

Which Came First:

The Sale or The Service?

A well-run practice balances sales and service to gain clients' confidence and close more business.

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The lights in the theater dim, suggesting everyone take their seats. They do. A moment of silence before the curtain parts. Lights! Spotlights hit the stage. NO ONE IS THERE.

A few stage pieces are scattered about. It does not seem that anyone knew this show was to go on. The crowd gets upset, demanding refunds. The theater was ready. This show had sold out so many times; why not go for one more weekend? The sales were made, ushers hired, lighting crew on hand. But the stage production crew had no idea. No one told them additional shows were sold.

Now, imagine the reverse, a production crew and cast who had such a ball with the show that they decided to go on for another weekend. But they neglected to tell the theater crew. No sales were made, and the performance conflicted with another planned show.

Is this theater world really so different than the office of a typical MDRT member? Not so much. Repeat sales are often the result of something that sold well the first time. But do we sometimes forget to tell our operations team what we have in the pipeline? If we choke the team's ability to serve, our reputation and referral stream can certainly be damaged. And often, out of the delivery of service, we can develop a new product or service offering.

As long as both sales and service have been around, so has this age-old debate. Which came first: the sale or the service? And which is more important to a successful business? I submit to you that it is neither and both — neither is more important, but both are vital to success.

Importance of the sale

What if the only focus is sales? Just like that theater setting, if the sale is independent of the operations team, there may be no expectations or processes to handle the business. And if the sales team devises and sells something completely new (yes, we have all done it), operations may not be prepared to service it (even if compliance does approve it). Can it be done? Sure! A good team can figure out how to service most things, but that often leads to stress, errors and only meeting, rather than exceeding, your clients' expectations. We all know that service that *delights* our clients gets them talking to friends and other advisors about our office not just getting it done, but getting it done right and in a superb fashion. >>



Excellence begets praise. Excellence is not an accident, but a result of keen preparation and attention to details. My point here is not to quash thoughts and attempts to devise and sell new services. We must do that to stay ahead of the game. But we also must remember to bring our key operations folks into the planning so they are prepared to not only service, but delight the clients as we seek to make the next sale.

Here is an example from my office. With the permission of another agent, we were able to replicate a financial planning model and adjust it slightly for use with our clients. Before we were certain we could replicate and adjust, our sales began. And as we sold more, we perfected the sales process. With each client going through the process, it was never clear to anyone what was to come next. And now, nearly five years after replicating the model, we have finally put a sales process and operations processes in place. This allows us to best use operations rather than sales staff in the case preparation and client service roles. Prior to bringing in the operations team, the advisors had to do most of the heavy lifting, which took time we could have devoted to additional sales. We had a service to sell that people wanted, so we sold it and they bought it. We pieced it together as best as we could, based on what we actually sold, as it was slightly different each time. Only after having things slip and operations staff frustrated, did we work together to put the process to both the sale and the operations of implementation. Now, when we sell our financial planning, it is a full model with processes, and prospective clients are impressed with the comprehensive and thorough approach. Without the initial sale of something that did not exist, we would not have this new offering, which now leads us to at least 25 percent of our product sales.

Importance of service

If we can deliver exceptional service and delight the client, we build their confidence and strengthen our relationship with them. The more we know, the more we can help. And when they have full confidence in us, they then turn to us for each and every financial question. If we cannot offer a solution, we can offer a referral and build our referral networks stronger.

Again, a real-life example. Seven years ago, Jeff — one of my strongest client relationships — left his job to start a new company. He wanted me to handle a very small rollover IRA (individual retirement account). He shared the story with me about the company he would be

WE HAVE TO START WITH SALES

WHEN WE HAVE NOTHING ELSE. THEN WE BUILD THE SERVICE.

starting and his dreams for the future. I opened the IRA. Jeff was added to our regular newsletter mailings. Each quarter, he received performance reports with personal notes written on them. Every summer, I made sure to treat Jeff and his partners to at least one round of golf. Each winter, we shared an update luncheon. Semi-annually, Jeff and his wife came to the office for regular reviews. Jeff is invited to each client appreciation event we host. We helped him find an accountant, a corporate lawyer and a banker. He called for my input on every financial decision he made, from refinancing to moving, to buying or leasing his truck. Together we reviewed their lines of credit and were able to eliminate all consumer debt within 12 months before starting a new investment program.

Now, Jeff's account size certainly did not warrant this level of service, but if his dreams were to come true, it would be a well-placed investment. Today, only seven years later, Jeff is a co-owner of a company worth more than \$10 million. Our firm handled the buy-sell funding for the four partners, the retirement plan for the 75 employees, the financial planning and individual insurance and investments for three of the four partners, and all key person insurance policies. We split the other group benefits with a local group expert. Current projects underway include rewriting/increasing the buy-sell to account for company growth, adding an executive bonus program to key sales managers and securing the fourth partner's personal financial planning. With the service we have delivered to the company and three other partners, I don't expect any problems with these next projects.

Sales and service working together

Based on my personal experience and that of other advisors I know, I find that some general principles apply here. The more you are able to focus on the relationship and the service, the less the next sale matters. Sales just seem to come as a result of relationships with clients and professional advisors.

When we create a sale, we have to solve the service issue. But when we create the service, sales don't seem to be an issue. We have to start with sales when we have nothing else. Then we build the service. And if we build that service to such a level, the sales will come. In a strong office, sales and service are so intertwined that you simply cannot have one without the other. The more clients you service, the more key clients can develop, which lead to great sales resulting from superior service. ■

