

BUSINESS INTELLIGENCE

REPORT

Provided for members of the
Greater Maryville
Chamber of Commerce

Strategies and Trends for the Successful Business

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IDEAwatch

Tips for Growing Your Business

■ **Craft a headline that generates intrigue** by highlighting the prospect's dilemma. A dilemma seeks to reconcile two seemingly incompatible elements. Just like in novels and films, a dilemma creates suspense. If the opposing forces are those actually giving your potential customers headaches, the reader can't help but go on to see how you solve the contradiction. Some examples: "Become a household name while preserving a haven of privacy"; "Parents: Yes you *can* have disciplined kids who regard you as their greatest friend"; and "Are competitors gaining market share through social media yet you don't have time to master it?"

Source: www.yudkin.com

■ **Ever feel like you are so busy networking** that you can't get any business done? Networking isn't about closing business deals or meeting hordes of new people; it's about developing relationships for future business. With that in mind, limit the number of contacts per event. At a typical event, five to 10 might be all you can handle. Spend five to 10 minutes talking to and listening to each person. Ask questions that get the person talking about herself while helping you understand her business. Make sure to ask for her business card, and then follow up with her after the event.

Source: www.entrepreneur.com

■ **So you think no one will be interested in your company's** Twitter feed or Facebook fan page? Maybe not. But just because they wouldn't get excited about Ed's Vacuum Cleaner Repair doesn't mean they wouldn't be interested in a fan page about vacuum cleaners or easier house cleaning. If you can't find an online community for your product, create one yourself.

Source: www.blogworldexpo.com

MANAGEMENT

Four Capacities Every Great Leader Needs

by Tony Schwartz

WHEN I WAS a very young journalist, full of bravado and barely concealed insecurity, Ed Kosner, editor of *Newsweek*, hired me to do a job I wasn't sure I was capable of doing. Thrown into deep water, I had no choice but to swim. But I also knew he wouldn't let me drown. His confidence buoyed me.

Some years later, I was hired away by Arthur Gelb, the managing editor of *The New York Times*. This time, I was seduced by Gelb's contagious exuberance about being part of a noble fraternity committed to putting out the world's greatest newspaper.

Over the last dozen years, I've worked with scores of CEOs and senior executives to help them build more engaged, high-performance cultures by energizing their employees. Along the way, I've landed on four key capacities that show up, to one degree or another, in the most inspiring leaders I've met.

1. Great leaders recognize strengths in us that we don't always yet fully see in ourselves.

This is precisely what Kosner did with me. He provided belief where I didn't yet have it, and I trusted his judgment more than my own. It's the Pygmalion effect: expectations become self-fulfilling.

Both positive and negative emotions feed on themselves. In the absence of Kosner's confidence, I simply wouldn't have assumed I was ready to write at that level.

Because he seemed so sure I could — he saw better than I did how my ambition and relentlessness would eventually help me prevail — I wasted little energy in corrosive worry and doubt.

Instead, I simply invested myself in getting better, day by day, step by step. Because we can achieve excellence in almost anything we practice with sufficient focus and intention, I did get

better, which fed my own confidence and satisfaction, and my willingness to keep pushing myself.

Develop a work environment that compels employees to give the highest value to your company.

2. Rather than simply trying to get more out of us, great leaders seek to understand and meet our needs, above all a compelling mission beyond our immediate self-interest, or theirs.

Great leaders understand that how they make people feel, day in and day out, has a profound influence on how they perform.

We each have a range of core needs — physical, emotional, mental and spiritual. Great leaders focus on helping their employees meet each of these needs, recognizing that it helps them to perform better and more sustainably.

Arthur Gelb helped me meet not just my emotional need to be valued, but also my spiritual need to be engaged in a mission bigger than my own success. Far too few leaders take the time to figure out what they truly stand for, beyond the bottom line, and why we should feel excited to work for them.

3. Great leaders take the time to clearly define what success looks like, and then empower and trust us to figure out the best way to achieve it.

One of our core needs is for self-expression. One of the most demoralizing and infantilizing experiences at work is to feel micromanaged. The job of leaders is not to do the work of those they lead, but to serve as Chief Energy Officer — to free and fuel us to bring the best of ourselves to work everyday.

Part of that responsibility is defin-

continued on page 2

■ **Your approach to deadbeat customers can make a big difference.**

First, contact them by phone, not by mail, as soon as they are delinquent. The probability of collecting on the debt drops dramatically each month following the due date. Find out why the customer is late and nail down a defined payment arrangement, including deadlines. If the situation looks bad, you may want to get ahead of the other creditors by offering a discount for quick payment. If the customer misses the new deadline, the broken promise indicates that the customer is untrustworthy. At this point, cut off any future business and consider hiring a collections agency or attorney. Invoices under \$5,000 can be pursued inexpensively in small claims court.

Source: www.businessweek.com

■ **If your people are finding it hard to accept change,** it may be because they don't see the benefit. People don't like change, but they do like making progress, according to Dean Lindsay, author of *The Progress Challenge*. Companies usually focus on telling people what needs to be done, but not why or how it will be progress. Involve your team in progress not just process. Lindsay explains, consciously or unconsciously, people are concerned with how new actions will affect a mix of six core feelings: peace of mind, pleasure, profit, prestige, pain avoidance and power. Find out what each person's perspective is on these feelings and show them how the progress will lead to the right mix of these feelings. This will help people find progress in the change.

Source: www.smartblogs.com

■ **When developing lead generation programs,** remember that the objective of lead generation is to begin the sales process, not complete it. Your initial direct mail or email should push for action on the next step — sending for more information, a free analysis or sample. In other words, initially sell the next step harder than you sell your product or service. Once you have qualified prospects, you can concentrate on a full presentation of product benefits, features and applications.

Source: www.marketingprofs.com

Paper beats digital for emotion

Direct mail is so last millennium, right? Ultra-efficient digital marketing seems all but certain to supplant actual paper marketing delivered by humans. It might be a little too soon to shut down the paper mills, though, according to a study by branding agency Millward Brown. The research project used fMRI brain scans to show that our brains process paper-based and digital marketing in different ways, and in particular that paper ads caused more emotional processing.

According to the study, physical media left a "deeper footprint" in the brain, even after controlling for the increase in sensory processing for tangible items. Material shown on cards generated more activity within the area of the brain associated with the integration of visual and spatial information (the left and right parietal). This suggests that physical material is more "real" to the brain.

It has a meaning, and a place. It is better connected to memory because it engages with its spatial memory networks.

The study also found that the tangible materials involved more emotional processing in the subjects, important from a branding and ad recall standpoint. Physical material increases processing in the right retrosplenial cortex, which is involved in the processing of emotionally powerful stimuli and memory, which would suggest that the physical presentation may be generating more emotionally vivid memories.

On the other hand, digital marketing can perform in ways that print can't touch, such as audio, video and interactivity. Furthermore, digital ads can be targeted far more effectively based on user interests, past behavior and other characteristics.

Source: Neurosciencemarketing.com, October 4, 2010

20% of Facebook users exposed to malware

Yet another reason to create a social media usage policy for your employees. Anti-virus vendor, BitDefender, recently started offering Facebook users a scan of the links in their profiles. Based on scans of news feed items viewed by 14,000 Facebook users, it's estimated that about one-fifth of Facebook users have some sort of infection in their news feeds.

Over 60% of attacks come from

notifications from malicious third-party applications on Facebook's developer platform, the study found. Within that, the most popular subset of "attack apps" (21.5% of total kinds of malware) were those that claim to perform a function that Facebook normally prohibits, like seeing who has viewed your profile and who has "unfriended" you.

Source: CNET.com, November 22, 2010

Four Capacities... continued from page 1

ing, in the clearest possible way, what's expected of us — our concrete deliverables. This is a time-consuming and challenging process, and most leaders I've met do very little of it. When they do it effectively, the next step for leaders is to get out of the way.

That requires trusting that employees will figure out for themselves the best way to get their work done, and that even though they'll take wrong turns and make mistakes, they learn and grow stronger along the way.

4. The best of all leaders have the capacity to embrace their own opposites, most notably vulnerability alongside strength, and confidence balanced by humility.

This capacity is so powerful because all of us struggle, whether we're aware of it or not, with our self-worth. We're

each vulnerable to believing, at any given moment, that we're not good enough.

Great leaders don't feel the need to be right, or to be perfect, because they've learned to value themselves in spite of shortcomings they freely acknowledge. In turn, they bring this generous spirit to those they lead.

The more leaders make us feel valued, in spite of our imperfections, the less energy we will spend asserting, defending and restoring our value, and the more energy we have available to create value.

All four capacities are grounded in one overarching insight. Great leaders recognize that the best way to get the highest value is to give the highest value.

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■ **Good bosses set big, audacious goals** to motivate their people (e.g., double our revenue in five years, reduce our carbon footprint, land three major target customers). But once those goals are set, don't harp on them. Instead, focus on what your people can accomplish here and now to get them to the end goal. When you focus on the long term, people can become overwhelmed, panicked or confused. Parse out the tasks that will lead to what you are trying to accomplish and ask people to take responsibility for those tasks. This allows people to retain their confidence and motivation while moving calmly toward the bigger goal.

Source: *Harvard Business Review*, 60 Harvard Way, Boston, MA 02163

■ **Which sales promotion will motivate customers to buy more:** a "half-price" sale or "buy-one, get-one-free"? Mathematically, they're identical; however, the latter is more appealing to buyers. Why? Many believe that highly discounted merchandise is defective or old stock. On the other hand, in a "buy-one, get-one-free" sale, customers feel like they are getting something of full value for free.

Source: www.mediabistro.com

■ **Generating buzz for a company event** doesn't have to break the bank. First, rather than inviting your entire database of prospects to your workshop or conference, cut costs by mining your list for ideal attendees (such as your most loyal customers) and "wow" them with elaborate invites. Then, leverage social networking. For example, on Facebook, each time someone in your network accepts a digital invitation, their Facebook news feed alerts his or her friends about the event, expanding your reach at no cost. If your budget is tight, seek out a partner with similar customer demographics. Not only are costs shared and the number of prospects expanded, but with more than one company presenting, the event becomes more of a draw to potential attendees.

Source: www.fuelnet.com

Consumers looking for mobile websites

Retailers without a mobile-optimized website may be missing out on sales. According to recent research from mobile and social marketing consultancy Brand Anywhere and Luth Research, 51% of consumers say they are more likely to buy from retailers that have a mobile site. But fewer than 5% of retailers have such a site.

Which retailers would benefit most? According to the study, the product categories most likely to attract mobile-commerce customers include auto dealerships (88% of mobile phone users); auto parts (65%); furniture (62%); florists (61%); jewelry, luggage and leather goods (60%);

liquor (50%); sporting goods, books, hobby and music (49%); and clothing and shoes (47%). However, all categories in the study would benefit to some degree.

In February 2010, Multichannel Merchant found nearly 80% of multichannel retailers had no m-commerce presence at all, and April research from eROI showed fewer than one-quarter of marketers overall had a mobile-optimized website.

For those that do have a mobile presence, many are making the mistake of showing Flash to mobile devices that don't support it, like virtually all iPhones and nearly one-half of Android phones. Source: eMarketer.com, November 23, 2010

Trends that will shape the next decade

With a new decade upon us, a range of demographic, economic, social and technology shifts are changing the way we live and operate around the world. The Intuit 2020 Report, prepared by Emergent Research in partnership with Intuit Inc., explores trends that will affect consumers and small businesses, and those who serve them. Below are some highlights from the report:

Localism creates a new way of life. Work-life balance will no longer be a myth, but a reality as people invest in the places they live to make them better, forging new communities. This weave of community fabric will see people re-establishing stronger ties with family, friends and community, spawning local economic development in new dynamic ways.

You no longer need cash to start a business. Starting a small business will be easier — and more affordable than ever as smaller, lighter and smarter systems, components and manufacturing methods emerge.

Health and wellness spending soar. Health and wellness will become the world's largest industry, accounting for global consumers' single-largest expenditure. Multiple factors will drive the trend, including aging, health-intensive populations; rising levels of chronic diseases among the young; use of expensive, high-tech health equipment, services and pharmaceuticals; and a growing consumer focus on wellness.

Work shifts from full-time to free-agent employment. Traditional employment will no longer be the norm, replaced by contingent workers such as freelancers and part-time workers. The trend will continue to accelerate with more than 80% of large corporations planning to substantially increase their use of a flexible workforce.

Niche markets flourish in the new economy. Consumers will demand unique, niche products and services, and businesses will have the means to deliver them driven in part by the vast reach of the Internet and low-cost tools and materials. Availability of niche products will be accessible anytime, anywhere due to the Internet and social media.

Small businesses and global giants form a barbell economy. Small businesses will grow in importance and flourish due to both their agility and demand for niche products and services. The global economy will see the diminished presence of mid-sized businesses as they are acquired and consolidated into large corporations.

Smart machines get smarter. The technologies we use on a daily basis will get smarter, helping people make everyday decisions and streamline complex tasks. Intelligent devices will be ingrained in consumers' lives along with businesses, changing the way we live and work.

Source: *Intuit 2020 Report*, www.intuit.com