

By James Sturdivant

Prepare for the Worst

In times of crisis, a communication plan can help.

When Hurricane Katrina slammed into New Orleans in August 2005, Jeanne Hurlbert was safely ensconced in Baton Rouge, LA. Though she was away from the worst of the storm's ravages, Hurlbert witnessed firsthand the effect of such emergencies on a business' ability to operate.

"We lost cell phone power. The system was overwhelmed," Hurlbert says. "We had limited cell phone use in Baton Rouge for months – even that far inland."

Hurlbert's company, Optinet Resources, helps businesses develop continuity plans, a way to anticipate the disruptions caused by natural disasters, terrorist attacks or other crises so as to minimize their impact on business operations. A key component of these plans is the ability to communicate effectively in the immediate aftermath of the natural disaster or other emergency situation.

"Katrina was a wake-up call," says Hurlbert, who also teaches sociology at Louisiana State University. She cites an LSU study that found business failures were highest among small firms: One year after the storm, 42.4% of Orleans Parish businesses with between one and five employees had failed to reopen.

"One of the big reasons they failed is that they couldn't find their employees," she says. "There was no way to communicate with them. Big businesses can take care of communications in times of crisis, but we find it's the small businesses that really encounter horrendous problems with it."

"People scattered," says Charles D'Agostino, executive director of the Louisiana Business and Technology Center at LSU and a business partner of Hurlbert. "Employees were gone from two weeks to up to two months, and nobody knew

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Charles D'Agostino, Louisiana Business and Technology Center

where anybody was. The key thing is to have a plan set up before the disaster hits."

D'Agostino and Hurlbert both recommend having a Web site on a remote server and letting employees, customers and suppliers know how to log in to contact the company or access announcements in case of an emergency. Businesses should also establish an e-mail address or call-in number for emergencies, and make sure these are well publicized.

For smaller firms, "e-mail is a very cost-effective way to do it without paying an enormous public relations budget," Hurlbert says. "We had e-mail continuously for Katrina. If you had access to a computer, it was reliable."

When Hurricane Ophelia was approaching the North Carolina coast two weeks after Katrina, Wilmington, NC-based Queensboro Shirt Co. put an announcement on its Web site and sent an e-mail blast out to its customer base to let them know there might be a disruption in service.

"E-mail is the default; that's how we deal if the phones are down," says Jon Downey, Queensboro's vice president of operations. "Employees know to check the site." And, a new phone system forwards all calls to the company's sales center to another call center in the event of an emergency.

The company also stores data in offsite centers away from the coast, and backs up its data to these locations frequently, something Hurlbert and D'Agostino recommend for businesses large and small.

Getting a reassuring message out as quickly as possible is critical to maintaining confidence among both employees and those you do business with.

"Let people know if you're up and running, but be very up front," Hurlbert says. "Don't say you're operating if you're not. Say it will take 90 days if that's the case."

And it's wise "to develop press releases for various events so that they'll be ready for release quickly after an event," D'Agostino says. "Media contacts should be contained in the same remote access location."

Having press releases ready in anticipation of a business crisis – be it a man-made or natural disaster, problems resulting from negative publicity or the unexpected death of a principal – can help maintain stability and outside confidence in your firm.

"The key words for all small business owners are to be prepared," D'Agostino says. "Don't think, 'This will never happen to me.' Hopefully it won't, but it's better to be prepared if something does happen."

Find Your Niche

New sales opportunities are out there - if you know how and where to look.

Savvy embroiderers are always seeking out new niches for their apparel and accessories products. This usually involves a combination of knowing what works for you, what works for your competitors and what opportunities they may be missing.

“Make a list of all the possible uses your product fills,” says James Dillehay, entrepreneur, marketing coach and author of the forthcoming book *Guerilla Marketing for Craftspeople*. To get new ideas, he recommends visiting similar stores and attending trade shows, craft fairs and other events where apparel products and accessories are likely to be sold.

“Research any event beforehand to learn if it’s being promoted, if it’s well attended every year and if vendors are happy with their sales,” he says.

For Bill Weissman, owner of an EmbroidMe franchise in Philadelphia, the key is becoming familiar with all potential sales channels in the community. A former policeman, Weissman’s found success selling to police department units, where there’s a need for tees and golf shirts.

“Everyone thinks of uniforms” when they think of police departments, he says. “I haven’t done one uniform. But I’m selling 100 shirts every six, seven, eight months. It adds up, and it’s regular.”

Looking beyond the obvious allows Weissman to identify sales opportunities others might have missed. “I look at colleges,” he says. “Everybody looks at the athletic department. I go into the residency life department. They need shirts and jacket too.”

Such a strategy illustrates Dillehay’s principle of guerilla marketing. “The guerilla business owner seeks out niches because he or she knows bigger businesses

Become familiar with all potential sales channels in the community.

with large budgets go for larger audiences, while a small business owner can quickly capture and dominate a niche audience at relatively little cost,” Dillehay says.

Dillehay identifies opportunities small businesses sometimes miss: licensing designs; selling to the interior design market or to corporations; or identifying specialty retail outlets that might be interested in reselling their products. “Look for markets where your competition isn’t showing,” he says. “For instance, horse owners spend lots of money on their animals. Custom embroidered saddle blankets displayed at horse shows can really stand out from other vendors.”

Of course, sometimes finding new niches simply has to do with gold old-fashioned salesmanship. “With local small businesses, I upsell to them,” Weissman says. “If they’re buying T-shirts, I remind them they need nice shirts for sales calls. I take their logo, put it on a golf shirt and tell them, ‘Now you look like the boss.’”

Weissman stresses to clients the value of his products from a promotional standpoint – he calls it “walking around advertising” – and sometimes offers free samples, putting a logo on a hat or a tote bag. “I’ve had four or five people come back to me and say, jokingly, ‘You son of a gun, you gave me that stinking hat, and now I’ve got people who want them and I’ve got to order them,’” he says.



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Artful Apologies

Being in business means sometimes having to say you're sorry.

There may be nothing more difficult for the small business owner than having to own up to a mistake. While admitting a screw up – coupled with the threat of lost business – is a sure recipe for a bad day at the office, it's comforting to remember that everybody's been there.

"We're all human and yes, even 'the best of the best' make mistakes," says Lori Quaranta, a small business publicity specialist with Shelton, CT-based Consetta Creative Publicity. "Whether you're dealing with a high-profile client or a small business customer, the bottom line is that if you screw up you need to 'fess up.'"

Here are five tips to help ensure that your apology is as effective as it can be.

1. Be sincere. The most important rule for apologizing is to really mean it. "Use these two words: 'I'm sorry,' and say them as sincerely as possible," says Karen Friedman, a Philadelphia-based communications consultant.

Being sincere means not using an apology as some sort of tactic, as people can always see through this. "Be sure not to use an apology as an opportunity to argue or win points," says Drew Plant, a public relations consultant based in Atlanta. "An apology should carry the innate message that you're ready to put things behind you."

2. Acknowledge the mistake. "Acknowledge that you've hurt, disappointed or offended someone, and state very specifically what you did," Friedman says. "For example, instead of saying you're sorry for being so forgetful, say you're sorry for missing an anniversary that you know is so important and means so much to that person."

It's also important to acknowledge the circumstances from the other person's perspective, says Alex Yaroslavsky, a New York-based dispute resolution practitioner and principal of the Yaro Group.

In other words, if you see a problem primarily as a software glitch and a client sees it as a messed-up order, be sure to apologize for the messed-up order.

3. Make it right. If it's possible, fix the problem, and do it soon. "Drop whatever else you're doing, get on the phone with the right resources, and get it resolved, regardless of the cost, effort or anything else," says Atlanta-based consultant David Nour of the Nour Group.

When faced with a mistake that happened on her watch, Quaranta made a personal phone call to her client explaining exactly what was happening and what her plan was to resolve the issue. "I apologized in advance for any repercussion that this may cause them and to waive the fee for that particular service for the month," she says.

Offering a free or discounted product or service will, in many cases, help to smooth things over. Restitution can be offered in an open format ("What can I do to make things right?") or closed



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David Nour, Nour Group

("Would a 20% discount on your next order make things right?"). "Each has its advantage, but the key is a concrete and good faith offer to compensate you for the trouble,"

Yaroslavsky says.

4. Follow up. Once the issue has been resolved, be sure to follow up with your client. This might be a good time to send a card or a gift, such as chocolate, coffee or flowers.

Plant recommends it be a targeted item designed to underscore your sincerity, but not extravagant – you don't want to appear to be bribing someone into accepting your apology. "Something classic and modest like flowers such as orchids, would do, and, again, should reflect the recipient, not just a standard something you send to everyone," he says.

5. Follow through. Good "follow through is the process of offering value, repairing the damage and letting time heal the wounds," Nour says. "Your client may not want to see you right now, but that doesn't mean you should disappear forever. Politely and professionally take the high road, stay in touch and find ways to add value to their company's efforts."

Chances are, if you show this sort of effort, the client's memory of an unsatisfactory experience will be replaced by a new appreciation of your sincerity and professionalism – and who could ask for a better outcome than that?

Say Thanks

Don't miss an opportunity to let your customers know you value their business.

Everybody likes to feel appreciated, and the customers you do business with are no exception.

According to Mike Robbins, a Concord, CA-based speaker, consultant and author of the upcoming *Focus in the Good Stuff: The Power of Appreciation*, there are three important elements to every sincere thank you. It has to be “genuine, it's got to be specific and it's got to be personal,” he says. “If it's all three of those, there's a good chance it's going to have the impact you want it to have.”

If you're thanking a client for placing a re-order with you, be sure to also tell her how much you value your relationship with her and tell her, for example, how working with her benefits you. “That really impacts people, and tells them, ‘I mean something to this person,’” Robbins says.

Robbins advises business owners to think about the sort of thanks they'd appreciate getting. Would it be a mass e-mail or a handwritten note? Would a card out of the blue have more impact than one you'd expect to receive at the holidays? “The more personal it is, the more genuine it seems to be,” he says.

Definitely “make it personal,” says Kevin Stirtz, a marketing and customer service expert whose consulting firm, the Stirtz Group, is based in Burnsville, MN. “Maybe your client has a hobby or an interest you know about. Send him something related to that interest. It says thanks, but it also says you pay attention to the personal side of the relationship.”

Stirtz cites as an example a colleague who wanted to thank a loyal client. “He knew the client had a family member who had died from cancer recently,” he says. “So my colleague made a donation to the

American Cancer Society in his client's name and then sent his client a card and note referencing the donation.

“The client was very moved,” Stirtz says. “It was a classy way to say thanks, but it also affirmed the friendship that had developed through working together.”

A small gift can be appropriate when beginning a relationship with a client. “If a customer buys from you and to thank her you send a small token of appreciation, you're going to build rapport,” says Dave Weintraub of Pinnacle Promotions, a Norcross, GA-based apparel distributor.

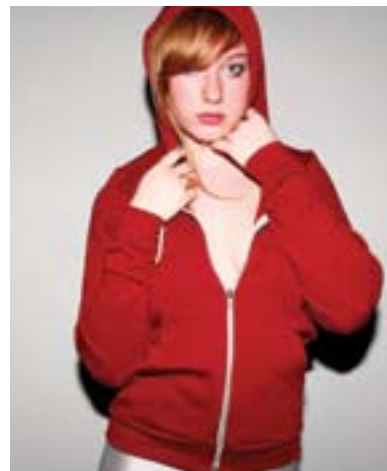
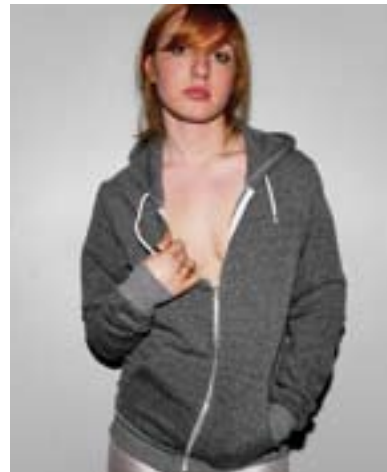
In retail environments, gifts to customers can say something about the character of the business. Emerson Smith, president and CEO of Metromark Research, a social science research company based in Columbia, SC, cites a clothing store that gives customers who purchase at a certain level a jar of barbecue sauce.

“The owner created the recipe and has a food company make and package the sauce,” Smith says. “The sauce is also sold at the shop. The local newspaper has run several articles about this store and its now-famous barbecue sauce.”

To say thanks to their best customers this past Christmas, Bellingham, WA-based Logo Bible Software sent its customers a branded water bottle with a 50% coupon inside. “They loved it,” says Daniel Foster, a representative for the company. “We had a 15% response rate and generated 400% of the program's cost in sales. So not only did it help our customers feel appreciated, but it made money too.” ●

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