

# 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

■ **What is your company's referral rate?** Is it worth touting? Every business owner should know the percentage of new sales that come in through referrals. A high referral rate is a selling point that can be used to reassure new customers that they're in the right place. For it to be worthy of praise, consider publicizing it only if it's above 25 percent.

Source: [www.openforum.com](http://www.openforum.com)

■ **First-time visitors to your website** need to know right away whether you offer what interests them. Uncertain visitors rarely stick around and click around to figure it out, no matter how attractive or clever your website appears. Test this for yourself: Find five people who have never done business with you, put them face to face with your website for one minute and ask them what the site is about and whom it's for. If more than one out of five can't answer or get it wrong, your site has a common but deadly weakness. Orienting first-time visitors is "job one" for websites, so make clarity your highest priority.

Source: [www.yudkin.com](http://www.yudkin.com)

■ **Have you noticed that even though you can handle any objection,** your prospect still won't buy? It could be that even though you've won the argument, you still didn't win them over because you didn't address their real concern. For example, instead of handling the objection "Your price is too high" with your standard comeback, encourage prospects to talk about why they feel the way they do. Ask, "Let's talk about that. To what are you comparing our price?" or "What criteria are you using when evaluating the value compared to the price?" Continue questioning until you are able to address what's really on their mind.

Source: [www.businessbyphone.com](http://www.businessbyphone.com)

### MANAGEMENT

## The Secret to Making Employees Energized

by Heidi Grant Halvorson

If THERE WERE something you could add to your car's engine, so that after driving it a hundred miles, you'd end up with more gas in the tank than you started with, wouldn't you use it?

Even if nothing like that exists for your car just yet, there is something you can give your employees that will have the same effect — interesting work.

Now I know what you're thinking. "Finding your work interesting is nice, but the work has to get done, interesting or not." This is the attitude many managers take when they hear complaints from employees about work being too boring, tedious or difficult. As if interest is a luxury — something that is pleasant but unnecessary, like little chocolates on your hotel pillow.

Interest in work is not a luxury — it is a powerful motivator. In fact, research shows that finding what you do interesting and believing it has inherent value is probably the single best way to stay motivated despite difficulty, setbacks and unexpected roadblocks.

But as they say in the infomercials, that's not all. A new set of studies shows that interest doesn't just keep you going despite fatigue, it actually replenishes your energy.

### The Power of Interesting Work

In their studies, psychologists at CSU gave participants a task to work on that was particularly draining, and then varied whether the next task was difficult-but-interesting or relatively easy-but-dull. They found that people who worked on the interesting task put in more effort and performed much better (despite being tired) than those who worked on the boring task — even though it was actually harder than the boring task. In other words, experiencing interest restored their energy and gave them a tangible advantage.

In another study, the researchers found that experiencing interest resulted in better performance on a subsequent task as well. In other words, you don't just do a better job on Task A because you find Task A interesting — you do a better job on follow-up Task B because you found Task

### Interesting work keeps employees productive and happy. But what if a job isn't quite so interesting?

A interesting. The replenished energy flows into whatever you do next.

If it's your job to make the most of your employees' potential, you would be wise to make their work more interesting — or, at least find ways of sprinkling some more interesting work here and there throughout the day. But how can you make work more interesting?

### Creating Interesting Work

One of the surest ways to do so is to give your employees the experience of choice. Research shows that self-chosen pursuits create a special kind of motivation called intrinsic motivation — the desire to do something for its own sake. When people feel that they have a hand in directing what they do and how they do it, they enjoy it far more and find it more interesting.

In order to experience a sense of autonomy, your employees need to understand why the goal or project they've been assigned has value. Too often, managers tell their employees what they need to do, without taking the time to explain why it's important, or how it fits into the bigger picture. No one ever really commits to a goal if they don't see why it's desirable for them to do it in the first place.

Allowing your employees the freedom to decide how they will complete an assignment is another way to create the feeling of choice necessary to be intrinsically motivated. Allowing them to tailor

continued on page 2

■ **Small changes to trade show marketing tactics can make a big difference.** For example, offering big prizes like an iPad for a booth giveaway can attract a lot of people, but they may not be the right people. Instead, consider prizes that directly relate to your product or service like e-books or white papers. Also, prospects visit so many booths that it becomes difficult to differentiate one booth from another, so try to make an impression by building a conversation piece into the booth strategy (e.g., hire someone to make balloon animals). After the show, divide your leads into different categories such as people you had meaningful conversations with, those you met outside the booth at social events and people who simply dropped their cards into a bowl. Then, modify your follow-up messages based on those categories.

Source: [www.btobonline.com](http://www.btobonline.com)

■ **Friends at work make for happy employees.** A Gallup Poll found that employees who have best friends at work are seven times more likely to be engaged in their jobs — and, if they have at least three vital friends at work, 96% more likely to be satisfied with their lives. So it pays to encourage friendship among co-workers.

Source: [www.gallup.com](http://www.gallup.com)

■ **Running out of ideas for your company blog?** Blog marketing expert Lee Odden suggests making “Oreo cookie” news posts in which you sandwich an excerpt of a relevant blog or news article between your own introduction and conclusion. Explain why the topic is important and offer your own take on the subject. Be sure to cite the original source. To make it easier to find relevant and timely articles, set up Google Alerts for keywords you’re tracking.

Source: [www.toprankblog.com](http://www.toprankblog.com)

■ **Increase productivity by getting a plant.** Believe it or not, putting some foliage in your office may do more than spruce up the place — it may help you get more done with fewer headaches. Researchers found that seeing plants in the workplace helps people recover from stress within five minutes and enhances productivity by 12%.

Source: [www.plantcultureinc.com](http://www.plantcultureinc.com)

## The power of online reviews grows stronger

Don’t take online reviews about your company too lightly. New research by Cone Inc. reveals that 80% of consumers have changed their minds about purchasing a recommended product or service based solely on negative information they found online. This is up from just 67% of consumers who said the same in 2010. Online information, a trustworthy source for 89% of consumers, has the power to make or break a product recommendation, concludes the report.

Positive information has a similar effect on decision making, with 87% of consumers agreeing a favorable review has confirmed their decision to purchase. But, negative information is gaining traction and is now just as powerful in tipping the scales against a recommended purchase.

The study also finds that the pricier the purchase, the more likely shoppers

are to do extra digging, with people saying they are nearly 25% more likely to verify recommendations for high-cost purchases, such as cars, than they were in 2010. And 59% say they are more likely to research products or services online because they can easily access applications on their cell phones.

The survey, which is based on responses from just over 1,000 adults, finds that shoppers are doing homework well beyond reading user reviews and comments on e-commerce sites, and are 50% more likely now than they were last year to search for articles and blog recommendations (42% in 2011 vs. 28% in 2010). To take advantage of this, marketers may want to target the bloggers and commenters in their industry that have, or will soon have, credibility with their market.

Source: [Mediapost.com](http://mediapost.com), September 13, 2011

## Gender’s effect on cause marketing

Shoppers increasingly seek to support causes through their purchases. Recently, The Integer Group asked 1,200 Americans what would influence their preference for one brand over another when choosing between two companies that each benefit a cause and sell the same product, similar in price and quality. The top answer among both men and women was “personal relevance of cause” (70%).

Differences among genders emerge in the second most common answer, which was “donates with every purchase.” They know the purchase they just made will make a difference. So, while women tend

toward brands that promise the emotional appeal of “doing good” with each purchase (44% vs. 38% of the overall population), it’s not such a big deal for men (33%), who are more likely to choose a brand that donates a set amount.

According to the research, women report that causes such as finding cures and disease prevention are the most compelling, with social change, faith-based, animal and child welfare causes also appealing. Meanwhile, men are more likely to support organizations like the Salvation Army or Goodwill.

Source: [Bizreport.com](http://bizreport.com), August 24, 2011

## Energized... continued from page 1

their approach to their preferences and abilities will also give them a heightened sense of control over the situation they find themselves in, which can only benefit performance.

If that won’t work, it turns out that it isn’t so much actual freedom of choice that matters when it comes to creating intrinsic motivation and interest, but the feeling of choice, even when that feeling is coming from a choice that’s trivial or illusory. Try inviting your employees to make decisions about more peripheral aspects of the work they do. For instance, if they have to go to weekly team meetings to improve coordination — meetings they usually find boring to attend — you can increase interest by having team

members take turns deciding what the topic of the meeting will be each week, or even what kind of lunch will be ordered in. Studies show that these more peripheral decisions create a feeling of choice, and heighten interest, even when the choices aren’t particularly meaningful.

Take time to reflect on how you might be able to create a greater sense of choice in your own workplace using these methods. You’ll make the work more interesting, and wind up with employees that have a lot more gas in the tank.

**Heidi Grant Halvorson** is a motivational psychologist and author of *Succeed: How We Can Reach Our Goals*. Her personal blog, *The Science of Success*, can be found at [www.heidigranthalvorson.com](http://www.heidigranthalvorson.com).

■ **Boost response from local search listings** by including the add-ons that prospects increasingly want and expect — images, coupons and phone numbers. According to BrightLocal, 37% of U.S. Google searchers looking for a local business give companies more attention and consideration when their search listings contain business images or a company logo, and 23% were more likely to contact a business when presented with such images. And even if you don't issue coupons in the offline world, there is much to be gained from adding online coupons to your local search listings. Finally, including your phone number allows customers to contact you with questions not available online.

Source: [www.eMarketer.com](http://www.eMarketer.com)

■ **Looking for angel investors?** That is, people who invest relatively small amounts of their own money in newborn businesses. If so, check out AngelList, a social network that connects startups with investors. Startups create a profile and pick which investors can see them. Investors see the startup in their feed and also get notifications from AngelList administrators based on the interests they've indicated. Deals can range from \$50,000 to \$1 million and typically go to young technology startups.

Source: [www.huffingtonpost.com](http://www.huffingtonpost.com)

■ **If you use Google AdWords** and your campaigns are set to receive traffic from mobile devices, make sure your landing pages are optimized for those devices. Google announced it will include mobile optimization as a factor of ad quality for AdWords campaigns that are driving mobile search traffic. Optimized landing pages will perform better in AdWords in that they will generally drive more mobile traffic at a lower cost. Visit your landing pages with different mobile devices and experience your site as your customers do. Flash-heavy content should definitely be replaced.

Source: [www.marketingvox.com](http://www.marketingvox.com)

## IRS offers break on employee misclassification

Businesses that have been improperly labeling their employees as independent contractors are getting a surprise break from the Internal Revenue Service. The Voluntary Worker Classification Settlement Program will allow those businesses to reclassify workers and make only a small payment to cover past payroll taxes.

While some companies have purposely misclassified employees as independent contractors for the monetary savings, many employers are confused by the vague nature of the law. The current law is based on a common-law standard involving some 20 factors. Studies show that misclassification may affect up to 30% of U.S. companies.

Under the new IRS initiative, firms will owe about 1% of wages paid to reclassified workers in the past year, with no interest or penalties due. To be eligible, a company must have consistently treated the workers as nonemployees, have filed required 1099 tax forms for the past three years and not be under a worker classification audit by federal or state agencies.

The downside? Regulators say they are going to be more vigilant about misclassification of workers in the future. The IRS and the Labor Department will work together to educate employers about compliance.

Source: *The Wall Street Journal*, September 22, 2011

## To help your team win, tell them they're losing

Need your team or salespeople to try a little harder and win in a competitive situation? Tell them they are losing, but only by a little. That's the conclusion from studies conducted by Jonah Berger, a professor at the Wharton School of Business.

Berger told subjects that they were competing with a person in another room to see who could make the fastest keystrokes and that the winner would receive a cash prize. After one round he gave the subjects feedback, saying that they were far behind, slightly behind, tied or slightly ahead of their competitor. Only the people told that they were slightly behind picked up the pace significantly in the second round. Overall, the

subjects in that group performed faster than the "slightly ahead" group.

A similar effect was discovered by Berger when he analyzed real-world field data from 60,000 basketball games, including 18,000 NBA games. Teams that were down by one point at halftime were 8% more likely to win than teams that were ahead by one point at halftime.

But could this effect work in business? Maybe, but according to Berger, self-efficacy — how confident someone feels about their ability to succeed — makes a difference. In one of the studies, while people who were slightly behind tended to work harder, the effect was strongest among people high in self-efficacy.

Source: *Harvard Business Review*, October 2011

## New law changes system for awarding patents

Legislation overhauling U.S. patent laws will help federal officials quickly process a fast-rising mountain of applications filed by inventors. Over the last decade, patent applications have nearly tripled; however, innovation has been slowed by the cumbersome patent approval process.

Under the America Invents Act, patents will be awarded to inventors on a first-to-file basis instead of the first-to-invent basis, which some say is more prone to litigation. The change will bring the country more in line with how other countries

handle patents.

The new law, which had bipartisan backing in Congress, will allow startup firms to get fast-tracked consideration of their patent applications, guaranteeing a decision within 12 months instead of the roughly 30 months they've traditionally had to wait. It's also expected to reduce a backlog of patent applications by letting the Patent and Trademark Office keep the revenue it generates from fees and use it to hire more staff.

Source: *USA Today*, September 16, 2011