



Cold Calling or Using the Telephone for Success: Is Prospecting that Scary?

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In this article, you will discover complaints sales people and their organizations have in identifying and securing qualified leads. I will review different prospecting methods and the level of effectiveness each delivers. You will then read about the common denominator that links both the methods and these complaints. We will define what a qualified lead is, and finally, we will review some ways to generate qualified leads using the common denominator, the telephone, to contribute to the success of sales people.

Complaints

I am always amazed to hear sales people complain about how difficult it is to build their pipeline and therefore meet or exceed their revenue target. I often hear gripes like:

- Marketing is sending me poor leads and I am wasting my time going after them.
- Prospects don't call me even though we have a terrific product feature set advertised all over the place.
- I call new prospects but they never return my calls.
- I can't get anyone on the phone to present what I offer with players that can buy from me.

The other complaint I hear from companies is that their sales people are not good at prospecting. These companies know they need a better qualified pipeline. They implement what everybody else has implemented to generate leads, from email campaigns, direct mailing, trade shows, seminars, and then some. Unfortunately, it only perpetuates what has failed to create the desired outcome of effectively and cost efficiently generating qualified leads.

Upon review of these pipelines, I find that few have qualified leads. I am therefore astonished when sales people act surprised when they are not meeting or exceeding their quarterly and yearly revenue target.

Achieving sales goals and meeting revenue target are a sales person's responsibility. It is part of the job definition. We, as sales people, have no excuses at the end of year if we have not reached our goals and made the money we want to make. Whatever lead marketing or any other part of the organization comes up with is simply icing on the cake. Therefore, it is our responsibility to prospect and create the opportunities we will need to meet our objectives.

Type of prospecting tools and methods

The University of Carolina business school published the results of a research they did, dealing with the effectiveness of different prospecting approaches. Here is a brief summary of its findings:

How effective is:	Always	Usually	Occasionally	Never
A recommendation from someone inside your company	16%	68%	16%	0%
A referral from outside the company	8%	36%	44%	12%
A letter from a salesperson followed by a direct call	4%	20%	40%	36%
A contact at an off-site meeting	0%	44%	32%	24%
A direct telephone call from a salesperson	0%	20%	36%	44%

Even though cold calling appears to be the least effective method of prospecting, the use of the telephone is paramount to all these methods.

What is the common denominator? The Telephone

Whether you cold call, warm call, or hot call, there is one tool you will use: the telephone. Unfortunately, here is what a telephone looks like in the mind of a sales person when cold or warm calling:



And if you are a sales person, then you know what I am talking about. Fear of rejection, being a bother to the prospect, or forcing a solution they may not need, are some of the psychological reasons people resent using the phone. Is it any wonder then why sales people dread picking up this tool to build their pipeline?

So what the sales person does is to rely on marketing to create leads and engage in any and all activities aside from the using telephone in attempt to create opportunities. Unfortunately, to be successful, a sales person has to create leads.

What are leads?

For under-performing sales people with below quota performance, every prospect, that calls in or with whom they have a beginning of a conversation, becomes a hot prospect in their pipeline. For companies that participate in trade shows, every person that scans their business card is also a strong qualified lead, right? The challenge is, at times, the prospect looks like this.



My question is: Does this look like a professional with the ability to buy what you have to sell? Does he have power to move the buying process forward? Can he, more probably than not, access unbudgeted and unallocated funds to pay for what you have to sell? Unlikely, I would say.

Never the less, pipelines are full of such leads. As soon as a prospect calls or expresses any interest in your product features, (s)he becomes a qualified one, with a smiling face and great potential, right!?.



NO. A qualified lead and prospect is defined as a person with a known job title, working in a specific company you know something about, with an identified goal to achieve, a problem to solve, or a need to satisfy. When such a situation has been identified then and only then can a sales cycle start. So, how can you use the telephone to qualify the prospect, collect information about the company, and identify whether there is a goal to achieve, a problem to solve, or a need to satisfy?

Using the Telephone for Success

As the chart showed, cold calling is the least effective way to create opportunities. Never the less, using the telephone is paramount to all these business development activities, whether cold calling, warm calling, or hot calling. Moving forward, I want to focus on the cold and warm calls.

After researching the company you want to target and having identified the title you want to speak with, here is the roadmap to a great call:

- Dial the number of the person you want to talk to or dial the main company number and ask to be connected to the person you want to reach
- If you get to a voicemail, zero out and talk to an assistant, the receptionist, or anyone available in the company that can give you the information you want to collect. This information should be about the company, its operating procedures as they relate to what you have to offer, who is responsible for the area your offering addresses, what objectives, goals, needs these individuals have, and how to contact them more effectively.
- Ask to be connected again to the person you want to reach, or one of the key players you identified in your conversation with the assistant or receptionist. If still going to voicemail, zero out and ask to talk to that person's administrative assistant, present what you have to offer as if you were talking to the key player, and ask to have a meeting or conference call time be secured with the key player.

In our CustomerCentric Cold Calling workshop, we teach many more techniques to more effectively use the telephone to build pipeline with qualified leads. That said, do you think such a discovery conversation with an assistant or receptionist will better prepare you to have an intelligent conversation with your prospect? Once you have identified reasons why your prospect would consider evaluating your products and services by identifying a goal to meet, problem to address, and a need to satisfy, don't you think you now have a qualified lead?

And with such a qualified situation, wouldn't that eliminate some of the psychological barriers sales people have against using the telephone for prospecting? By standardizing and codifying cold calling approaches, we have seen companies improve their conversion rate from prospects to qualified opportunity by 50% and their win ratio by 40%.

In summary, prospecting is a must for every sales person. It includes many methods, although all use the telephone as a common denominator. Learning how to use the telephone for success for cold, warm, or hot calling is paramount to individual sales success. Is it scary? For some it is, although it does not have to be. Learning how to manage your calls, how much time you spend cold or warm calling during any given day, and using well known techniques to increase one's hit and conversion rate will contribute to making using the telephone for success more effective.

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