

Contents

Letter from the Editor of the Social Venture Network Series	ix
Preface	xi
Acknowledgments	xvii
1 Establishing a Clear and Profitable Vision	1
2 Defining Your Market	21
3 Building Strong Distribution Channels	41
4 Empowering Your Way to Success	63
5 Educating Your Partners	85
6 Creating Valuable Strategic Alliances	101
7 Celebrating Achievements	117
8 Do Values Really Sell?	133
Notes	139
Resources	147
Suggested Reading	151
Index	153
About Social Venture Network	159
About the Authors	161

Preface

Songwriters and romance novelists may say it is love that makes the world go round, but we venture to say it is innovation. When it comes to selling products and getting them from the manufacturer to the end customer, creativity can mean the difference between lackluster (or no) sales that leave products languishing in the warehouse and products that fly off the shelves and keep freight trucks rolling on the highway.

For businesses just starting out, money may be tight. You may not be able to afford splashy advertising campaigns or an expensive public relations firm that can help you obtain valuable media exposure. But you can find creative ways to draw attention to your product and business. You can seek out strategic alliances with like-minded businesses or organizations that will help you promote, sell, or distribute your product without huge costs. And you can use your values to move your business forward.

This is the purpose of *Values Sell: Transforming Purpose into Profit Through Creative Sales and Distribution Strategies*. Our goal is to share ideas and techniques that have proved successful for other small businesses and to provide you with strategies that will help you develop your own “creative game plan” for increasing sales and more efficiently distributing your product.

Adding the words “values-driven” or “socially responsible” to a business’s goals adds a new paradigm to the success equation. Not only must you, as an entrepreneur, take pains to ensure growth for your business, you must make sure your socially responsible mission marches proudly alongside each step of your

Establishing a clear and profitable vision

THE CREATIVE CHALLENGE:

Using your vision to solve problems and develop new strategies for increasing sales

Seventh Generation, maker of nontoxic and environmentally safe household products, was faced with a dilemma regarding its values versus its sales when a large grocery chain that carried the company's products experienced a labor strike. As a company that strives to be a positive force in society, Seventh Generation had to decide whether to sell to the grocer since the strike involved health benefits. The company chose to continue to do business with the grocery chain during the strike but to donate all profits from those sales to the workers' strike fund. This action helped Seventh Generation maintain a good relationship with the grocer's employees, its customers, and the grocer itself, all of which contributed to future sales.

Vision. It's a simple word with huge connotations in the business world. Surely for anyone who has awakened in the middle of the night with a new business idea glowing like a 100-watt bulb in her head, the vision is sparkling clear, illuminating every fiber in her body. Most of us have had such "visionary" moments in our lives. Maybe it wasn't a new business idea but a new way to

uct or service must be of high quality, and consumers must want to purchase it again and again.

Whatever business you're in—or hoping to create—you will be selling. In addition to your product, you will sell your concept to potential investors, you will sell your socially responsible mission, you will sell your brand and what it stands for, and you will sell what you stand for as an individual.

Although this book is about creative sales and distribution strategies, you won't be able to sell effectively unless your business is grounded in a powerful vision. A clear vision will drive you forward and enable you to scale new heights. It can get you through the tough times (and all businesses have them!) and help you adjust when change is required. Lack of vision will stifle you or send you in confusing directions. And if you don't know where you're headed, your investors, your suppliers, your community, and certainly your customers will be confused and may lose confidence in your business and your product. As Angela's writer and attorney friend Danny Quintana says, "It's easy to get where you're going if you know where you're going."¹ Your vision can be that shining, guiding star.

By establishing your vision and the actions that will support it, you will be better able to design and support strong sales and distribution strategies. First, let's take a look at a few socially responsible companies and the particular vision and actual business of each.

Seventh Generation makes nontoxic and environmentally safe household products. It wants to market products that save natural resources, keep toxic chemicals out of the environment, and make the world a safer place—for generations to come. The *vision* is to make the world a safer, healthier place and foster social and environmental change. The *business* is household products.

Who's on First?

Stage	What happens	Why
1	Customer buys product or service	The company has done at least a minimally adequate job of providing something the customer needs or wants. Something's working: either the price is right, the quality is acceptable, the product or service is available at a convenient time and place, or some combination of these circumstances holds true.
2	Customer repeatedly returns to buy product or service	Brand loyalty is developing. The company has succeeded in communicating to the customer that one or more aspects of the product or service are more satisfying than what competitors can offer: either the nature of the product itself, its quality, its price, the convenience of its availability, or the service values associated with the product. The customer is responding to the company's brand "personality," not just the external attributes of its product or service.
3	Customer takes an active interest in the company, helping recruit new customers through word of mouth	The company has successfully conveyed its values to at least some of its customers. Its product or service has become not simply a preferred brand but an expression of the customer's values. Though largely unvoiced, a genuine dialogue occurs between company and customer.
4	Customer joins the company in actions to improve the quality of life in their shared community; to address a social need locally, nationally, or internationally; or to preserve the environment	If the company has achieved stage 3, then it's easy to move on to stage 4. The company has reached out to its customers, offering one or more ways that company and customer together can make a difference in the world. Both company and customer are acting on their values—shared values. The values dialogue between the two has matured into an active partnership.

But how can you gain that understanding? What does “listening” really mean in practice?

A major corporation is likely to have a marketing department with its own in-house research capabilities—or a big enough marketing budget to hire a top-flight agency to provide those services. That’s even the case at many mid-sized companies. But lacking those resources is no excuse to ignore the invaluable insight you can gain from systematically encouraging and evaluating customer feedback. Here are just a few of the many techniques you might adopt at little or no cost:

- As the company’s owner or manager, make occasional phone calls to your biggest customers—or, if you don’t have key customers, to a random sample of those who buy your products or services. Quiz them on whether they’re satisfied with your work—and ask how well your employees are treating them.
- Once each year, pay a visit to your key customers to discuss with them face-to-face how satisfied they are with your company.
- Set up a toll-free number for customer complaints or suggestions. Nowadays a toll-free number costs very little.
- In the event that any problem arises with one of your products or services, be transparent. Take immediate action to recall products and correct problems if safety or health risks occur or if quality is poor.
- Invite your customers to send their questions, comments, or complaints via your company’s Web site. Respond to all communications promptly—first, with a bounce-back e-mail message to thank the customer for writing, then with a message that specifically addresses the customer’s concern.

You really can try this at home!

It's your turn now.

You've made your way through the seven preceding chapters of this little book (or, at least, we'll humor ourselves with the thought that you haven't cheated by skipping to this point to see how the book ends). You've traveled with us along a path through the five dimensions of a values-driven business, reviewing how you can relate to your employees, your suppliers, your customers, your community, and the environment in mutually beneficial ways. We've described some of the practical steps you can take to live your values—changing the world, making money, and having fun along the way.

Now, don't make the mistake of concluding that we believe any of this is easy. Running a business is anything but easy. Mistakes are inevitable. For example, consider the time that Ben & Jerry's was fined by the local environmental authority for exceeding its waste discharge allotment or when the company ordered too much packaging for one of its flavors and had to dump it or when Mal Warwick & Associates stupidly encouraged a new production manager to take the initiative and ended up spending five years paying off an outrageously inflated printing bill.

Index

A

adding value, xxiii
advisory boards, 54
All Rendered Truth, 114
attentiveness to customers, 83–85
authenticity, 80
Avalon Natural Products, 62–64

B

benefits
 bottom-line, 50–53
 Clif Bar's, 34–35
 cost of, 47
 Eileen Fisher, Inc., 43
 employee rights, 48–50
 how much to offer, 46–49
 rights versus benefits, 49–50
Ben & Jerry's, xxi, 11, 27, 139, 140
 bonus program, 38
 Children's Defense Fund
 partnership, 88–89
 environmental audit, 119
 handling troublesome
 customers, 82
 health benefits, 37
 Peace Pops, 88
 philanthropy practices, 109–110
 suppliers of, 62
 wages, 34
Berkeley Community Fund, 111
best practices, 52
BetterWorld Telecom, 72
Blackwell, Scott, 113–115
board representation, 54–55
boards of directors, 53–54

bonus programs, 38–40
Breast Cancer Fund, 63

C

cafeteria plans, 48
CEOs, salaries, 34
Chapman, Jennifer, 6–7, 8
charismatic leaders, 55
checklists
 community relationships,
 115–116
 minimizing your environmental
 footprint, 136–138
 mobilizing customers for social
 impact, 97–98
 partnering with your suppliers,
 74–75
 turning employees into partners,
 56–57
Children's Defense Fund, 88–89
Clif Bar, 35–37
Cohen, Ben, 109
collaboration with vendors,
 62–64
colors, sourcing of, 126–127
Colts Plastic, 69
community, xxiv–xxv
 location in, 99, 100
 rewards of involvement in,
 105–106
 working with, 23
community service, 36
composting, 132–135
compressed salary ratios, 34
Consciousness in Cosmetics, 63
consultative management, 54–55