

If You're Making Cold Calls, You're Working Too Hard

By Michael Angelo Caruso

(as published in "Teleprofessional," newsletter for
the telecommunications industry, New York City)

Introductory or "cold" calls are important to all sales people. These initial sales calls are so important, that many sales people lose their jobs because they can't do effective cold calling. Sales trainers find this deliciously ironic since people in search of new work will have to—you guessed it—cold call.

There's just no getting around that first phone conversation. The bottom line is that cold calls play a necessary role in getting what you want. Let's look at ways to get better at cold calls and in particular, how to use them to increase sales.

The initial call has five potential components. In chronological order, they are: identification, introduction, qualification, need assessment and need fulfillment. Each component has a corresponding objective.

Identification—Tell'em who you are

Introduction—Tell'em why they should care

Qualification—Make sure you're talking to the right person at the right company

Need assessment—Make sure they have a current or upcoming need

Need fulfillment—Give'em what they need/want

Your cold call mission, should you decide to accept it, is to move the prospect from identification to need fulfillment as quickly and efficiently as possible.

Simply put, the cold call is designed to transform you from being a non-supplier to a supplier. How frequently can you execute an effective cold call? With what regularity can you do this? How fast can you do it? Your success at cold calling will ultimately determine your success at selling.

Identification

Some people referred to a qualified cold call as a warm call. Warm call or cold call, the only temperature a salesperson should be concerned with is 98.6 degrees Fahrenheit. This is the temperature of a living human being. This is the person we'd like to close faster than you can say, "DSL" and upsell faster than you can say, "Would you like fries with that?"

In reality, a good deal of the coldness in a cold call emanates from the seller. Too often, the seller approaches the prospect with a light disguised indifference. The seller's sales script is hackneyed and trite. He knows precious little about the prospect's company. A sales person who does not do homework in preparation for the cold call is inviting an adversarial relationship. Refuse to play the adversary. You'll be an effective and attractive ally if you prepare for the initial call in advance. Advance work also accelerates the selling process.

Think before you call. The sales call is a process that needs to be strategized and analyzed before it is "dialyzed." Understand, for instance, that the first twenty seconds of the call are critical because this is when the buyer first decides where you rate as an interruption to his or her day.

You must create what sales guru Tom Hopkins refers to as Positive Expectancy. The faster you can establish Positive Expectancy, the smoother the sailing, or selling. Try getting right to the point. "I know that you receive tons of sales calls, Mr. Prospect, but this one is going to be very interesting to you."

Do not squander your time with tangential questions like, "How are you today?" unless the prospect's health is somehow related to your product or service. Don't ask if they have a few minutes to talk. You may be better off launching into a quick volley of questions specifically designed to solicit pertinent information.

To obtain better than average results from cold calls, you must differentiate yourself from the typical sales pitch. After all, if you don't make a memorable impression on the initial call, the second call will be a cold call, too. Being friendly, for example, is not a unique approach because every sales person is friendly. Most importantly, each cold call is a performance that should be carefully rehearsed and lovingly delivered.

This includes the segment when you identify yourself. Make sure your name is memorable, but not too offbeat. I've discovered that "Hi, I'm Mike Caruso" can sound like "Hi, I'm Mike Aruso." To avoid the misunderstanding, I began introducing myself by saying, "Hi, I'm Michael Caruso." Then, I discovered that by using my middle name, I had a unusual, yet professional way of identifying myself. My opening line became "Hi, I'm Michael Angelo Caruso" and my net sales increased by 5%.

Introduction

The idea is to warm up the conversation as quickly as possible. Escort the prospect past the adversarial stages of the sales call and help them concentrate on why it's in their best interest to at least talk with you. Sometimes a little humor does the trick. "I've been trying to reach you for almost a week, Nancy. You might be the second busiest person on earth." Should Nancy ask who's busier than she is, the answer will be "me."

Use an informal, flexible script that allows you to ingratiate yourself as you assimilate new information. Your first set of questions should allow the prospect to acclimate to the topic. Two or three closed questions that rhetorically point toward affirmative answers are a terrific way to get the prospect involved in the call.

Michael: "I'm glad you had time to answer the phone, Bill. This is Michael Angelo Caruso calling from The Best Company in the World. Are you still using cleaning supplies at your company?"

Bill: "Yes I am."

Michael writes: "Feel like saving some money today?"

Address the prospect by their first name. Pose a question, then be quiet. The prospect will always end the silence.

Qualification

If you achieve nothing else in a cold call, you must qualify the prospect. The qualification process is when the buyer identifies himself or herself as someone who has interest in your product or service. This interest is often discussed in terms of purchasing habits, corporate protocol and personal service preferences. The breadth and dept of the qualification will determine the quality of your relationship with the other person.

Qualify the prospect on at least three levels. First, qualify the prospect's company. Does the company have a need for your product or service? How many locations do they have? Do they purchase separately or from a central office? If the locations purchase separately, which locations have the biggest needs?

You must also qualify your contact. Is he or she directly involved with purchasing or do they recommend vendors to another person or committee? Sometimes the first person you call will say they are the person to talk to, so you will court them for a few months. Finally, it seems as if they are ready to buy and the prospect surprises you by saying, "I just need to get the okay from my boss." In this case, your primary contact was not the influential decision maker, which means that you messed up during the qualification phase. Oops! Looks like you're going to the back of the vendor-waiting line.

The third way to qualify a prospect is to get a handle on his or her individual preferences. How often do they buy? What color do they prefer? Do they require repair work? What specific vendor-related problem are they struggling with right now? Weaving these questions into some complimentary observations will provide a pleasant flow to the conversation. At this point, the prospect should feel good about taking your call and they will be doing their part to contribute to the dialogue.

Dialogue can be challenging if you are only able to leave voice mail messages. Here are a couple of strategies regarding voice mail. Never, ever leave a voice mail message on the initial call. Like most people, prospects develop habits. If they don't return your first call, they are unlikely to return your second call. Besides, electronic messaging is a miserable substitute for customer involvement and good solid conversation. It's best to be patient. Try to catch the prospect before and after business hours and on Saturday morning. You'll be surprised at how many people work a half-day on the weekend.

Sometimes the prospect really is the second busiest person on earth. If you consistently experience someone's outgoing voice mail message, hang up and call right back. Many people hate to miss phone calls and will make a special effort to grab your second call.

Need Assessment

After your introduction and a quick series of closed questions, the prospect should be in the mood to cooperate to the extent that they are benefiting from the conversation. At this point, make one or two requests that begin with verbs. "Tell me more about how you do your purchasing" and "please explain what qualities you value most in a vendor" are both phrases that invite a detailed response.

Take notes for future reference, but don't try to talk about everything you learn in this call. Remember that you have a specific agenda for this call and the clock is running. Be careful at this stage. The next step will either move you toward an immediate sale or send you to the back of the vendor-waiting line. It's time to handle the prospect's objections.

Handle objections during a cold call? Objections should always be welcome, especially during a cold call. When a prospect offers an objection, they are asking you to sell them. It's important to identify the prospect's number one objection and deal with it as soon as possible. After all, if you can uncover the real objection during the cold call, you can be more effective during the early stages of the relationship.

Consider the game of checkers. Most sales people approach a cold call like they play checkers in that they only think one move ahead. Successful sales people think of the initial call as a chess game. Strong sellers think five moves ahead. If you've carefully studied all the potential gambits, the prospect's responses will never catch you by surprise. Prepare several replies for each of the most common objections to a sales call: no need, no time, no money, no action, no manners.

1. *No need.* When a prospect says "I have no needs right now" she usually means one of two things. Either 1) she really has no needs right now or 2) she has needs but doesn't care to discuss them with a Total Stranger. Learn to tell the difference using a technique I call "Probing to the 4th Level." Ask at least four focused, open questions to uncover a need or to disqualify the prospect.

2. *No time.* At the outset of the cold call, the prospect may say that they don't have time to talk with you. This usually means that the prospect might have time to talk with you if you weren't a Total Stranger. Don't take this personally. When you call back, if she gives you the same answer, see #5.
3. *No money.* Prospects often say things like "Your price is too high." This is a wonderful opportunity to sell because price is a tangible objection. "'Too high' compared to what?" you gently ask. If you're thinking five moves ahead, you know the competition inside and out. Either go to work comparing the competitive price/value or set price aside and draw the prospect's attention to the specific benefits of using your product or service.

How you handle the price issue is a critical element of the cold call. Prospects like to talk about price right away because they perceive it to be verbal shorthand for qualifying a vendor. But sales people should discuss price last, unless you are using price and price alone to qualify the prospect. Instead, try to focus on presenting value and benefits. Trial close early and often, linking benefits to the prospect's needs. Try the half-nelson technique by saying something like, "If I can show you that our product delivers what you need at a good value, will you be interested in giving us a try?"

Notice how the above approach takes the pressure off the prospect. In a trial close, the sales person is not yet asking the prospect to make a purchase. He is merely asking the prospect if he or she is will be *interested* in giving the new vendor a try. When talking price, introduce an element of intrigue by substituting the words "value" and "investment" for the word "price."

You might say, "I'm glad you've asked about the price, Leslie, because the value you'll receive is the best part of working with us." Also, never quote a price without mentioning a benefit. "My fee includes a pre-conference planning call, a master copy of the handout and an autographed copy of my book for everyone who attends."

4. *No action.* When the prospect has a need, has the time, has the money and still takes no interest in your offerings, step back and requalify the prospect. Remember that there are two types of buyers: the interested and the interesting. You'll sell to the interested.
5. *No manners.* Sometimes the prospect will answer the phone and say something that doesn't quite make sense. When the prospect "I already have a vendor," I think to myself, "Who doesn't?" When the prospect answers the phone and

blurts, “I’m in a meeting,” I think, “Then why did you answer the phone?” Cold callers will experience prospects that are poor listeners and prospects that are rude. Don’t feel bad about interrupting their day. If you choose to do business with these types of people, you will adjust your conversational style to play their game. Use short sentences and lightly push back with comments like, “I want to be your second vendor” and “When will you be done with your meeting?”

When cold calling, never admit defeat or incompatibility. Even if the prospect laughs at you, cheerfully say something like, “Well, call me when you get into trouble.” Every discussion is taking you and the prospect to another place. The new place could be a follow up call or even a referral. You might say, “Sorry it’s not going to work for us this time around. Who else do you know that might be interested in my services?”

No matter what the objection, always begin your response with an upbeat word like “great” or “terrific” or “excellent.” Then use one of the appropriate response to get back to your sales script.

Common Objections	Recommended Responses
“Your price is too high.”	“Let’s talk more about that . . .”
“I don’t need anything right now.”	“When might you . . . ?”
“I don’t ever buy anything.”	“Consider me as an information resource.”
“I already have a vendor.”	“I’m a terrific alternative source.”
“I need to think about this.”	“What specifically do you need to think about?”

Process and assimilate everything that occurs during the call. Take copious notes. Listen to how the prospect talks. Is she speaking slow or fast, loud or fast? Is she using big words in carefully constructed sentences or is she using quick phrases and lots of slang? You may want to synchronize yourself with the prospect by emulating her speech patterns. Ask the intellectual person “what do you *think* about my offer?” Ask the emotional person “how do you *feel* about my offer?”

A prospect’s request for literature is usually not a serious sign of interest. In fact, “send me your information” is a ploy to get you off the phone. Sales people who don’t think ahead eagerly promise to send info and then can’t figure out why the call ended so quickly. The goal of a cold call is not to get permission to send literature. *The goal of the cold call is to generate a sale.*

Agree to send the person literature and then quickly return to your sales script by saying something like, “I’ll be glad to send information to you, Nick. Please tell me what types of training you purchase most frequently so I can customize the package for your needs. Customer involvement is the secret to keeping the prospect on the line and moving the sale forward. When my prospects ask me to send literature, I softly inform them that I

have a “paperless office.” Then I ask them if they have Internet access and within about 20 seconds we are surveying my website together.

As if you don’t have enough to do during a cold call, remember to match the prospect’s interests with specific benefits that your company offers. For example, if the prospect says that flexible terms are important, you might say, “My company is happy to provide special payment arrangements with our best customers. What type of terms do you have in mind?”

Pay particular attention to non-verbal communication. Listen between the words. Do you have the prospect’s undivided attention or do you hear papers shuffling and tapping on a keyboard. Saying something like, “You sound pre-occupied right now. Do you need a second?” can re-anchor the conversation and help you earn respect.

Humor is a great selling tool if you know how to use it. Laughter from the prospect guarantees that he is listening and paying attention. Tip: Never tell jokes. Announcing a joke puts too much pressure on you to be funny. Instead, tell funny stories. *Short* funny stories.

Need Fulfillment

The ultimate challenge in any cold call is to help the prospect move toward need fulfillment. This is not likely to happen if the prospect is successful in ending the call before the sales person can do his duty.

If the prospect is qualified, a long conversation can indicate an impending sale featuring need fulfillment. In theory, the longer you can keep the person on the phone, the closer you’ll be to a sale. If the close hasn’t happened and the prospect signals the end of the call, the sales person can use several techniques to delay the inevitable “good-bye.” Do this right and you can learn personal things about the prospect that can be invaluable to your relationship with them. Warning: never wear out your welcome. Use this technique quickly and sparingly.

People love to talk about themselves. I often extend business calls by inquiring about after-work activities. I might say something like, “I’m going to a movie tonight, John. Can you recommend a film?” Weekend activities are always good conversation. The key is to ask the right question. On Mondays, average sales people usually ask the prospect something like, “Did you have a good weekend?” to which the prospect will likely answer “yes” or “no.” Strong sellers will ask, “What was the best thing you did over the weekend?” and get a much different answer.

Compliments are an effective way to extend and add value to any conversation. Assure prospect participation by limiting your speaking to no more than three consecutive sentences.

Transitional phrases like “Oh, by the way . . .” and “Before you go . . . ?” let the prospect know that you won’t be keeping them much longer. Television’s persistent Lt. Columbo got great conversational mileage from the phrase, “Just one more thing . . .” When prospects know that the call is winding down, they usually relax a little, which is good for both of you.

Using a little moxie, sellers can use transitional phrases to return to the sales script and even generate leads. One of my favorite transitional phrases is, “By the way, Harry, where did you work prior to this job?” Even unqualified prospects will sometimes refer a conscientious sales person to their old boss.

After hanging up from a call, log your notes neatly, capturing every nuance of the conversation. One never knows what tidbit will be useful later. I always have specific goals in addition to earning a sale. I may want to get three referrals or find out if the prospect has a family. I may want to discover if the prospect is from out of town or what his or her father did for a living. This information can be a basis for future conversations and future business. Follow up your cold call with a handwritten “thank you” note, a rare and thoughtful gesture during the Electronic Age. Be sure to reference a memorable moment from the cold call in the note.

Each cold call makes you a better sales person, but only if you’re paying attention. What will you do different in your next cold call? Whatever you do, manage your expectations. Remember that cold calls are an investment—not necessarily a means for immediate gratification. Be patient. Cold call can be hard work, but you’re getting paid for the tough calls. The easy ones are, well, easy.

Michael Angelo Caruso is President of the Edison House, a Detroit-based communication company. He is the author of “5 Cool Ideas for Better Working Living & Feeling,” “Hmmm . . . Little Ideas With BIG Results” and the audio book, “Dear Michael Angelo – A Father's Life Lessons To His Son.” Mr. Caruso delivers 180 presentations per year. Click [here] to request booking information. Mr. Caruso can be reached at 248/546-9140 and at www.EdisonHouse.com. ©2003

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