



Service = sales

Money spent promoting your brand is wasted if your customer service is poor. A recent survey by the American Express Global Customer Service Barometer showed that Australian customers would spend an average of eight per cent more if they received exceptional customer service.

The key determinants of customer spend include product knowledge, courtesy, enthusiasm, promptness, cleanliness and how well staff represent brand culture.

This means that to be fully effective, marketing strategies must be combined with internal programs that inform, engage and motivate staff.

According to Mercedes Trautwein, joint Managing Director at EVT Marketing Group, "If the team are not motivated, nobody is going to do business with you. They will go to a company that is [motivated], and there will be a loss of revenue and negative referrals."

How, then, to motivate your team? Measures such as Key Performance Indicators, peer-to-peer nomination, customer-service rankings and internal reward programs can all be successful. The key is for the measures to be specific, consistent and aimed directly at employee engagement.

Recognise or incentivise?

According to workplace consultant, author and researcher Leigh Branham, when it comes to your staff, the simplest of measures can have the most dramatic effects. The most powerful motivator, he claims, isn't money or prizes: it's recognition and praise. Branham has identified five principles to help managers praise their staff effectively. According to his scheme, praise should be:

- 1. Frequent:** About once a week is a reasonable guideline.
- 2. Specific:** Praise your employees for specific things, such as a customer handled well, a difficult deadline met or timely assistance to a colleague.
- 3. Sincere:** Managers should praise things they truly care about.
- 4. Immediate:** Managers should develop the habit of praising behaviour on the spot; waiting reduces the impact.
- 5. Tuned:** Some people want to be praised in public; some hate it. Some people need frequent praise; others don't really care. A good manager will understand how best to praise each staff member.

Online reader survey

To ensure *George* magazine is as relevant and interesting as possible to you, our readers, we want to hear your thoughts on the magazine and how we can improve it. We have compiled a short online questionnaire that should take no more than five minutes to complete. By doing so, you'll be in with a chance to win a fabulous prize package from Huka Lodge.

To enter, visit the survey site at www.edgecustom.com.au/george.

Entries must be completed online by 28 February, 2011. Full terms and conditions are available on the website.

The prize is two nights at Huka Lodge for two in a double lodge room, with pre-dinner drinks, five-course dinner, breakfast, Taupo Airport transfers and use of all Lodge facilities. Valid for use between May 1 and September 30, 2011. Travel to and from New Zealand is not included.

For more on Huka Lodge, see our story starting on page 40.



The wisdom of the crowd

With advances in social networking generating high-level interactivity and connectivity, companies seeking to innovate are increasingly tapping into the imagination of the masses. Instead of calling upon staff or contractors to generate marketing ideas, innovate their technologies and solve operational problems, companies are outsourcing through open contests with impressive results. The innovation tool is not without its risks, however. Harvard Business Review's Ndubuisi Ekeke advises companies to follow some simple guidelines:



Be specific:

The problem should be stated clearly and simply.

Target the right crowd:

To deal effectively with the problem, the company must know where the right talent lies.

Define the IP rights:

Ownership rights should be stated clearly.

Nurture the network:

Money always motivates, but consider additional ways to motivate the crowd. Brand loyalists, for example, will be motivated to tailor the product they already enjoy.

Promote the campaign:

Think of innovative ways to catch the attention of the talent you require.

Engage the solution providers:

Solution providers such as InnoCentive and IdeaConnection know how to help companies to find the top talent in the crowd.

86%

Of Australians who are online seek information, reviews and opinions about brands, products and services from their fellow users.

Source: www.digitalmarketinglab.com.au



Social media is on the rise and one of its most popular forms is Twitter. Twitter is a micro-blogging service that enables 'tweets': messages limited to 140 characters that are displayed on their creators' Twitter pages. You can subscribe to or follow as many feeds as you like for no cost, and updates can be forwarded automatically to your smartphone.

Twitter offers fast information, usually updated on the spot as the feed's creator witnesses an event or shares an insight. It's a great way to stay up to date – but beware of message overload if you have too many feeds incoming.

Simply visit www.twitter.com and enter a feed tag into the search bar to find your feed.

Suggested business Twitter feeds:

- **Exectweets:**
@exectweets (find and follow tweets from the world's top executives)
- **Freakonomics:**
@freakonomics (view the world through the eyes of celebrated rogue economist Steven D Levitt)
- **Reuters Business:**
@Reuters_Biz (get timely business news)
- **The Economist:**
@EconBizFin (get more business and finance news)
- **St.George Bank:**
@StGeorgeBank (be privy to tweets from Australia's best bank!)