is what you are really paying for. The rep is in effect endorsing you, your services, and your people, to their friends. The rep is putting their reputation on the line, symbolically putting your arm around you and telling their customers, "This guy and his company are OK. I'm offering my reputation and track record in working with you, and I want you trust me and consider placing some business with me and my client." Try that over a TV monitor.

Later in the customer relationship, when you have problems to overcome, whether technical or quality or payment issues, the rep is a great go-between for you and the customer. Customers will tell your rep things that they would not tell you. Often, based on their trusting relationship, your customer will help your rep with pricing information, letting them know where you stand. When there is trouble, the good rep mediates, working with both parties to get the issues resolved. There are times when the rep will deliver bad news; that your performance is weak, that deliveries are late and quality is lacking. Although not always pleasant to hear, this is good feedback, and it must be known in order to improve your relationship with your customer and retain the business.

Finally, there is no better source of information about your customers than your reps. They are learned in finding important facts on the customers' well-being. Are they financially healthy? What are their technology plans? Are they changing their quality demands? Are they changing the way they do business? Is the buyer about to be fired? Are they about to merge? This kind of information can't be obtained through a video-conference pizza party.

For the record, I am very much in favor video conferencing. I've been using it for 25 years, from the time we set up a camera in our quality department at Maine Electronics to permit one of our customers, Sperry, to review critical boards. (This was more or less a novelty act, I must admit, because the technology at that time did not really lend itself to inspecting PCBs.) Some companies I have worked with have used it successfully for years. A couple others decided recently to use it as for communication among divisions. Video conferencing is a technology whose time has come. But it will never replace humans, or the "pressing the skin," face-to-face meetings, and most assuredly, it will never replace your sales rep. ○

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