Choose Target Segments & Develop Compelling Value Propositions—Give Them Reasons To Stay

*The strategies described in the article correspond with the second rating scale on our **Small Business Readiness Checklist for Lines of Business—Choose Target Segments and Develop Value Propositions for the Branches**. Use the checklist side-by-side with the article to assess your bank's readiness to implement these small business growth strategies.*

Boston Red Sox slugger Ted Williams was once asked why he didn't swing at pitches just outside the strike zone. His response: "Where does it end? You're playing right down the pitcher's alley and you wind up hitting .250 instead of .450."

Same thing in building small business results. Disciplined sales focus improves results. Very few banks tell their branch staff and small business sales teams *exactly* who to sell to. Even fewer banks develop anything close to a strong answer to the question, "Why should they come bank with us?"

Banks accelerate small business retention and cross sells when they focus on certain types of small business customers and align their people, process, and products to serve the chosen business types whether they're doctors or engineers or restaurants.

Four steps to focus your teams to retain and grow small business wallet share are:

1. Targeting	Focusing on *five to seven "high value" business types* for sales team attention based on your own customer profitability data and industry experience. Choose the ones that are the best match for your offer and the most profitable.
2. Value Proposition	Developing a differential value or distinguishing value; something more than "great products" or "friendly accurate service." They're table stakes. Business owners expect competence—insight, experience, and ideas that will help them run their businesses more effectively. What competence and "customer experience" do you target customers value? What value do your sales people provide at the point of sale?
3. Sales and Service Process	Delivering your value and your "customer experience," once you've defined it through a common, replicable sales and service process. "This is how we do things here." And, enough already with the "add-ons" and product pushing.
4. Alignment	Aligning performance reviews and incentive compensation with your branded sales and service process. 10% - 20% emphasis on "*how* you worked with clients," 20% - 30% on "relationships retained and expanded," and 50% - 70% on "sales results or balance growth overall."

If you want to retain your customers, you need to give them reasons why they should stay. The more targeted your efforts, the more engaging the conversations, and the more valuable your sales and service process, the better your chances.