

Cold Calling in the 21st Century: The New Rules

By Wendy Weiss, *The Queen of Cold Calling*

Is Cold Calling Dead? That's what you hear. No one likes making cold calls. No one likes receiving cold calls. The Internet and email has replaced the telephone. Cold calling is old-fashioned. It's not cool. It doesn't work.

Or does it?

In terms of direct marketing, cold calling is actually one of the most targeted, efficient and effective ways to reach potential customers. Nothing beats having a real conversation with a prospect. Here are some studies that back this up:

In *6 Lead Generation Insights for 2007*, a research report by Mike Schultz, publisher of *RainToday.com*; Andrea Meachan Rosal, Chief Content Officer of *RainToday.com* and John Doerr, Principal of the Wellesley Hills Group concluded that:

“Cold calling is second only to referrals as the number one lead generation tactic.”

And from the *MarketingSherpa Business Technology Marketing Presentation 2007*:

“So, yes, that's absolutely an endorsement of good old-fashioned cold calling, especially when it's targeted and appropriate.”

Stefan Tornquist, Research Director
MarketingSherpa.com

Cold calling does work. The issue is that most people do it poorly, which is why it does not work for them.

Stefan Tornquist brought up an important point that cold calling must be “targeted and appropriate.” Here are some prevalent misconceptions about cold calling:

- Cold calling is a numbers game: Make 100 dials/day and someone will eventually say, “yes”
- Cold calling is a numbers game: Go through the “no’s” and hang ups until you finally get a “yes”
- Anyone is a prospect: Open the phone book and start making calls
- Practice rebuttals to ensure that you can corner the prospect
- Manipulate the prospect into agreeing
- ABC: Always Be Closing

I doubt these tactics were ever truly effective. Ten years ago, maybe--or even five years ago, however, it was easier to get people on the telephone. It probably was possible to simply keep making calls until someone said “yes.” Today one can make calls for long

periods of time without ever reaching a prospect directly. That is why the “numbers game” idea is a myth. So is the idea that “anyone is a prospect.”

Cold calling today is direct, targeted and above all it's a communication skill. Those who disparage cold calling are totally missing the point. The bottom line is that no matter where you find a lead, whether from networking or a referral (or even if someone calls you) at some point you will need to speak with that prospect on the telephone and if you are not able to communicate the value of the product or service that you represent, you won't get the customer. In today's business environment, however, it is imperative to understand the rules, what has changed, what works today and what will simply waste your time.

Here are the *Cold Calling Rules for the 21st Century*:

1. Have a targeted list

Before starting a cold calling campaign create a profile of the ideal prospects you are trying to reach. What that means is that out of everyone in the entire world who might buy what you sell, who is most likely to? And who is most likely to buy a lot of what you sell and then keep returning to buy more?

Describe this ideal customer in specific detail. Use criteria like: What industry? Where are they located? What is the title of the decision-maker? Does this market have challenges or issues that your product or service can solve? If you are calling in the consumer market, what are the demographics of your ideal prospects? Where do they live? Work? Go to school? These are your “qualifying parameters,” the parameters that describe your ideal prospect who is likely to buy, buy a lot and come back to buy more. Then, only call the leads that fit your “ideal customer profile.” If a prospect does not meet your parameters, they are not a qualified prospect. You will spin your wheels and waste your time trying to reach them and they will not buy or not buy very much.

In business-to-business calls make sure to only call the highest-level person you believe is the decision-maker. If that person is not the decision-maker, they'll be able to tell you who is. Far too many sales professionals and business owners waste their time calling too low. They do this with the idea that somehow the calls will be easier. They won't. This will simply waste your time and extend your sales cycle. If you are not speaking with a decision-maker, you are not speaking with a qualified prospect. If you are not speaking with a qualified prospect, they will never buy from you.

2. Answer your prospect's question: Why should they be interested?

In addition to having a targeted list, your approach must be targeted to the market and the individual that you are calling. It must be relevant. There is no generic approach that will work. Preparation counts, big time. Ask yourself these questions:

- What are your prospects' challenges?

- What is their history?
- What's happening now?
- What problems do you solve for your customers?
- What problems can you potentially solve for your prospects?
- How do you help your customers?

In order to create an approach that will resonate with prospects you must dig deeply to understand them. Do your homework and do the research. They will not tell you; they'll expect you to know. Prospects today are busy; they are bombarded from all sides. If you want to get their attention on a prospecting call you need to have something compelling to say. It must be relevant. Truly understanding your prospects and their situations will help you craft an approach that will enable you to have a productive conversation with them.

3. Understand the goal of your call

Many people confuse the idea of cold calling with the idea of closing a sale. Every sale goes through a cycle from the introduction to information gathering to offering a solution to closing. Cold calling is not closing a sale. That comes later. Most sales professionals and/or business owners are making calls to set face-to-face meetings or have some type of introductory conversation. The cold call is not the sale--it is the introduction.

This concept frames your entire approach. On most cold calls you are not asking the prospect to buy from you over the telephone or to agree to let you replace their current vendor. You are only asking to have a productive conversation. This approach has two advantages: Your prospect feels far less pressure (you never want a prospect to feel pressure because they will run) and you also feel less pressure (you don't have to close on the phone.)

4. Craft your approach

While many, many people resist the idea of creating a script this is simply following through on Rules 2 and 3 above. Bottom line, cold calling is a communication skill. You want your prospect to understand the value that you represent and how it will positively impact them. You want the prospect to be interested and excited by what you have to offer. In order to achieve that result you must craft your language.

One thing that has not changed over the years is that you don't have a lot of time to grab and hold your prospects' attention. Because it is so difficult to get prospects on the telephone it is imperative to be prepared. When you get that prospect on the telephone you must have something compelling to say. If it is not interesting or relevant to your prospect they will not want to speak with you. This is not the moment to be winging it. If that prospect says, "I'm not interested" and then hangs up, you will not get another chance.

Lead with the value that you provide and use some concrete examples to illustrate that value. Make sure to ask for what you want, a meeting, an extended telephone conversation, or perhaps scheduling a time for the prospect to see a web-based demo. Over time you will memorize your approach. If you are just starting out, write it down so that you won't have to think about it or worry that you'll forget. You can simply concentrate on your prospect.

Create *Telephone Theater*. It's not only what you say; it's how you say it. Your voice conveys as much if not more than the words you say so take the time to practice out loud. Call your voice mail and record yourself, listen to how you sound. You want to sound warm, friendly and confident, happy to be speaking with your prospect and with the sense that you have something important to say.

5. Use all of the tools that are available

While it is more difficult to get prospects on the telephone today, the good news is that there are more tools available to you to reach your prospects directly. While at one time the only way you could contact a prospect was via their office phone (or perhaps a letter) today you can also call the prospect's cell phone and/or send an email.

Always try to reach your prospect directly first. It is always better if you can have a conversation. If after several attempts and if this is a prospect that you truly want to reach you can leave a voice mail message or send an email.

Remember: As with your script, the rule for a voice mail and/or an email is to lead with the value that you provide. That is what will gain your prospect's attention.

6. Look for the prospects who are looking for you

Rule 1 was to create your "Qualifying Parameters" so that you could create a targeted list. Keep your "Qualifying Parameters" in mind as you speak with prospects. Remember: You are looking for the best prospects, the ones who are most likely to buy, buy again and keep coming back to buy more. The myth is that cold calling is manipulating prospects into buying things they neither want, nor need. The reality is that you are looking for the prospects that are looking for you. So look to qualify your prospects out. If during your conversation with a prospect, you realize that prospect no longer fits your "Qualifying Parameters" then they are no longer a prospect for you. Let them go.

7. Have a system

This is probably the hardest rule for most people to follow. I am always surprised by the number of sales professionals and business owners who do not have a good system to track their prospects--or even their customers. In 2010 there is no excuse for not using some type of contact tracking software.

In addition set up your “Best Practices” for prospecting. What are your systems for contacting prospects? How often do you try a prospect before letting them go? What scripts are you using? What scripts are you using for voice mails? What email templates are you using? What is your system to follow up with prospects? What other tools are you using to support your prospecting efforts? While the answers to these questions are outside the scope of this article, they are important and will have a great impact on any cold calling campaign.

While cold calling has changed in certain ways, the bottom line is that cold calling still works. It must be targeted and you must have a compelling, market-focused, value-centered message that will resonate with prospects. Rather than manipulation, cold calling is sorting--you are looking for those prospects who are looking for you. And for cold calling to work best, it is about sorting your prospects with a system. Cold calling is about conversations that lead to conversions, it's not about closing on the telephone on the first call.

The “numbers game” and “open the phone book and call” days are history. Cold calling is dead. Long live cold calling.

*Get the Free Special Report, “**Getting in the Door: How to Write an Effective Cold Calling Script,**” at <http://www.wendyweiss.com>. Wendy Weiss, “The Queen of Cold Calling,” is a sales trainer, author and sales coach. Contact her at wendy@wendyweiss.com.*

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