The Distribution Team
We wrote THE BOOK on Distribution Inventory Management

Let's Get Personal – Again

By Jason Bader

I recently invited Susan Merlo, author of The Digital Distributor, to speak to our peer collaboration community on the subject of personalization and the use of AI. While she focuses on the digital transformation side of the this subject, it got me thinking about how the concept of personalization could touch all aspects of a wholesale distribution company. While I could not speak to the vast possibilities in this short article, I will touch on a few that might generate further thought and discussion in your organization.

Personalization, in a business environment, refers to creating tailored experiences for customers by leveraging data and analytics to understand preferences, behavior, and needs. The idea is to deliver custom content, recommendations, interaction, and services that make the customer feel special. A former client of mine was a master at this. His company tagline was "We are experts in your business". He would find small niche customer segments and then create entire marketing campaigns focused on the products used in that environment. As you can imagine, he became wildly successful by making the customer feel special.

Let's start simple. Everyone loves to hear their first name. For those of you of my vintage, I loved the greeting when someone entered the bar on the show Cheers. Even the theme song drives this point home. In a business context, we need to make sure that our customer feel really welcome in our place of business. Whether they walk in the door, make a phone call, send us an email, or go to our website, we want them to feel welcome.

Phone etiquette is a dying art. When I was manning the phones in my early days, I was coached to say "Thank you for calling Acme, this is Jason, how can I help you?" every single time. Four things were conveyed in that sentence. A) Thanking the customer for calling our business B) The name of the company they called C) Who they are speaking to D) their request is going to be taken seriously. A client of mine has been so concerned with the decline in professional phone etiquette, that they have hired a firm to record and score their phone interactions. The scoring has led to several "coaching moments" with some of the team members. The CEO shared with me that the recordings have been painful to listen to, but they are giving him the ammunition to seek improvement.

Another simple area to address is email communication. For many, abbreviation and speed has pushed us away from basic customer service. I recall reading a post from some self-proclaimed expert stating that we are all wasting time typing people's names when addressing them in an email. Cue the rolling of the eyes. Are you so poor at time management that you can't take the 2 seconds required to include someone's first name? Just because it isn't face to face, doesn't mean that you can't make it personal.

When we get a new customer on the books, how do we onboard them? How do we make them feel like they make a fantastic decision by choosing us as a supplier? Our sales team worked really hard to get the new customer to sign an application, the organization needs to work equally hard and making that first interaction amazing. I had one client create a welcome "lunch box" to send to the new customer. I have known others that have the CEO / President send a personalized welcome letter. First impressions matter. My old AR mentor, Abe Walking Bear Sanchez, would recommend that the credit manager reach out to a customer on their first transaction and walk them through the invoice. At this time, they would gather information about preferred email addresses, payables contacts, when they cut checks, and much more about the organization. He truly believe that the credit management function was more about enhancing customer relationships that the collecting of money. Sadly, most of us don't reach out to the payables team until the first invoice is overdue.

IS VMI (Vendor Managed Inventory) a form of personalization? I would argue that it is. When we set a managed stock room, we are focused on a specific group of products that are uniquely tailored to the needs of the customer. We monitor the levels and replenish as needed. How much more personal can you get? I would highly encourage all distributors to have an active VMI program as an addition to their customer service offering.

The best way to really get personal with a customer is to give them the impression that they are the most important customer on your books. With the thousands of companies you serve, there is no way that your associates can rely on their mental bandwidth to satisfy this goal. This is where a solid CRM comes into play. These systems are way more sophisticated than the old digital rolodex. Yes, you can keep all that personal data; but when you start to incorporate sales data into the mix, this is where we can get really personal. Imagine a system that alerts you immediately when a customer stops buying an item or the pattern shifts. Your associate can give the impression that they are truly on top of the account. Furthermore, imagine systems that tell your associate to suggest items that might be appealing to your customer. Again, it's the impression you give.

Before I run out of tarmac here, I want to touch on personalization in the e-commerce realm. How do we make people feel special here? When your e-commerce strategy is based on customer login, you have some great opportunities to personalize the experience. Because you are capturing the login, you can tailor the appearance base on the trade type. What products and services would a residential plumbing customer like to see? What about someone running a group of drive through coffee shops? By narrowing the focus down to functional role of the person logging in, we can offer different views based on the areas they would most likely want to visit. For example, an AP person would probably like to have easy access open invoices, delivery verification or discounts taken. A superintendent might want to see new product offerings, tutorials, schematics or other application content. A purchasing associate might be interested in pricing downloads, frequently bought items, or freight policies. The idea is to personalize the experience of the customer entering your place of business.

As selling organizations, distributors are in the relationship building business. Personalization is in our DNA. We gather information and provide products and services that fit the needs of the customers we are hoping to serve. Unfortunately, in our rush to become digital masters and efficiency experts, we may have strayed from this core tenant. The digital world is not face to face, except perhaps on Zoom or Teams. As we move to these mediums, we must always keep the personal interaction thought in our mind and work hard to not lose that connection with those that write the checks.

About the Author:
Jason Bader is the principal of The Distribution Team. He is a seasoned distribution advisor who is passionate about helping business owners solve challenges, generate wealth, and achieve personal

goals. He can be found speaking at several industry events throughout the year, providing executive coaching services to private clients and letting his thoughts be known in an industry publication or two. Lat year, he launched his first podcast, Distribution Talk. Episodes can be found at www.distributiontalk.com and most podcast applications. He can be reached at (503) 282-2333 or via email at jason@distributionteam.com. You can find additional resources on his website: www.thedistributionteam.com