May 2007

How to Deal with Crisis

Protecting Your Brand When Trouble Hits

Everyone hopes it will never happen to them, but the truth is, no business is immune to a crisis. The recent pet food crisis where Menu Foods initiated a massive recall of tainted pet foods that harmed and even killed a number of pets throughout North America has certainly brought this fact to our attention once again. While Menu Foods certainly bore the main branding crisis, many pet food retailers were also judged by their customers on how they handled the situation. When your business experiences a crisis of this nature, it is imperative that your response is immediate AND proactive. Sitting back and hoping it will go away is not an option. Your customers will watch how you handle the situation and make a judgment call on whether you can be trusted in the future.

Protecting your brand when trouble hits can be a challenge – especially if that trouble has resulted in a loss of consumer confidence. Below you will find two actual letters from major retailers to their customers about the Menu Foods crisis.

[Subject Line:] Important Pet Food Recall Information
Dear Valued Company ABC customer:
As you have probably heard, Menu Foods, a national manufacturer of pet foods, issued a voluntary recall of canned and pouched wet dog and cat food manufactured in two of its facilities between December 2006 and March 2007. Again, this is a recall of a specific type of wet pet food made by Menu Foods. Other wet pet foods and all dry pet foods and treats are not impacted by this recall. Menu Foods initiated the recall after receiving reports that some of its foods may be the cause of reported illnesses and kidney failure in dogs and cats. Menu Foods distributes these products to supermarkets, mass merchandisers and pet specialty stores, including Company ABC, under a variety of brand names.
Sincerely,
XXXXXX
Chairman & CEO, ABC Company **

[Subject Line:] A Message from our CEO on Pet Foods
Dear [customer's first name inserted],
Company XYZ cares about Your Pet. Here at Company XYZ the health and well-being of your pet is our number one priority and we'd like to update you about the recent industry recall of certain WET DOG AND CAT FOOD PRODUCTS. First, it is important that you know ALL foods affected by the recent Menu Foods recall have been pulled from our stores' shelves and are

not being sold online at Company XYZ.com. For additional information regarding the recalled pet food brands, you can visit the Menu Foods web site [link]. Second, where possible, we are sending notices to anyone who may have purchased recalled products asking that they discontinue feeding their dog or cat these specific canned and pouched wet foods.
Sincerely,
[Signature] XXXXX, CEO **

You will notice two very different approaches from these two companies. The first letter reads like it was written by a legal department, and feels somewhat defensive. It is impersonal (addressed generically), and mentions Menu Foods four times, as if to say "it wasn't our fault". It leaves the customer somewhat cold. The second letter feels more like it may have been written by the PR department. It is addressed to the customer by name. It begins by expressing the company's concern for the health and welfare of the customer's pets. It mentions the company's name three times (great branding) and lets the customer know what they have done to rectify the situation, rather than casting blame. It has a more personal, casual feel and comes across as more caring. As a customer, which letter would you rather have received?

Honesty is the best policy

The key to protecting your own brand is to be honest about what has happened. Don't try to blame someone else, or minimize its significance. Company XYZ mentioned its name three times in the letter – making sure their brand was being seen – even though the subject of the letter was unpleasant. This company also put the customer first. One gets the sense that they care more about making it right for their customers than protecting themselves. Remember, when a crisis hits, your primary job is to restore customer confidence, and there's no better way to reassure them than to tell them exactly what you are going to do to fix the situation, and to reiterate your concern for their welfare. Here are some important things to remember when crisis hits.

Quickly develop a communication strategy

Don't wait too long to decide how you're going to deal with what's happened. How are you going to contact your customers? What will you say? What tone will you use? What is your primary message? How will you strengthen your brand after the crisis? The quicker you can reach your customer with your message, the greater the chance you'll be able to make amends. The longer they have to wonder and doubt, the harder it will be to convince them when you do finally reach them.

Make sure your employees are on board

It's critical that you do damage control and crisis management effectively with your staff. They should be very familiar with the communication strategy you have chosen, and be trained on how to support it if they are ever in a position where they are commenting on the issue. One rogue employee who has either not been prepared, or who has not bought in to your strategy can do a lot of damage in an already difficult situation.

Be an example, from the top down

This may be the time in your business life when your leadership skills will be put to the test. How you handle the situation will be watched by all – the public, the industry, those who work for you, and your customers. Honesty and integrity, in the face of the difficulty, will go a long way toward buying back consumer confidence.

Mention your brand as often as possible

Whenever you get the opportunity, say the name of your company. When you're being interviewed, when you're talking to customers, when you're advertising, make sure your brand is front and centre. People will remember you for what happened. It's your job to make sure their memory is a positive one.

A crisis is never easy to deal with, but being prepared to act quickly and strategically when it does may be the difference between drowning under the weight of it or surviving it and coming out stronger.

Top

Small Business Survival Tips

Part II

We began this three-part series last month by bringing to light Al Siebert's (author of The Survivor Personality) work with trauma survivors. He listed nine personal traits that seemed to be common in all people who survived major traumatic events. The article drew attention to the fact that those survivor traits were also traits we see in successful business people. Last month we talked about the first three traits – the ability to learn from experience, mental and emotional flexibility, and empathy. This month, we're going to look at another three – a positive outlook, results orientation, and self-confidence. We'll conclude next month with the final three – willingness to experiment, adaptability and playfulness.

4. Positive Outlook

Siebert says "survivors anticipate and overcome obstacles to their success, and are adept at thinking in positive ways to surmount negative developments." I've heard many amazing stories about Hurricane Katrina survivors. People lost everything – their homes, vehicles, all their possessions, their jobs, and even loved ones – but those who were able to effectively rebuild their lives after the total devastation of that disaster, time after time, talk about the positive things that came from it. They talk about being thankful they are still alive. They talk about the kindness of others and how much they appreciated those who offered their help. They focus on building their future, not reliving their past. They look at life differently – with gratitude for family and friends, and for every new day. A positive outlook is an unstoppable force, both in life and in business. People who ask positive questions are the ones who succeed in creating the lives they want. "How can I turn this around? How might this be a blessing in disguise? How can I make this pay off for me?" These kinds of questions take you from problem to positive.

In your business, you will face setbacks. Are you the type of person who knows this and anticipates those setbacks? Can you take a terrible situation, a downturn in the economy, an awful mistake, a significant failure – and ask the questions that will help you find a way to respond positively? Those who are successful do.

5. Results Orientation

Survivors have an overriding desire to makes things work at all costs. They need to know that what they are doing is making a difference and they are constantly looking at new and innovative ways to make things work better. In business, these people are often seen as “wave makers” because the status quo is never good enough. This trait is closely linked with the previous one. Their positive outlook propels survivors to continually look for a better way. If my house was destroyed by a hurricane, how can I build one that is better, stronger, and will withstand the next one? If my business experienced a serious setback in sales last quarter, what can I do to motivate my team to excel in the next one? Business is about people, and we can’t forget that, but it is also about creating success. If you don’t pay attention to your bottom line, your business won’t get very far. Focusing on the results you want with your business, and determining the strategies you will use to get there, can be one of your greatest tools for success.

6. Self-confidence

This has nothing to do with ego and everything to do with an inner trust that keeps survivors grounded no matter what is happening around them. It’s all about balance. Whether they make big mistakes or have huge successes, their inner compass reminds them to stay centered. Someone once gave me a profound piece of advice that has helped me weather the storms of child-rearing, especially during the crazy teen years. It was this: if your kids turn out great, you can’t take 100% of the credit, and if they turn out less than great, you can’t take100% of the blame. I think this has great truth in other areas of life as well. We all have successes and failures. If something goes wrong and you get stuck in thinking that it was all your fault and that you’ll never be successful again, you will live out your own prophecy. Self-confidence is taking both your successes and failures with a grain of salt, being grateful for the good and making the most of the bad; it’s knowing that you have the capacity to survive anything, and doing whatever it takes to make things happen for the good; it is being able to see what IS happening, instead of what you wish was happening, and, taking action to move towards what you want.

I’m inspired by these survivor traits and their impact on my personal and business life. How are you doing in these three areas? Are you demonstrating a positive outlook in your business – do you take setbacks and trials and find ways to see the positive in the difficult? Are you paying attention to results in your business – do you continually seek ways to improve the way you do business? Finally, how’s your self-confidence – are you able to recognize your successes as the result of your hard work and effort, as well as look at your failures as opportunities to grow and learn? Next month we’ll look at the final three survivor traits and how they can help you grow your business.

Top

Making Meetings Marvelous

Six Rules for Improving Meeting Efficiency

Not too many of us jump up and down with joy and anticipation when we think about attending meetings. In fact, for many of us, meetings can be the bane of our existence. I recently read somewhere that a meeting is an event where minutes are kept but hours are lost. This is so often true, and inefficient meetings can be the cause of many lost hours in a business owner's day. Fortunately, there are ways to increase the efficiency of your meetings so that you accomplish more in less time. Consider these rules of engagement when it comes to handling your meetings. These rules will help you to stay on track, create interest and enthusiasm, cut down the time you spend in meetings and free you up to do other things. It may seem a little like overkill at first – especially if your meetings have been running rampant and out of control – but in the end, everyone will be happy to be spending less time in the boardroom, and will feel better about getting more accomplished.

Rule #1 - Use a timed agenda

This may take a little extra work at first, but it will be well worth it when you see how it works. Take your agenda and determine ahead of time how much time you think each item will take. Actually write that on your agenda. (e.g. Sales report – 10 minutes; Joe's report on production evaluation – 15 minutes, etc.). That way you can plan a start and end time to your meeting. Then, circulate it to your meeting attendees ahead of time. When people know exactly how much time they will have to do a presentation, they'll be less likely to wander or go off on tangents. Finally, stick to those times. I can't stress how important that is. If Joe can't give his report in 15 minutes, tell him he'll have to circulate the remainder of it in writing. (Same goes for you by the way – the rules apply to you as well). If you've started an important discussion and issues arise that make it clear you won't be able to finish in the allotted time, schedule another meeting with the people who are involved in that agenda item, or give them the responsibility of meeting with each other and then circulating a written report on their discussions. If your employees know they're going to have to spend extra time writing reports, they'll be highly motivated to keep to the agenda times. For the first few meetings, you may need to make adjustments as things take more or less time than you anticipate, but you'll quickly learn to judge how long each item should take.

Rule #2 - Start on time, end on time

No exceptions. If Linda passes you in the hallway as you're heading to the meeting and says "I have to do xyz before I come to the meeting. I'll just be another 5 minutes." Tell her that you will be starting on time and that if she arrives late she'll have to catch up with a co-worker. Even if you have only 2 people in the room out of your staff of 7 staff – start anyway. No one really likes interrupting a meeting already in progress and if you are consistent, people will begin coming on time. Use your timed agenda efficiently, and end the meeting on time. Let your staff know they can bank on the ending time so that they can more efficiently plan their days. If your staff is booking off an entire afternoon for a staff meeting because they never know whether it will last one hour or three, you're wasting a whole lot of productivity. It's also more difficult for them to get back into their work rhythm after the meeting is over.

Rule #3 - Meetings are for work, not socializing

Unless you've planned a potluck lunch, or coffee and muffins and assigned 30 minutes for socializing at the beginning of the meeting, get your employees used to the fact that meetings are an extension of their work. Meetings are not the time to catch up on each other's weekends or to be circulating Stella's photos from her European vacation. This is business and they are being paid to work. This is not to say that work must be 100% nose-to-the-grindstone and no fun at all. You've got to have levity in your workplace and people do need to get to know each other in a social setting, but there are times when that is more appropriate. That's what coffee breaks or lunch breaks are for. Organize the occasional staff lunch for just that purpose, or even an evening or weekend event where socializing is the only thing on the agenda. Just don't allow meetings to digress into "catch-up" time or they will go on for hours.

Rule #4 - Share the agenda

Just so it isn't you talking at your staff for an hour, assign agenda items to different staff people. There's no reason different departments can't share their reports. In fact, they may be better equipped to do so than you are. Hearing different voices and seeing different perspectives makes for a more interesting meeting.

Rule #5 - Keep a running action plan

Whether you're used to it or not, assigning someone to take notes, even if they're brief, is extremely helpful in keeping track of what is accomplished at meetings. Your note-taker should keep a running action plan going so that when a task is assigned, he or she jots down the task, the person to whom it's been assigned, and the date due. After the meeting this should be circulated to the group so everyone is able to keep track of what they are to do. It gives you a list for following up with important tasks to ensure they are getting done. It also helps keep track of items that need to be carried forward to the next meeting so that nothing is forgotten.

Rule #6 - Reward people for helping you maintain the rules and contributing to more successful meetings

It can't be all work and no play, so if you've had a particularly successful and productive meeting, treat your staff to a round of Starbucks coffees, gourmet chocolates (or whatever you like - be creative here!) to let them know you appreciate their willingness to be on board. These rewards can be highly motivating and energizing for your team.

Begin implementing these six rules and you'll be amazed at how much of a joy meetings can be. When your team emerges energized, organized, and productive, everyone will be happier about the process, and you'll find yourself with hours of extra time on your hands – and who couldn't use a little more of that?

Top

To Send or Not to Send - That is the Question

Six Tips for Using Email Attachments Effectively

We've all had it happen – someone sends you an email attachment and you wonder whether it's safe to open it. Once you decide that it's come from a safe address, you try to open it but it's the wrong file format and you can't access it. Or, it's so huge your system practically shuts down trying to get it open. Or, you open it and it's one line of text surrounded by a whole page of pictures – a message you could have easily received in the body of the email. Attachments can be a great marketing tool, but if you don't use them carefully, you'll irritate the receivers so much

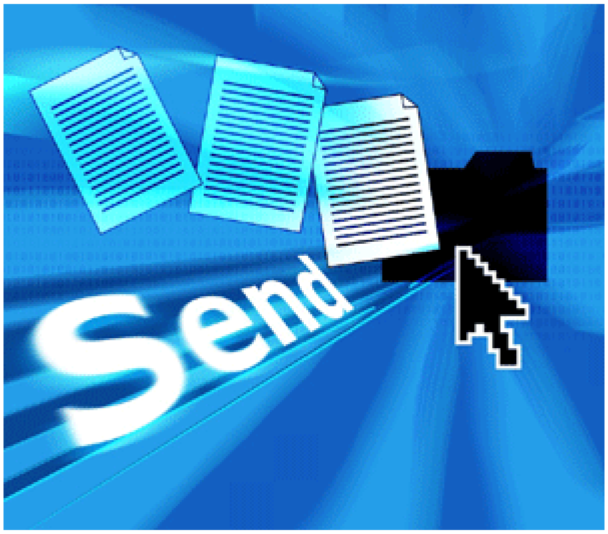
they won't care about the message once they get it. Use attachments wisely and they could give you a great opportunity to market your product or service. Abuse them, and they'll be as ineffective as SPAM. Here are some rules to follow when using attachments as a marketing tool.

1. Make sure you're giving the client what they want. Is your message something that could be said in a few words in the body of the email, or is it necessary to send something visual? Also, what exactly does your client want and/or need? Sometimes a detailed presentation with lots of colour and images is just what your client needs and wants, but sometimes, all they want is a price list or a one-page summary. Most of the time, less is more.

2. Be cautious of file size. It's irritating to receive an attachment so large it takes ten minutes to download and freezes your system while it's trying. If you're using images, make sure you have resized them for email. If you're saving to pdf, you can use compression options to save files in lower resolution for emailing.

3. Let the client know you will be sending an attachment. SPAM filters have gotten so efficient that many times attachments just don't get through. Servers are getting more and more cautious about what they're allowing their clients to receive. I find it effective to send a little note first letting your client know you will be sending an attachment. That way, they can add you to their list of "safe" addresses and will know it's OK to open it when they receive it.

4. Decide if sending a web link might be better. Is there a web site you can point your client to that has all the same information as your attachment? If there is, send them a link instead. If they can click to get to the information rather than cluttering up their email folder with attachments, it may be even more effective. Once they read what's on the site, they may actually request more information, giving you permission to send them more information.



5. Be careful with file formats. I can't count the number of times someone has sent me something in a file format so obscure no one I know has ever heard of it. You're generally safe in sending Microsoft Office documents – Excel, Word, or PowerPoint. There aren't many businesses that don't use at least the basic MS suite. Although if you are using MS Office 2007 you may want to save your document in the offered 97-2003 format to be assured that they will still be able to view that table or graphic you labored over. Publisher can be an issue because it's not part of MS standard – so unless you know for sure your client has that software, don't bother sending it – they won't be able to open it. PDF's are a universal file format that everyone can open. They are also the most stable file format – so if you can convert your file to PDF (if the sender doesn't need to access the original file to make changes) it is usually best. These days there are websites that allow you save documents to PDF without having to purchase the expensive software. Also, be careful with graphics files. While jpegs, gifs and tiffs are usually easily opened by most computers' generic preview programs, Photoshop and other graphics program files can only be opened if the receiver has that same software. Again, watch file size when sending.

6. Break them up. If it is necessary for you to send a number of files, you may want to consider sending them in two or more emails. The more attachments you send, the longer it takes the email to download into the receiver's box. When you add attachments to your email – you can see the file size.

Generally, anything under 2 megabytes is safe to send, but if what your sending adds up to 3 or more megabytes, send them separately. Again, advise your receiver of what you'll be sending. (e.g. "I'll be sending you 5 attachments in 3 separate emails").

7. Avoid bulk sendouts. If you must send your attachment to a large group of recipients, make sure you BCC (Blind Carbon Copy) the addresses. To get to the BCC click the 'To' box in your email browser and this will open your address book which will then show the BCC address bar. This will keep all email addresses private (i.e. not viewable by the people receiving it. People can be very annoyed if you publish their email to the complete list. If I am sending bulk messages, I put my own address in the recipient box, and BCC all the remaining recipients. This has the added advantage of appearing to each recipient that they are the sole receiver. SPAM filters and corporate servers often block bulk emails, so don't be surprised if they don't go through.

Using email attachments can be a great way to market your product, but it can also be a detriment to exactly what you are trying to accomplish. Use them sparingly; use them wisely and they will help you accomplish your marketing goals.

Top

What Customers Really Want,

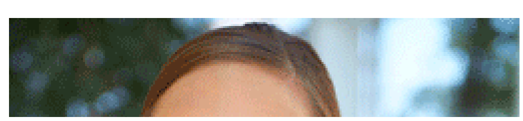
and How to Give it to Them

Think about someone you consider a great friend. You know, that person with whom you can completely be yourself and with whom you love spending your time. Take a moment to write down what it is about that relationship that makes it so special. What is it about them that makes you want to spend time with them? Why do you value their friendship? What qualities do they exhibit that you admire? How have they positively impacted your life? What have they contributed to you personally or professionally? Can you put into words what that relationship means to you? I hope by now you're feeling all warm and fuzzy as you think about this friend (and maybe even prompted to pick up the phone and give them a call). Stop for a moment and think about how you feel. Then, shift your focus to your customers. It may surprise you that what they want from you is exactly what you get from a good friend. The characteristics of a strong and healthy friendship are also characteristics that breed loyalty in your customers. If you've never thought about that before, take a moment to look at the things that are really important to your customers.

Customers want you to tell them the truth

Just as you depend on your good friend to be truthful with you – even if that truth is sometimes uncomfortable – your customers want to know they can count on you to tell them the truth. It will never work to your advantage to hide things from your customers, or to sell them things without disclosing everything they need to know. It may benefit you in the short term as you make the sale, but in the end you'll lose big time. Nothing will drive a customer farther from your doors than discovering that you have been less than truthful with them. This truthfulness is so important that 97% of customers will never return to a business that they feel has been dishonest with them. Take that and multiply it by all the friends they'll tell, and your potential loss is enormous. The old adage that honesty is the best policy is as true today as it ever was.

Customers want to be able to count on you



Chances are, one of the things you listed earlier about why you value your friend is that you can depend on them, no matter what. A good friend is someone who doesn't let you down; someone who is there for you and helps you out on a moment's notice, even if the timing is bad for them. Your customers want to be able to depend on you as well. If you've promised a 30-day guarantee, and they bring the item back on day 30 and are unsatisfied, you'd better keep your word. If you've told them their item will be ready in two weeks – move heaven and earth to keep your promise. If they are not satisfied with your product or your service, make sure they know you will do whatever it takes to make it right. This kind of service gets people talking to their friends and neighbors about you. Dependability is ranked high among customers when they are choosing someone to do business with. Be the kind of company they can count on, and they'll keep coming back.

Customers want their relationship with you to be easy

I'll bet you love spending time with your friend because it's easy to be with him. You don't have to think about what you're saying or how you're acting because you can completely be yourself. It's not hard work. Your customers feel the same way. The easier it is to have a purchasing relationship with you, the more likely they'll remain loyal. If they are constantly running into exceptions to the rule, hassles with returns, people not listening to their concerns, or having to jump through endless hoops, they won't hang around for long. Make the customer relationship as comfortable as possible, and they'll stick with you.

Customers want you to listen to them

What is more comforting than a friend who really listens? Someone who hears not only what you say but what you don't say? Your customers want to be heard. Whether they are coming in with a complaint about something, or simply trying to explain to you what they need when making a purchasing decision, listening to them makes them feel valued, and guides them toward making the best decision. If you can listen AND read between the lines to help them see what they aren't seeing, you'll become an invaluable and trusted resource for them.

Even though your customers may never become your best friends, if you treat them like they are, your business will reap the benefits in referrals and in their loyalty. Good friendships don't happen overnight – and strong customer relationships are no different. In order to develop good friendships, you must invest your time and energy, and it's the same with your customers. Make that effort and see what a difference it will make to your customer relationships.

Top

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