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Eyes on Business

Make your technology work for you

Mine your systems to find new ways to connect with customers

**Premium content from Sacramento Business Journal - by Larry Mandelberg,
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Our world is filled with technology. From TiVo to talking cars, we are more connected technologically now than we ever have been. Working barefoot on the beach is no longer just something you see in an ad on television.

With all the power and flexibility we have at our fingertips, why do so many businesses see technology as a cost center instead of a profit center?

Technology is not a silver bullet or a magic pill that transforms the world into a simple, easy place to have fun and make money. Technology is nothing more than metal, plastic, wires and electricity. Technology requires participation.

Without human creativity, technology gives us nothing but expense. In return for that participation, technology greatly rewards those who take the time to learn, understand and apply it.

You're already invested. Now it's time to put that investment to work.

Reflect and review

Take a few hours to sit down and think about each of the different components of your organization and ask yourself the following questions:

- What information are we gathering in our information systems?
- When do we interact with our customers and vendors?
- Where are we doing double work?
- How can we use that information to improve our business?

Several years ago, I worked with a client that ran a modeling and talent agency association. Its primary source of revenue was semiannual conventions, competition-focused, attended by association members, modeling and talent recruits, and industry agents.

There were numerous competitions for every age group, and each competition had a registration fee. The grand prize was an award for model and talent of the year in each age and gender category. To be eligible, contestants were required to compete in a certain suite of competitions.

The client had been very successful in recruiting modeling and talent agencies and had captured the lion's share of the market. It looked as if they had no room for growth, so they began looking at ways to penetrate other markets.

After answering the questions above and looking at the data being collected, we realized many of the contestants didn't know when they were one or two competitions short of being eligible for model or talent of the year in their particular category.

At registration, the contestants were required to review their competitions and sign off on the accuracy of their information. We suggested adding a list of competitions each individual needed to be eligible for model or talent of the year just below a note that said, "If you add these competitions, you will be eligible for model/talent of the year."

The client said yes, and when contestants saw they could be eligible by adding one or two more competitions, most added them on the spot. This process required no additional labor, logic or programming because the relevant data was already in the system — all it took was a simple change to one report. That change added tens of thousands of dollars straight to the bottom line, increased enthusiasm and improved morale.

Uncovering the hidden gold

What opportunities do you have to create that kind of impact for your business with existing data and technology? Here are a few ideas you can use to increase sales and improve customer relations for business to business organizations:

- What products and services are your customers not buying because they don't know or

understand how they can benefit from them? Are you getting the most out of your invoice messaging options?

- Review customer buying habits for trends. Are certain products becoming less popular because of better alternatives or because your competition is offering better pricing? Bundle less popular items with popular ones and create discounted packages.
- Set up your own rewards program for loyal customers. Provide points for high-margin product and service purchases, loyalty and automatic ordering.
- Create your own proprietary gift catalogue for redemption. Avoid discounts and cash incentives.

And for retail businesses:

- Track your marketing efforts and verify that they are working.
- Create a community through a customer rewards program. Inexpensive technology allows you automatically schedule specials and incentives that don't add labor overhead.
- Give away a \$5 gift card to every 20th customer.
- Use your Web site to attract clients and prospects by offering incentives for ideas on how to improve the shopping experience.

Don't get sucked into fancy, complicated or expensive schemes. If you take just a few hours to focus and use your best thinking, you, too, will find an infinite pool of inexpensive ideas that turn your technology from a cost center to a profit center.

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