



Is Cold Calling Really Dead?

Searching for the elusive 'Silver Bullet'

A White Paper for Senior Executives
by Barry D. Caponi
December 11, 2006 and revised February 1, 2008



What would a doubling or better of the number of Initial Meetings being set by your sales team do for your bottom line? Many have done it when the correct focus, methodology and tools (Art, Science and Best Practices) are applied to the challenge.



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Definition of the Challenge

Cold calling versus Appointment Setting – what's in a name?

First and foremost – ask yourself why you decided to read this paper. Are you like most of our clients and it's because your team just isn't setting enough Initial Meetings to meet your sales goals? And if so, is your team one that will steadfastly refuse to admit that what they do is cold calling? Do they prefer to call it telemarketing, telephone prospecting or business development; anything but cold calling? Does your team truly call nothing but 'warm' leads that have come in off of an inquiry or through a referral? Or are they willing to admit that they must pick up the phone, at least occasionally, and call someone off of a 'cold' list? No matter which camp you and your team are in, I'll bet you are hoping beyond hope that *this* guy really has the 'Silver Bullet' to put an end to a disliked, but necessary task.

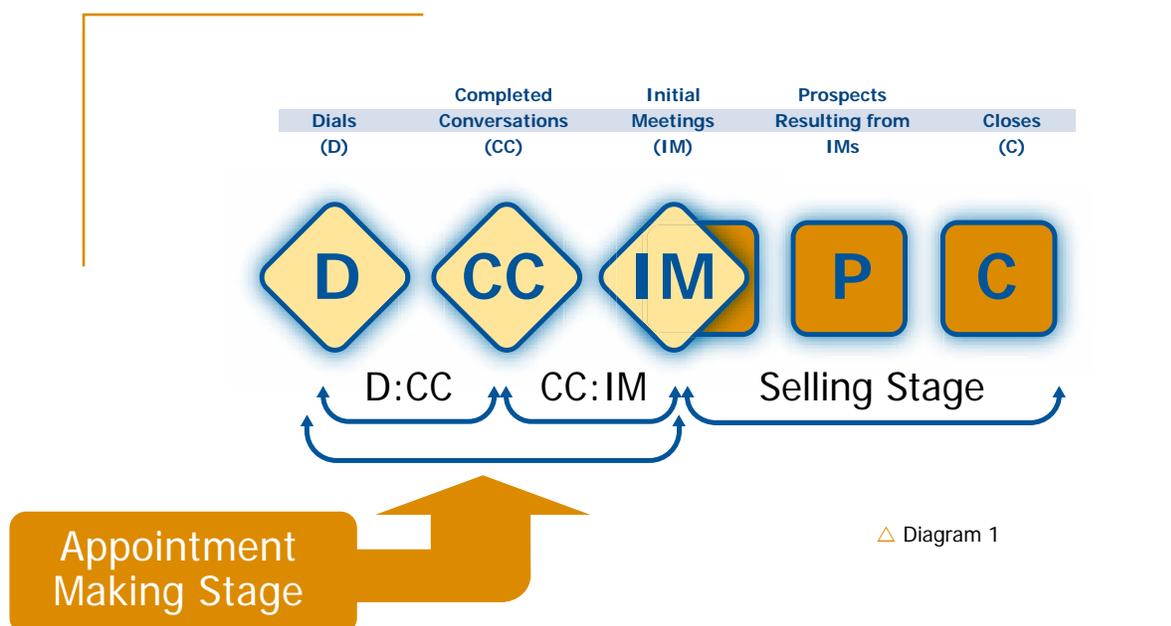
As to naming conventions, when we normally talk about the process of cold calling – the setting of an appointment with someone we haven't done business with before - we will usually call it appointment setting or appointment making as opposed to cold calling. Is there really any difference between the terms? Not really. It is more psychological than anything else. But hey, in this politically correct world, euphemisms are all around us aren't they? If that's what it takes to get people to pay attention, then count us in.



THE BOTTOM LINE

If you or your team is responsible for creating new business with new customers, even finding new business within existing accounts by picking up the phone and making a call, this paper is for you.

This white paper addresses the all important first half of the buying process – the appointment setting process. (See Diagram No. 1 below.) Why do we call it all important? There are two reasons. **First, there is no better way to proactively control your own destiny than to make more effective appointment making calls. There is a direct correlation between the number of dials made and the size of one's commission check.** Second, it is the one stage of the buying process that can act as a fulcrum and dramatically impact the results of rest of the process. In other words, an increase in the number of Initial Meetings provides a larger foundation for more sales, even if you are no more efficient in the subsequent stages of the buying process. Some of this advantage is pure math, but some also impact your business in subtle, yet substantial ways. For instance, how would your margins increase if you were in a stronger negotiating position because you had a full sales funnel when trying to close deals? How would the atmosphere around your office improve if the discussions changed to those of how to better qualify the many more prospects you have, creating better proposals and closing deals instead of the negative vibes that accompany the 'we need more activity' and 'we can't afford to lose this deal' type discussions you're probably having now? And while there may not be a 'Silver Bullet', we believe there is perhaps a 'Bronze Bullet' that will make the process more effective, easier and less painful to perform for the reps, plus easier to manage for you as a manager.



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The Case for Appointment Setting

The Myths

- ▶ 1. Marketing will bring 'em in
 - ▶ 2. Networking will find me enough
 - ▶ 3. People don't like to be cold called
 - ▶ 4. It takes too long
 - ▶ 5. It doesn't work
 - ▶ 6. It's not the fun part of the job
 - ▶ 7. It's too hard to track the process
-

There are several books and websites out there today devoted to the concept that 'cold calling' doesn't work, or that it has become an obsolete or unnecessary discipline. Frank Rumbauskas is one of the best and has a website (www.nevercoldcall.com) devoted to the topic. Joanne Black also has a website (www.nomorecoldcalling.com) that is pretty good. George Walther also has a book entitled *Heat Up Your Cold Calls*.

If you read through the literature from those that say cold calling is obsolete, you'll find a common theme; replace cold calling with 'pull' marketing programs designed around technology and other activities to eliminate the need for it. Ideas such as website optimization (ask me about mine – it's pretty good), stay in contact with newsletters (subscribe to mine), e-mail, networking, and asking for more referrals from your existing customers are good ones, and they all work. As a matter of fact, we at the Caponi Performance Group do all of the above.

So I am going to jump on board with Frank, Joanne, George, et al, and suggest that you do as many as make sense to your organization to cut down on the number appointment setting calls you must make. But make no mistake, at the end of the day, whether the call is cold or warm, it almost always falls to one of us sales professionals to pick up the phone and dial the number to start the dialogue which begins the buying process.

Don't kid yourself, in the B2B space, there just aren't enough people who will proactively call you on their own. And the ones that do call you, trust me; they are calling all of your competitors as well.



The Truths

1. Marketing will bring 'em in – marketing's job is to identify likely suspects for you and let those suspects know about your offerings so they are more receptive when you do call. Very seldom is it their job to get them to actually come to you or call you and ask for an appointment. Don't kid yourself, in the B2B space, there just aren't enough people who will proactively call you on their own. And the ones that do call you, trust me; they are calling all of your competitors as well. (And most importantly, if you had enough prospects calling you, you'd pretty much be an order taker and wouldn't be paid nearly as much, would you?)

2. Networking will find me enough – I have three thoughts here:

▶ **THINK ABOUT HOW MUCH TIME NETWORKING TAKES.**

When I go to networking events, I am generally investing at least three hours of time when taking into consideration the time it takes to get there and back plus the time at the event.

▶ **MAYBE YOUR EXPERIENCE IS DIFFERENT**, but in most cases, if I come away with one lead from a three hour event, I consider it a successful one.

▶ Unless that lead happens to be someone I actually set an appointment with at the event, **I MUST STILL PICK UP THE PHONE AND CALL TO SCHEDULE THE APPOINTMENT (A WARM CALL)**. Sometimes even those people are no longer as receptive as they were when we talked face-to-face.

3. People don't like to be cold called – now I won't necessarily disagree with this point at the moment of the call, but let me also offer a counterpoint. Prospects learn from us. If you're not offering something of value in the form of knowledge (about how others benefit from what you sell), you **will** have trouble setting appointments.

4. It takes too long – if you're taking more than an average of three minutes per dial, you're being inefficient and need to change your approach. If I can place ten calls in a half-hour and get two appointments, what other options offer a more effective use of my time than that?

5. It doesn't work – sorry, yes it does.

6. It's not the fun part of the job – If you think this way, then make it as easy and fun as you can. Track your results to make it a game, a competition, anything to make it less painful if that's the way you feel about it. Or try this, take your average size sale, and divide it by the number of dials you must make to get a sale (guess if you have to). In the example you see in Table 2 (on page 9), if Rep No. 1's average sale is \$5,000, the virtual value of each of her dials is \$250. Would you pick up the phone if someone would give

you \$250 each time you did it? Well, if you imagine a 'Virtual Bank', that's exactly the way it works. You just have to close a sale to get the bank to release the funds.

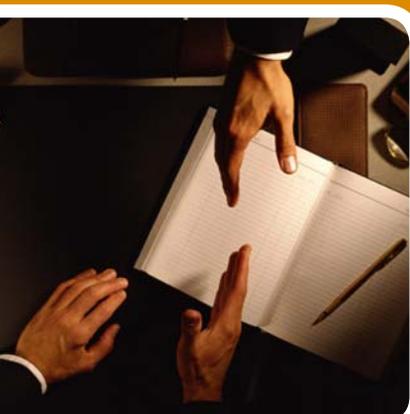
Finally, apply the solution we'll talk about in a little bit to truly make it easier. But, remember, if it were that easy, anybody could do it and we wouldn't make as much money as we do (or can), so take the good with the bad and get after it.

7. **It's too hard to track the process** – actually, this is where many people do falter. Trying to keep track of who you called, when, what the result of the call was, when and if you should call back, etc., is difficult – unless you use the tool I'll describe a little later on.

THE BOTTOM LINE IS THIS. I don't necessarily like to do it either. But I use a tool called the Activity Calculator (which you can download from my website) to figure out how many initial meetings are necessary to hit my number. You can use it to do the same for your team. Then figure out how many of those Initial Meetings will come from your other sources. If there are still more meetings needed (and there will be, trust me), take control of your own destiny and get your people on the phone. It is the most effective **proactive** activity available to fill the void.

Another alternative to phone appointment setting I'm asked about from time to time is canvassing, or door knocking. While we're at it, here are my thoughts on getting on the phone versus canvassing.

I BELIEVE THERE IS A PLACE FOR CANVASSING. Route sales environments that require frequent face-to-face visits with existing customers should consider it. Sales that are made to lower level buyers that are easier to get in to see could consider it. Also, when you have an appointment with someone else, always be on the look-out for other opportunities. If you spot one next door, by all means, stop in. But, when you do, use the visit to find out who you should be talking to; then make your objective to set an appointment for a subsequent visit with that individual. Pre-set appointments set you apart from your competition and/or reduce the risk of the suspect suddenly declaring they have something else to do before you've had a chance to make your case. After all, you did interrupt them from doing something else – and if you're conducting a proper Initial Meeting, you should be asking questions in the beginning, not selling. Some building's security today also may limit access. The phone does not. Most importantly, it takes more time to canvass. My average appointment setting call takes three minutes. A canvassing call, including drive time, walk time, lobby time, and note recording time may take ten minutes or even thirty minutes or more. I'm not going to tell you that canvassing is not effective, but do the math, consider your selling environment, and make an informed decision.



We believe that, assuming you've got someone ready, willing and able, the simple act of providing what we recommend on page 11 will produce confidence. Confidence will change attitude and attitude is what will change behavior.



Why is appointment setting so painful?

Answer this one in a definitive manner and you may truly have discovered the 'Silver Bullet'...or was it the 'Holy Grail'? I forget which.

Anyway, there are many theories. In their book, *Psychology of Sales Call Reluctance*, George Dudley and Shannon Goodson say, "The notion that call reluctance is a single condition is a venerable piece of nonsense which has largely been discredited. Twelve different types have been identified so far and there are probably more." They are probably right. However, much of what they discuss is psychological in nature, requiring tests to discover which personality type each rep is and how that translates into a particular set of challenges (let alone what to do about them). Most sales organizations don't have the time, money nor inclination to 'counsel' their reps into the mind set to succeed.

In my experience, fear of the phone comes from four things:

- ▶ **Need for approval** – don't want to hear no (there goes that psychology again)
- ▶ **Negative self-talk** – it doesn't work, I can't do it
- ▶ **Lack of skill** – I don't know what to do or say
- ▶ **Feeling of being overwhelmed** – by the process itself

We believe that, assuming you've got someone ready, willing, and able the simple act of providing what we recommend on page 11 will produce confidence. Confidence will change attitude and attitude is what will change behavior. If you don't think that will work, then ask yourself why sports teams concentrate on practicing basic fundamental skills (learnable skills) and then specific plays (repeatable processes/best practices) until they are both second nature. And by the way, when was the last time you took time in a sales meeting to practice necessary skills?



Who should be making the calls?

Hopefully by now, we've convinced you of the value and necessity for making appointment making calls. Bob Howard, president and founder of Contact Science, contends that what is also important is an organizational question. He asks, "Is the sales force one that can not, will not, or should not be setting appointments?" He echoes our thought that if they can't, give them the skills, a process and the supportive environment to practice to change the 'can't' into 'can'. If they won't, well, he says you know what to do with those folks. But before taking a personnel action, make sure it is the person and not the process. A 'will not' may actually be a 'can not' with good skills but a poor support process. And if they shouldn't, what you probably are saying is that there is a sound business reason to find someone else to do it for them. If that's the case, there are a couple of options open to you. You can create a group within your own organization, or outsource it. However, it still needs to be done.

Is sales truly just a numbers game, or how can we programmatically improve our results?

During my career as a sales manager with large and small companies alike, we used to always say that sales was just a numbers game. If one of our sales people were not hitting their numbers, what did we tell them? "Your activity is too low. You're not getting in front of enough suspects. Make more calls. Get back on the phone. Drive those dials." We all believed that our sales people could close the business if they could just get in front of enough people. (Most companies I work with actually do a pretty good job of providing product training and since we **all** believe we have that proverbial 'better mouse trap that sells itself', closing is not the problem, right?) Well, upon closer inspection, that's not necessarily true, but until our problematic rep gets in front of enough prospects to give us some feedback on that part of the buying process, all we can do is assume they can bring home the bacon at close time. Besides, the worst case is that sales management can actually jump in to help close an opportunity. But that's a topic for a later discussion!

The point is that we really don't know exactly how to coach our people unless we break the buying process down into stages or steps that we can monitor, measure and then manage. Peter Drucker, one of America's foremost authors on management, once said that in order to improve something you must be able to measure it. So we're going to show you how to do that.

But knowing the stages and having the numbers is only part of the equation. We must also be able to understand the relationship between the different stages in the process. It is with that understanding that we can begin to apply management (coaching with 'Art' and 'Best Practices') to improve results. Perhaps an example will make it clearer.

In my appointment setting workshops I ask people how many dials they make every week or day. As you might imagine, the answers are all over the map, even within the same company, among those doing the same thing. I basically ignore these answers because here is the operative question: "Why that number?" Without an understanding of the ratios between those dials and the end result of a sale, that number is nothing more than pure guesswork.

Here are the categories of the numbers I track. (You might get more granular in the back half of the buying process, but for several reasons beyond the scope of this paper, these are the ones I suggest in most instances.)



△ Table 1

FIRST, SOME DEFINITIONS:

DIALS: This number represents a completed call to a good number

COMPLETED CONVERSATIONS (CC): This category represents a conversation with the target regarding an appointment

INITIAL MEETINGS (IM): This category represents a face-to-face (unless you're selling entirely over the phone) initial discussion to determine if it makes sense to both of you to move forward in the buying process. ▽

PROSPECTS RESULTING FROM IMS: This category represents those that, as a result of the IM, agree to move forward in the buying process (agree to become a 'prospect').

CLOSES: This category includes a contract, P.O., or however you define a closed opportunity.

▶ *Do not equate the stages in the buying process with individual meetings. This definition applies whether your product or service is a one call close, or requires many meetings within any given stage.*



Assume these are our rep's results:

Rep	Dials	Completed Conversations (CC)	Initial Meetings (IM)	Prospects Resulting from IMs	Closes
No. 1	100	40	20	15	5
No. 2	100	35	12	9	3

△ Table 2

What does this tell me about Rep No. 1 and No. 2? Well, not much if looked at in a vacuum. But let's assume that five sales was the goal for this time period, so Rep No. 1 hit her goal.

What would you tell Rep No. 2? Make more dials? The math works out to having to make 168 dials. That is the most typical response, but it would probably not be the best response.



Rep	Dials: CC	CC : IMs	IMs : Prospects	Prospects : Closes
No. 1	40%	50%	75%	33%
No. 2	35%	34%	75%	33%

◀ Table 3

Instead of asking Rep No. 2 to make 168 dials (keeping all of the other ratios the same), why don't we take a look at what Rep No. 2 is doing when he dials to get through to his targets. Why do that? Because at some point, there may not be enough time available to just make more dials during the allotted time period (an additional 68 in this case). Secondly, we've got something to compare Rep No. 2's ratios to, don't we? Rep No. 1 gets through to 40% of her suspects and 50% of those conversations turn into appointments. So, assuming they are both calling off the same quality of list, management should provide a little coaching help with a variety of things like how to leave better voice-mails (that will get returned) or how to get through gatekeepers. Both skill improvements would increase his Dials to Conversations ratio. And what might we do to help Rep No. 2 with his Conversations to IM ratio? How about a little help with responding to what we call the conditioned responses (excuses to get him off the phone) he is getting? His ratios tell me is that he really struggles in this area.

As you can see, I am more concerned with knowing the ratios than purely the numbers because then I know where and how to focus my coaching efforts to improve his performance.

SO WHAT TO DO?

The Solution

The solution contains six key components. They are:

1. **Management Commitment** – including front line sales management adoption of the calling methodology and learning of the techniques themselves in order to coach effectively once the sales trainer is gone. Do not underestimate this.
2. **Invest in 'Art'**, (a methodology) such as our *The Appointment Making Formula™*, and deliver it in the form of a sales training program (not a sales training 'event')
 - ▶ Is willing to help you measure the results.
 - ▶ Their methodologies and techniques fit your business model and culture.
 - ▶ That you feel comfortable with.
 - ▶ That will invest the time upfront to learn your business environment and incorporate what they learn into what they teach and help develop some 'Best Practices' (see below).
 - ▶ Espouses a teaching methodology that includes follow-through sessions designed to reinforce the techniques and transfer knowledge to front line managers.
3. **Invest in 'Science'** in the form of an automation tool designed to augment the appointment setting process - not a tool that has been modified to also cover this crucial stage in the buying process. Do not underestimate this either. SFA and CRM tools are not designed to do this well, no matter what they tell you.
4. **Make the time to develop 'Best Practices'** – develop a repeatable process which include things such as scripting, answers to commonly asked questions, counters to the most commonly heard conditioned responses, and the process of how to pursue one suspect efficiently, so that the process can be repeated over and over again. (See list below.)
5. **Make the time to practice** – both the 'Best Practices' and techniques learned. Remember the sports analogy. You're wasting your time and your money if you're not committed to this step in the process.
6. **Monitor, measure and manage** – your progress to keep the results sustainable.



LET'S TAKE THOSE ONE AT A TIME.

Management Commitment

Way too often, the responsibility for improving appointment setting (or any discipline of the buying process, for that matter) is abdicated to a consultant (or trainer), or is viewed as a one time 'quick fix' investment by management. Successful implementations of a methodology require the commitment by upper management (front line management and the reps will only respect what you inspect – and commit to in visible ways).

Long term sustainable increases in results are attainable. However, this requires ongoing attention and a commitment to all six of the key areas listed above to receive **optimum** and **sustained** results. For instance, earlier we spoke about identifying exactly where to focus effort to help a struggling rep in the appointment setting process. The only way you will be able to identify the true problem is if you have the data, and that comes from the tools specifically designed to measure those results. (You don't really trust the accuracy of those weekly activity reports you get from your sales team, do you?) And then unless your front line managers know what 'Art' and 'Best Practices' to apply (and how to actually apply it themselves), the data becomes useless. (One solution to this knowledge transfer challenge is to contract with your sales trainer for an ongoing program that extends past at least one buying process (sales cycle). The reason for that is that once the funnel begins to fill from the initial success of your calling program, your reps – and front line managers alike - will gravitate towards closing and ignore the need to keep prospecting until they lose or close everything that was in the funnel and are forced to prospect again. By that time, the newly learned skills have atrophied to some extent (before coming totally second nature). Creating a plan to keep your trainer involved on a periodic basis through this total process will more than pay for itself.)

In many training programs I see managers sit in the back of the room and watch. They don't participate in the role plays or the exercises. Why not? Well, sometimes they are hired as managers from the outside and have never actually sold your product or service, so they are not experienced in the trenches. Perhaps they don't want to embarrass themselves stumbling through a new technique. Sometimes they think they are above the role playing, or they are just plain too busy to participate fully.

If you are going to invest the money and the time – jump in with both feet and demand the involvement from every level of the organization.

Invest in 'Art'

I like to call it 'Art' because it is the intangible, or the creative part of selling. It is not by the numbers. Bob Howard from Contact Science likes to say that people succeed because of their ability to perform the 'Art'. I think he is right. This morning, as I was actually writing this paragraph (divine intervention, I'm sure), I was actually cold called by a salesman selling group health insurance. I told him we had just (in September) reviewed our coverage and re-signed with our current carrier for another year. He thanked me for my time and asked if he could call me next August. (At least he did that.)



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in selling is that there are not
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How does he know that I was telling the truth and that I wasn't just trying to get him off the phone? How does he know that he doesn't have product that could complement what we're already doing? It is the 'Art' that allows you to open up a conversation and perhaps create a prospect where none seemed to exist when the call was placed. One of our key beliefs in selling is that there are not enough people who are consciously 'in the market' for what we are selling when we first contact them. Yet we all can relate story after story of how we made sales to suspects who first told us they weren't interested, can't we? So how do we then still convince them to invest the time to visit with us...it is the 'Art' that breaks through. Otherwise it truly is just a numbers game – call until I actually do meet up with someone 'in the market'.

Our typical appointment setting workshop lasts for a day-and-a-half, (including a phone blitz to set appointments) so there is a lot to it. However, you might be interested in at least a few of the high level concepts behind the techniques we employ in *The Appointment Making Formula™*.

1. When a suspect receives an appointment setting call, four operative laws go into effect:

- ▶ The law of 'Not Enough Suspects in the Market' - as introduced above – unfortunately, most people are not looking for what you are selling when you call;
- ▶ The law of 'Get 'em off the Phone' - your suspect will do anything (include lie) to get you off the phone. As a matter of fact (remember Pavlov and the dog?), each of us has our favorite conditioned response we use to get rid of the dreaded 'cold caller' – what's yours?;
- ▶ The law of 'Work Interruptus' – no matter when you call or what they are doing when you call, you are practicing interruptive marketing;
- ▶ The law of the 'Reciprocal Response' is invoked – your suspect will generally respond in kind to you, i.e. in the same manner you approach them;

2. Ergo, it does make a difference what you say and how you say it - so:

- ▶ You must be respectful of their time, so keep it short;
- ▶ In order to keep it short, get right to the point. The purpose of an appointment making call should be to set an appointment, not to sell;
- ▶ Be professional, yet upbeat and enthusiastic (you do believe in what you're selling, don't you?);
- ▶ You must offer something that supports your credibility (proof point) and value to them by offering to share some specific benefit oriented



(Ergo cont.)

In our opinion, since neither was designed to do the job of pursuing suspects until they become prospects, SFA and CRM tools are cumbersome at best, and counterproductive at worst.

information that would help them in their job and that is not readily available. (Offering to tell them about your new widgets or 'special offer' does not cut it. The fact that your new widgets just increased their competitor's market share by 10%...does.)

► Control the flow of the conversation:

Know what you're going to say – internalize your script to make it sound conversational and consistent so that;

- You can predict the conditioned responses (excuses) you'll hear in response to your script – trust me, they'll be very consistent if you deliver the same message every time, and if you can predict those responses you can be prepared to counter them effectively...again and again;
- Believe the first conditioned response is not real – and use our counters and bridge questions to refocus the direction of the conversation so you can once again;
- Ask for the appointment again without hesitation – leave dead air and they'll throw up another flavor of conditioned response or question for you to handle.



Invest in 'Science' in the form of automation tools designed to augment the appointment setting process

'Science' is really another word for the mechanics of the process. It includes a mechanism for making the calling process easier to perform and a mechanism for tracking and reporting the results. (So it gets used – remember, sales reps, by their very psychological make-up, abhor time consuming 'make work'.)

I was in the software industry for many years. I have looked at and used a lot of different CRM and SFA software products during my career. We can argue over their effectiveness, or difficulty of implementation all day long, but that would miss the simple point regarding how well they help us set appointments. SFA solutions were designed to manage the pursuit of a potential customer once they agree to become a prospect and enter into the buying process with you; not the setting an appointment for the Initial Meeting. CRM solutions were developed to manage customers; again, not to help in the process of setting an appointment for the Initial Meeting. Both attempt to fill the void, and both have failed at making it easy enough for reps to use it for that purpose. In my opinion, since neither was designed

to do the job of pursuing suspects until they become prospects, SFA and CRM tools are cumbersome at best, and counterproductive at worst. Given the propensity for sales reps to avoid (read: won't use) anything that is cumbersome, time consuming and/or adds to their administrative burden, attempts by products like ACT!, Goldmine, Salesforce.com, Siebel, Oracle and others have failed to fill this need. As a matter of fact, their design and reason for existence make the efficient pursuit of suspects mutually exclusive.

I have been using a product for the last year-and-a-half called Klpz, from Contact Science that fills that void. If you'd like more information on it, let us know as we have now actually adopted it as an optional part of our methodology. I will, however, take a moment and explain why I believe it supports our methodology.



1. For the sales rep –

- ▶ Because there are only two basic screens to navigate, it eases the burden on the rep to:
 - ▶ Record their actions and keep track of their suspects, when they are to be called again, and what happened last time, etc., with nothing more than a couple of mouse clicks;
 - ▶ It suggests the 'Best Practices' that should be applied as the next step in the pursuit of a given suspect;
 - ▶ It actually decreases their workload which means they are more likely to use it;
- It reduces the administrative time between calls necessary to record activity – my complete cycle time from the time I pick up the phone to dial a number to the same stage of the next call was reduced from approximately six minutes a call to three minutes a call*. That means I can call the same number of suspects in half the time – Which is more important to me personally, than calling twice the number of suspects in the same amount of time;
- It completely eliminates the need to create activity, ratio, and goal vs. results reports as their activity actually creates those reports for them;

2. For sales management –

- ▶ It automatically generates the activity, success and ratio reports necessary for the proactive coaching we mentioned earlier;
- ▶ It provides the vehicle for retaining ownership of the leads that are being pursued in case of turnover or change of responsibilities;
- ▶ The need to consistently focus on prospecting activity, including the need to begin the pursuit of new suspects **, which provides ample warning time to head off potential revenue shortfalls caused by a decrease in the appropriate prospecting activity;

* If you think that this is minimal, extrapolate that out over a year. If your rep calls for only one-half hour per day, that is 5 more per session x 5 sessions per week x 44 weeks = 1,100 dials per year.

** Not just keep calling the same suspects over and over again - and if you don't think they're doing that, think again.

3. For sales and marketing management –

- ▶ It provides reports on different marketing lead acquisition programs such as trade shows, networking efforts or list purchases;
- ▶ It provides a quantitative method to calculate how many leads a rep can handle during any given period.

4. For the sales trainer and sales management –

- ▶ Because it continually monitors performance, it sustains the return on the investment in the 'Art'.

Best Practices

'Best Practices' is how we define the most effective way to pursue one individual suspect effectively, and in a way that the 'Best Practice' becomes a repeatable process. I believe it was Bank of America that used to run a commercial stating something to the effect that it processed ten million checks per day without error by processing one check perfectly, ten million times. That is the idea of 'Best Practices'. Some examples are:

1. How many times will you call a suspect before the law of diminishing returns kicks in?
2. What should the interval between calls be?
3. What will you do when you give up this time? Will you recycle them, and if so, what is the number of times you'll call you them this year? When will you remove them from your list, and under what circumstances?
4. What kind of voice-mails will you leave?
5. Will you just call them, mix in e-mail, or use direct mail prior to beginning your calling sequence?
6. What are the best times to call?
7. Where will you get names to call?
8. What will your value proposition be in your script?
9. What kind of questions are best to ask to regain control of the conversation and also help qualify the suspect?
10. How many leads can each rep handle during a year?
11. Will you be asking for a face-to-face meeting, a 'Webex' or a phone call initial meeting?
12. Do you want to qualify during the appointment making call, or do that during the initial meeting?
13. What does your 'sweet spot' suspect look like? Don't waste your time on suspects that don't fit your model or are at the wrong level. **Remember the equation:**

$$\text{Return on Investment} = \frac{\text{Size of Sale}}{\text{Time Invested in Sale}}$$

Conclusion

If you've got a limited budget and time (who doesn't) and you're looking for the best place to invest in your sales force, we recommend starting with the appointment making process. If implemented properly (remember the management commitment component?) it always pays for itself in more business, and in most cases, with brand new customers. That pays for the investment in the implementation of the methodology, but it also provides other dividends. Higher sales will rekindle excitement across your whole company and it will provide you with cash to invest in other ways. The focus and training will reduce turnover (or help you quantitatively and systematically cull the dead wood that needs to go) in your sales force, and it will allow you to discover what other selling skills can be improved, as your sales team will be applying more of all of them!

Regarding the 'Never Cold Call Again' movement, we believe that it destined to become nothing more than a memory. After a few years of wishful thinking, excitement and experimentation, it will die just like learning to read phonetically did after its attempt to displace traditional reading techniques back in the fifties and sixties. Some of its components have their place, but not as the major methodology for setting enough appointments. In our opinion, it provides for too many excuses for your reps to use to explain their lack of performance, as it supports the 'Cold Calling Doesn't Work' school of thought. On the contrary, cold calling not only works, but it is the single best strategy to correct a lack of enough opportunities in the sales funnel.

The bad news is that it takes effort. The good news is that the investment in time and money will pay for itself in sales and piece of mind many times over.

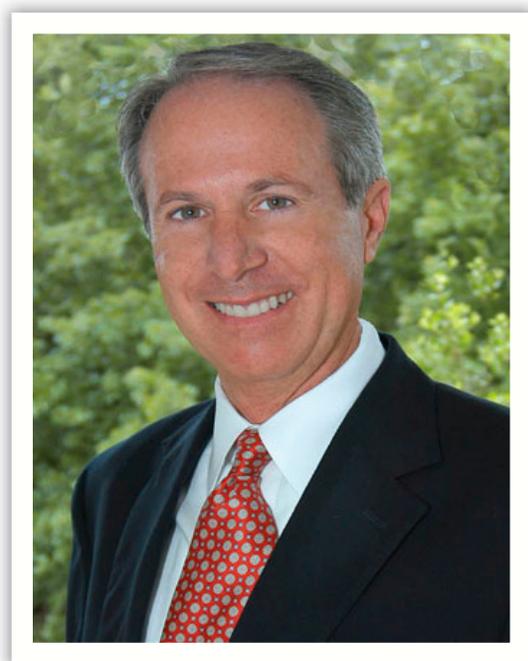
There is more than one way to skin the cat as they say (never have understood that metaphor) when it comes to which 'Art' you select. But when it comes to the overall components necessary to implement a successful strategy to improve your team's performance, don't take any shortcuts. It is just too important to your business to take the risk. We obviously encourage you to take a strong look at our easy to implement, template based methodology which we outline in our companion White Paper called **The Appointment Making Formula™** - The Secret to Setting More Appointments | Four Steps to More Effective Appointment Setting. But regardless of your choice of methodology, find one that fits your business model, commit to its success, steel yourself for the pushback you'll get from your sales team, and then go implement it.

And as always, good selling to you and your team...Barry

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About the author

Mr. Caponi is the president of the Caponi Performance Group, a sales training and consulting company located in Dallas, Texas. The company focuses on assisting its clients increase top line revenue in measurable ways in most business to business selling environments. The company's approach is to focus on tactical selling skills, utilizing proven selling techniques and methodologies. Mr. Caponi and the Caponi Performance Group is best known for its expertise on the first step in the buying process; the setting of Initial Meetings through its successful methodology called, *The Appointment Making Formula™*.

Mr. Caponi himself brings over twenty-five years of broad management, sales and sales management experience to his business. His general management experience includes responsibility for a regional property management firm and worldwide P&L responsibility as a general manager for a division of a software company. On the sales side, in addition to a successful career as a sales person himself, he has run local sales teams, North American sales teams and global sales teams. Barry's industry experience includes computer hardware and software, telecommunications as well as getting his sales start selling life and health insurance. He's worked for multi-billion dollar companies like Hewlett-Packard and Computer Associates, mid-sized companies such as MetaSolv of Plano, Texas, as well as his share of start ups.

Mr. Caponi has closed business in his career that ranged from small deals measured in the thousands of dollars to large deals valued between \$30M and \$50M. Mr. Caponi has had articles on sales published all across the world in addition to his hometown publications such as the Dallas Morning News and the Dallas Business Journal.