

# **80/20** *Sales Performance*

## **SPECIAL REPORT:**

### **Cold Calling Alternatives**

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This special report is an excerpt from the book, ***How to Beat the 80/20 Rule in Selling: A Step-By-Step Guide to Achieving Top Sales Performance***, by Alan Rigg. For more information, visit:

<http://www.8020sales.com/products.html>

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## Introduction

Some companies do such a terrific job of demand generation (advertising, direct mail, telemarketing, etc.) that their salespeople never have to prospect. These lucky salespeople have access to more leads than they will ever have time to pursue.

Unfortunately, the reality in most companies is that salespeople must source some or all of their own leads if they are to have any hope of achieving their sales targets. A comprehensive Prospecting Plan will help you maximize your return on the time you invest in prospecting activity.

What is a Prospecting Plan? Basically it is a **calendar** that lists the various prospecting activities in which you plan to engage and the amount of time you intend to invest in each activity. The most effective prospecting plans don't focus on a single type of activity; instead, they include a **mix** of activities. A number of typical prospecting activities are examined below.

## Cold Calling

Cold calling has probably discouraged more people from pursuing a career in sales than any other activity. After all, what could possibly be less fun than calling strangers, disrupting the flow of their busy day and trying to convince them they need to speak with you? When you receive a sales cold call, how do you feel? Do you enjoy the experience?

The basic challenge with cold calling is we are often asking for something (the prospect's time) before we have given them anything of value. Yet, **cold calling can be an effective prospecting strategy when:**

- 1. You Have the Correct Mindset and Goals:** Cold calling can be frustrating for a variety of reasons. You may have difficulty finding the right person with whom to speak. A significant number of your calls may end up in voice mail. You may have difficulty convincing "gatekeepers" to put you in touch with decision makers. These types of issues can wear you down and negatively impact your motivation. How can you avoid this (unproductive) outcome?

- **Tip #1: Consider the Prospect's Perspective.** Do you think prospects are sitting at their desks waiting for the phone to ring (or for your glorious presence to grace their doorway)? Or, is it more

likely that they are working on activities that relate to their primary job functions? Given that they are thus engaged, how likely is it that they are going to appreciate having their work/thought process interrupted by a cold call?

I'm not bringing this up to discourage you from making cold calls. I just want you to be mindful of your prospect's circumstances. Given that the prospect's attention is focused elsewhere when the cold call begins, it is human nature for them to want to brush you off so they can get back to what they were doing. As a result, a key question you must answer is:

What can I say at the beginning of a cold call that is **so compelling** that it will cause a prospect's mind to **jerk to a halt** and **focus 100% of their attention** on what I am saying?

- **Tip #2: It's Not Personal.** If someone responds to you differently than you would like, it says nothing about YOU as a person. Perhaps you have reached them at an inconvenient time. Perhaps they have other priorities that are (rightfully) monopolizing their attention. Perhaps you need to improve your messaging or change how you deliver it.

It IS important to track the outcomes of your calls and analyze this data in an effort to identify whether there is anything you can do to improve your success rate. But, aside from looking for opportunities to improve your approach and messaging, just let any undesired outcomes to "roll off" your back like water off a duck. Don't take it personally!

- **Tip #3: Set Reasonable Goals.** What are you REALLY trying to accomplish when you make a cold call? Do you REALLY think you are going to make a sale during the call? If you do, this (in most cases unrealistic) expectation is putting unnecessary pressure on you.

Cold calling is really about **exploration**. Your purpose should be to explore whether a prospect has any of the kinds of business problems your company excels at solving. If they do, the next step is to explore whether the impacts of these problems are substantial

enough to motivate the prospect to invest some time to explore the possibility of working with your company to solve them.

In summary, all you are trying to do is explore whether it makes sense for you and the prospect to **consider the possibility** of your two companies doing business together. This “exploration” mindset takes the pressure off and makes cold calling a much more enjoyable experience.

- 2. You Conduct SOME Research Prior to Dialing the Phone:** We are very fortunate to be salespeople in this day and age. Why? Because we have the internet to help us convert “cold” calls into “warm” calls! With all of the information that is available at our fingertips, there is no reason to ever make a truly “cold” call again!

Of course, this doesn’t mean we want to become “research junkies.” Spending excessive amounts of time conducting research is a well known “call avoidance” strategy. It should usually take just a few minutes of online research to learn enough about a target prospect, their company and their industry to “warm up” a cold call.

There are excellent FREE tools available to help you learn how to make the best, most efficient use of the internet as a research tool. A true expert in this area is Sam Richter, who offers a free “Warm Calling Toolbar” on the following website:

<http://www.takethecold.com>

You can also listen to a very informative interview I conducted with Sam on the following page of the 80/20 Sales Leader website:

<http://www.8020salesleader.com/public/238.cfm>

- 3. You Are Mindful of Key Cold Calling Time Limits:** The most effective cold callers realize that specific outcomes must be achieved within specific time limits, as follows:

- **The First 10-20 Seconds:** Let’s repeat the key question that was asked earlier:

What can I say at the beginning of a cold call that is **so compelling** that it will cause a prospect's mind to **jerk to a halt** and **focus 100% of their attention** on what I am saying?

If you are successful at answering this question, most prospects will be willing to give you one or two minutes of their time.

- **The Next 1-2 Minutes:** Here's the next key question you need to answer:

What **questions** can I ask and what **information** can I deliver during the next one to two minutes that will cause the prospect to conclude, "I should **invest more time** to investigate this further."

Your desired outcome from this segment of the call is convincing the prospect to schedule a "discovery conversation." This is when you will thoroughly qualify the opportunity (see Chapter 9 for more information).

- 4. You Use Compelling Messages to Initiate Discussions:** Chapter 7 addresses this topic in detail. Another excellent resource is Anthony Parinello's book, "**Selling to VITO: The Very Important Top Officer**" (see Appendix A: Suggested Reading). Parinello's comprehensive cold calling methodology will teach you how to use **quantified business impacts** (see Chapter 9: The Secret to Closing More Sales) to stand out from other salespeople and attract the attention of C-level executives.
- 5. You Learn How to Turn Gatekeepers Into Allies:** There are numerous strategies for dealing with gatekeepers. Some of them don't treat gatekeepers very respectfully. I feel this is a big mistake because in many organizations gatekeepers have a surprising amount of power. I would rather convert them into allies and have them counsel me in how to best approach decision makers.

How do you convert gatekeepers into allies? By treating them the same way you treat decision makers! Deliver the same compelling opening statement. Ask them the same questions and share the same information

you share with decision makers. If a gatekeeper perceives what you offer as having value for their organization, they will pave the way for you to speak with the decision maker.

An excellent resource for additional cold calling information and training is Wendy Weiss, The Queen of Cold Calling™. To listen to a recording of one of Wendy's webinars, visit:

<http://www.8020salesleader.com/public/332.cfm>

## **Networking**

Many salespeople have the mistaken impression that networking is similar to cold calling. When they attend networking events, they pass out business cards like candy and dive into sales pitches at every opportunity. When they make phone calls to the stacks of business cards they collect, **they find they have no more success booking appointments than they do when making cold calls.** What are they doing wrong?

These salespeople don't know how to network effectively. Effective networking requires getting to know people as **individuals** and learning what constitutes opportunities **for them**. Armed with this information, effective networkers become "matchmakers", matching contacts that have specific needs with other contacts that supply solutions to those needs. They do this with no expectation of personal benefit; however, the grateful people they help usually return the favor.

Networking can take a lot of forms. There are formal "leads clubs" that restrict their memberships to ensure that every member is in a different type of business. Each member is expected to bring leads for other members to every meeting (though in practice only a handful of leads club members seem to take this responsibility seriously). There are also networking events that are sponsored by any number of organizations such as chambers of commerce, convention and visitor's bureaus, trade and professional associations, special interest groups, etc.

If you are considering including networking as an element of your prospecting plan (and you should!), here are four tips that will help you maximize your return on time invested:

- 1. Get Some Training:** Learn how to network properly. An excellent FREE resource is a recording of an interview I conducted with etiquette & protocol expert Cynthia Lett:

<http://www.8020salesleader.com/public/312.cfm>

**2. Bring Unusual “Handouts”:** What unusual items can you bring to networking events that will attract the attention of the other attendees? My personal choice is fifteen copies of a full-color piece that looks like the front and back covers of one of my books. Here are examples of what may be printed on the inside:

- An invitation to subscribe to **free special reports, video series and newsletters** along with the content titles and the website URL
- An offer for a **free consultation**
- An offer for a free 30-day trial membership to my 80/20 Sales Leader website (<http://www.8020SalesLeader.com>)

People will often sneak covert glances at these handouts, which offers a natural entrée for conversation. (“I couldn’t help but notice you glancing at my handouts. Would you like one?”) I’ve even had people come up to me and say, “If I give you my business card, can I have one of those?”

**3. Give Yourself Multiple Chances to Connect:** It’s great to get people’s attention, but that can’t be your only goal. What are you going to do with their attention once you get it?

You should do your best to keep your networking conversations from being one-shot opportunities. My networking handouts are designed to accomplish this specific objective. If the handout entices people to visit my company’s website and subscribe to one (or more) of my free information resources, I will have **multiple opportunities to build credibility and earn their trust**. The same goal is achieved when they call to take advantage of a free consultation.

Whenever I talk about my business, whether the conversation takes place at a business event, a social function, or during a random meeting (in a restaurant, on an airplane, etc.), I encourage the person with whom I am speaking to check out my **free information resources**. If they bring up an issue that is addressed in one of the free videos, special reports or articles, I casually mention, “You know, there is a free (video/special report/article) on my company’s website that addresses that very issue. You might want to take a look at it.” Do you think these people ask for my business card? You bet they do!

Do you know what the best part is? The subscription and delivery processes are **fully automated**. I don't have to lift a finger! What a great, low-pressure way to engage new contacts and begin building relationships with them!

- 4. Look for Unusual Ways to Network:** Consider becoming an "ambassador" with your local chamber of commerce. Ambassadors help staff events, conduct initiation meetings with new members and conduct fact-finding meetings (to solicit suggestions for improving chamber programs and services) with experienced members. These types of activities can provide opportunities to build relationships with numerous potential prospects.

Also consider doing volunteer work for charitable organizations. Keep an eye out for opportunities that provide exposure to an organization's board of directors. Board members are often well-connected in the community, which makes them excellent potential referral sources.

## **Referrals**

No matter what you sell, one of the best (and most overlooked) sources of *quality sales leads* is referrals. Let's define a referral as an introduction to a potential prospect that is made by someone the prospect *knows* and *respects*.

Respect is a very important issue when gauging the quality of a referral. The more respect the person being referred has for the person who is making the referral, the greater the likelihood the person being referred will make the time to have a meaningful conversation with you.

**Why are referrals such a great source of sales leads?** Think about it - what could be better than having a respected businessperson brag to their friends and associates about you and the quality of your company's products, services, and/or customer service? Do you think this kind of input might jump-start some sales cycles?

Also, which is more fun (and profitable) – working with prospects that already think *favorably* of you and/or your company, or trying to get the attention of people who *have no idea* who you are, what your company does, or the level of service you provide?

This brings up a very important point, which is that **all referrals are *not* created equal!** Here are four categories of referrals, ranging from most effective to least effective:

- 1. Live, In-Person Introduction:** This is when your contact walks you over to a potential prospect and makes a live, in-person introduction. In an ideal circumstance, the introduction includes a glowing testimonial about you, your offerings, and/or your company.
- 2. Live Telephone Introduction:** If time or circumstances do not permit a live, in-person introduction (for example, your contact and the prospect work in different facilities), the next best option is a live telephone introduction. This might take the form of a conference call or a call from a speakerphone in your contact's office. Your contact may participate in the entire conversation, or they may leave the call after making introductions.
- 3. Electronic Introduction:** If you cannot arrange for a live in-person or telephone introduction, the next best option is for your contact to speak with, leave a voice mail for, or send an e-mail to the prospect prior to you contacting them. When you make your introductory call, be sure to mention that "(Name) recently contacted you to introduce me and explain why he/she thinks it would be a good idea for us to get together."
- 4. Authorized Name Dropping:** The lowest level of referral is when your contact gives you a prospect's name and phone number and permission to mention their name when you call the prospect. This is certainly "warmer" than a cold call, but it is not as effective as the other types of referrals.

**Why do we overlook referrals?** Like many of the activities involved in selling, asking for referrals requires a little practice before it feels *comfortable*. It is not difficult to ask for referrals; it can be as simple as asking, "*Hey, (Name), who do you know - friends, family, business associates - that might benefit from what we have been discussing?*"

But, you need to make *a conscious effort* if you are going to ask for referrals as *frequently* as you should! Once you get into the habit of asking for referrals, it will just roll off your tongue naturally.

**How do you earn referrals?** The absolute best way is by providing **great** service to your customers. It is also helpful if you set an expectation that referrals are your preferred reward for providing exceptional service.

**When should you ask for referrals?** Every time there is an opportunity to do so!

- When you do a favor for a customer, you should ask for referrals.
- When a customer places an order, you should ask for referrals.
- If a customer comments that they are happy with something you or your company did, you should ask for referrals.
- When you help a customer solve a problem, you should ask for referrals.

Customers are not the only referral source. All of the people you interact with while conducting Prospecting Plan activities are potential sources of referrals! Basically, if you feel you have built credibility with someone, or someone seems interested in what you do, ask for referrals!

**Make asking for referrals a key component of your Prospecting Plan!** You can accomplish this by implementing the following suggestions:

- Hold yourself *accountable* for asking for referrals. Don't treat it as an *optional* activity!
- *Track* how frequently you ask for referrals. At the beginning you may want to do this at the end of every business day.
- Put up a sign in your work area with the question, "*How many referrals did you ask for today?*"
- Build *referral trees*, where you track the business (and additional referrals) generated by each referral.

An excellent resource that can help you develop an effective process for asking for and deriving value from referrals is Joanne Black's book, "No More Cold Calling: The Breakthrough System That Will Leave Your Competition in the Dust." You can listen to a recording of an interview I conducted with Joanne on the following page of the 80/20 Sales Leader website:

<http://www.8020salesleader.com/public/259.cfm>

## Strategic Alliances

No matter what kinds of products or services you sell, there are companies that provide **complementary** (as opposed to competing) products and services. The salespeople for these companies call on (and sell to) the same kinds of prospects as you. If you create strategic alliances with these salespeople, you will be introduced to opportunities that you might not otherwise have found. Plus, you will be **referred** into these opportunities. This will increase your chances of winning the business.

Here are several suggestions that will help you develop and manage effective strategic alliance relationships:

- It is possible to create and manage multiple strategic alliances, but it works best if your strategic alliance partners **do not compete directly** with each other.
- Strategic alliances tend to only bear fruit when the participants are **serious** about the relationship. This means that strategic alliance partners must be willing to **dedicate time and resources** to finding opportunities for each other.
- It is crucial that you **follow through on any and all commitments** that you make to your strategic alliance partners and their customers. Your strategic alliance partners are putting their credibility and reputation on the line when they refer their customers to you. Don't let them down!

## Speaking

Speaking allows you to deliver your message to multiple potential prospects at once. A well-constructed speech, seminar, or webinar (online seminar) can **increase your credibility** with prospects and **establish you as an expert** in your field. Plus, every speech has the potential to reach far beyond the original audience. If you deliver a compelling message, there is no telling how many times it will be repeated to others by audience members.

What should you speak about? Look for topics that are of particular interest to your target prospects. Here are some examples:

- Offer new approaches for solving especially troubling business problems.

- Educate your prospects on compelling new technologies or other concepts that will help them professionally or personally.
- Discuss real-life case studies and share stories.

**IMPORTANT NOTE:** Be very careful about “selling from the podium.” Audiences become disenchanted very quickly when they feel a speech is nothing more than a thinly disguised sales pitch.

With that said, it **is** perfectly appropriate to include a gentle “call to action” at the end of your speech. Consider closing with a statement such as, “If you would like to explore the possibility of applying the concepts that were discussed during today’s presentation in your company, please give me your business card or call me at your convenience.” You can also include a “Please contact me” checkbox on the presentation evaluation form that you give to each audience member.

Preparing for seminars and speeches is a lot of work. You need to prepare your presentation materials, write scripts, and practice them to the point where you can deliver your presentation smoothly and convincingly. (If you don’t have much speaking experience, you may want to join a local Toastmasters chapter. They do a good job of teaching platform and presentation skills.) You also need to secure a facility for your speech and make arrangements for any necessary audio/visual equipment. If you are going to serve refreshments, there are additional arrangements to make. Plus, you need to develop and execute a plan for attracting an audience. This might include sending direct mail or e-mails, making phone calls, and contacting trade, professional and social associations and organizations.

If you are going to invest the time and effort required to deliver a first-class event, you should also develop a plan for maximizing your return on investment. Be sure to give your audience members an evaluation form they can use to provide feedback and request additional information. Provide handouts that include presentation highlights and your contact information. Hold a drawing for some type of small prize (book, sample product, etc.) to encourage attendees to give you business cards and/or hand in completed evaluation forms.

Block some time during the day or two following your presentation to make phone calls to audience members. When you make the calls, **ask for feedback** and offer an opportunity to ask questions that might not have been answered during the event. Also **ask for referrals** to people they know that might be interested in your presentation topic. These referrals may become immediate prospects. At minimum they should be added to your invitation list for future events.

## Writing

If you have a talent for writing, you can use it to help you build credibility and relationships with suspects, prospects and customers. Three categories of writing that I use to pump up my company's pipeline are special reports, newsletters, and articles.

- 1. Special Reports (or White Papers):** What special report could you write that would be useful to your target prospects? Once you have identified a suitable topic, don't procrastinate! Instead, conduct the necessary research, write the report, make sure your name is clearly visible on the cover page, and get the report into your prospect's hands.

What is the value of a special report that **you** have authored? Think about it for a minute. How many of your competitors do you think have **authored** a special report? How might authoring a special report increase your credibility? Do you think it might create an impression of significant or unusual expertise? Do you think it might make you stand out from your competitors?

If you would like to learn more about how to write special reports and white papers, a terrific resource is Perry Marshall's FREE e-mail course, "**Attract More Customers With White Papers.**" For more information, visit:

[http://www.8020sales.com/white\\_papers\\_guide.html](http://www.8020sales.com/white_papers_guide.html)

- 2. Newsletters:** Publishing newsletters requires a considerable time investment, as you must write or compile useful content on a regular and consistent basis (ideally weekly or every two weeks, but at least once a month).

The benefit of publishing a newsletter is it gives you **regular** and **repeated** chances to build credibility with your prospects and customers. Plus, keeping your name in front of them makes it more likely they will think of **you** when the time comes for them to consider purchasing the type of product or service you provide.

If you distribute your newsletters by e-mail, you must give your prospects and customers the opportunity to **opt-in** to receive your newsletter. If you send it to them without their permission, you are **spamming** them, which they may not appreciate. Remember, the goal is to **improve** your relationship with your prospects and customers, not damage it!

- 3. Articles:** Write articles and submit them to your local business journal, newspaper, trade publications, and any other publications that your prospects might read. You can also contribute articles to newsletters that are published by strategic partners, chambers of commerce, or local networking organizations. When any of your articles are published, acquire paper or electronic copies and share them with suspects, prospects and customers.

## **Creating the Best Prospecting Plan for YOU**

How can you devise the Prospecting Plan that will be most effective for **you**? Begin by identifying your target prospects. The questions listed in **Chapter 4: Defining Your Company's Sales Job** can help you accomplish this task.

Once you have identified target prospects, find out where and how they "cluster". Do they belong to specific trade, professional or social associations or organizations? Do they attend specific networking events? Do they serve on boards of directors for certain charities? If you are not sure, ask some of your customers. If you have good relationships with the people you ask, they will be happy to share this information with you.

Next, decide which types of prospecting activities will provide the best opportunities to interact with your target prospects. Also, try to choose activities that match your talents and interests. If you **enjoy** your prospecting activities, you will perform them more frequently and effectively.

If your prospecting plan includes some activities that you don't really enjoy, be especially disciplined in how you schedule and perform these activities. Seek training in proven methodologies to improve your effectiveness.

Don't be afraid to exercise some creativity in your prospecting activities. For example, if you don't enjoy cold calling for appointments, try cold calling to fill seats for seminars. Look for low-key ways to interact with your target prospects and get to know them as **people**. The impact on your opportunity pipeline will be both significant and gratifying!

## **About the Author**

Sales performance expert Alan Rigg is the author of **How to Beat the 80/20 Rule in Sales Team Performance** and the companion book, **How to Beat the 80/20 Rule in Selling**. His **80/20 Selling System™** helps business owners, executives, and managers end the frustration of 80/20 sales team performance, where 20% of salespeople produce 80% of sales.

For more information and more FREE sales and sales management tips, visit <http://www.8020sales.com>.