

Say Less. Sell More.

THE STORY OF: *How to get people to buy from you one small step at a time.*

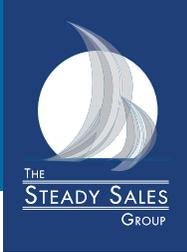
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BUSINESS PROFILE FEATURE

LOU DAVIS | MARKET STREET RESEARCH



MSR
Market Street Research



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LOU DAVIS'S CASE: *How to get people to buy from you one small step at a time.*

THE BUSINESS

Actionable Intelligence

Lou Davis, the VP of Sales at Market Street Research (MSR), knows how to discover what consumers are thinking, especially when it comes to healthcare. MSR specializes in customized, quantitative, and qualitative marketing research that informs and directs organizational decision-making.

Lou's firm has developed a solid reputation in several healthcare-related niches, especially in the work they do for hospitals. Indeed, MSR claims as clients some of the most respected names in the hospital market place, including Johns Hopkins, The Cleveland Clinic, and Massachusetts General Hospital.

The company, founded in 1978, helps business decision-makers gather reliable data before making important strategic and marketing-oriented moves. As VP of Sales and Marketing, it's Lou's job to keep the sales pipeline full of qualified buyers who know the value of rigorous, actionable research.

Lou uses a variety of marketing tools to get in front of his ideal prospects. For example, he regularly attends industry conferences, presents research papers, and participates in best-practice symposia. His website is highly optimized; consequently MSR enjoys good search engine ranking; an important tactic that generates a steady trickle of qualified leads. Moreover, the firm's website, www.marketstreetresearch.com is packed with valuable information, including details about the firm's credentials, client base, methodology, and service offerings.

MSR boasts an excellent track record, so they have a long list of happy customers. However, the most powerful tool in the marketing arsenal — direct contact with decision makers — was working too slowly for Lou to close the number of deals he needed to reach his profit goals.

About 60 % of the company's revenue comes from established means such as repeat business, referrals, SEO (Search Engine Optimization) and conference presentations. Lou is responsible for keeping those wheels turning, which he does with great skill. However, those mechanisms alone are insufficient to fuel the firm's desired growth. He regularly needs to generate an additional 40% in new sales the old fashioned way: direct sales calls to new prospects.

THE PERSON

The consummate professional

Lou is the consummate professional. He is well-versed in marketing fundamentals. He studies his craft as well as his markets. He attends important industry events. His relationship radar is always on, meaning: he constantly looks for ways to connect people to each other and to profitable opportunities.

Lou Davis is smart, affable and knows his niche. He's a lightning-fast study and commits himself wholeheartedly to any project he undertakes. He's articulate, persistent without being pushy, and most importantly, is not above making cold calls. For Lou, like all good marketers, knows the importance of direct, personal contact with decision-makers and influencers within his target market.

THE CHALLENGE

Too few chances at bat

Lou's outreach process was simple. Typically, he'd send an introductory e-mail with an attached brochure to a prospect, hoping for the chance to start a sales conversation. If no reply came, Lou would follow up with a second message; sometimes via e-mail, sometimes via phone, sometimes with snail-mail. And sometimes right away, other times not.

In business-to-business sales, voice-mail is to be expected, so too is unanswered e-mail, particularly if it's from a stranger. A low response rate, therefore, is to be expected. However, Lou's connection rate was alarmingly low. Ninety percent of his calls went to voice-mail, eighty-five percent of which were never returned. Ninety percent of his introductory e-mails went unanswered.

Compounding Lou's frustration with that low response rate was the low buying urgency among most prospects, the long sales cycle, and complexity of a market research engagement. Although he knew prospects would rarely be ready or able to close a deal quickly, that fact, combined with the poor results of his outreach, left Lou feeling stuck.

"I don't mind the long sales cycle." Lou explained, "It's the dismal results of my direct outreach that are depressing me. I don't need prospects to buy now. I just need to start the conversation. But that's barely happening."

Lou's only consolation was his hope that the material he sent would somehow be filed away for later consideration when his prospects needed it; cold comfort indeed.

Even with a good list of prospects, a strong value proposition, thick skin and discipline, cold-calling without frequent payoffs was

demoralizing for Lou. Heck, for whom *wouldn't* it be? Nevertheless, Lou persevered. He knew that despite the challenge of selling a high-priced, non-urgent, complex engagement to time-starved executives, he had to make direct connections. He had to start the sales dialog, not wait for inbound calls. To reach his goals however, he had to get his hit-rate up.

THE ENGAGEMENT

Make it easy to say yes.

On the surface, Lou's outreach process seemed solid; e-mail and call, e-mail and call — always following up. But Lou's results were below average, and Lou is *not* a below-average player. Clearly, something was amiss.

The good news for Lou is that hospitals are competing in the marketplace like never before. In many respects a hospital must vie for customers the way auto dealerships, technology vendors, or retail firms must; head-to-head against direct competitors. However, consumer health care demands and decisions are complex, so a hospital can't simply advertise low prices, or quick turnaround; so too with capital investments. Would the hospital be better served by investing in MRI technology, a new birthing wing, or more physicians? Enter Market Street Research.

The bad news for Lou is that research is a tough thing to sell. Although it's a vital component of informed decision making, it can also be expensive, complex, lengthy and, worst of all, may challenge the assumptions held by those making the decisions.

In those instances when Lou did connect to a prospect, closing the sale remained a long, uphill challenge. But Lou excelled at that part of the journey. Indeed, when he did connect, his closing rate was fantastic. Around twenty-five percent of his prospects would make a

deal in 3-6 months, another five percent within a year. Clearly Lou's sales problem was in the front-end of his sales pipeline: the approach.

"Tell me exactly what you do, Lou." I began. "Do you leave voice messages? If so, what do you say? What does your e-mail say? What's the subject line? How frequently and how many times do you follow up with each prospect? What's your call to action, that is, what are you asking for? Why are you sending a brochure?"

THE FINDINGS

So much to say — so little time

As we talked, three shortcomings revealed themselves, one of which emerged as the likely lynchpin. First, Lou didn't have a methodical follow-up process. Oh sure, he'd re-touch prospects, but regardless of medium the time-span between messages varied according to Lou's competing demands and impulses; so too would the message itself. Consequently he had no systematic way to gauge whom to follow up with, or how often, or in what way. He'd base those decisions mostly on memory and gut feeling; useful barometers to be sure, but hardly measurable.

Second, just as Lou's follow-up frequency was random, so too was his messaging. Sometimes he'd leave a voice message, other times not. Sometimes he'd mention his prior outreach attempts, other times not. The length and content of Lou's messages, whether voice-mail or e-mail, showed no discernable pattern other than repeated mention of MSR's capabilities, credentials, and the company's offer to be of service; worthy content indeed, but an awful lot to squeeze into a single message.

Third, Lou was selling too much too early. This, it turned out, was the lynchpin. "My firm has

a great story to tell. We have a marquee-name client base. We've won awards for excellence. We are the real deal and I want to let my prospects know this. Otherwise they won't take my call seriously." Lou explained.

"Taking you seriously isn't the problem, Lou." I replied. "It's fitting you *in*." "Look, Louie", I continued, "If your services are long and complex, why the heck are you making the decision to talk to you so long, and complex. You're trying to sell MSR when all you really need to do is sell a phone appointment."

It's remarkable how easy it is to lose sight of a sales fundamental like: *sell the appointment first*. But the increasing pressure from a rising quota has an amazing ability to displace basic wisdom with a "hit 'em with all I've got" approach. Analogous, perhaps, to crafting an elaborate marriage proposal scenario and then forgetting four simple words: "Will you marry me?"!

RECOMMENDATIONS

Follow a process and a script

Lou, eager for a change, agreed to three simple steps that focused like a laser beam on one thing: increasing his connection rate.

First, Lou changed his intention on every call. Instead of thinking, "I've got to reach Mr. Executive so I can tell my story, set a hook and reach my quota," Lou approached each call as a simple request for a phone appointment. This was a slight mental shift with huge implications.

Second, we distilled Lou's message to a thirty second voice-mail script consisting of an introduction, his value proposition, his purpose (to schedule a brief phone appointment), and an explicit request for a reply. We did the



same thing to his e-mails, which shrunk from one page to eight sentences. We also ditched the brochure, confident that curious prospects would click the web link beneath Lou's signature.

Finally, we established a rigorous follow-up protocol consisting of four "touches" spread over four weeks, using both e-mail and voice-mail. If no reply came after four weeks, gentle and slightly varied ticklers ensued monthly for the rest of the year. Annoying? Unlikely. Effective? Absolutely!

The difference between annoyance and persistence is in the delivery. People generally respond well to professional persistence. Simple requests usually go unheeded because folks are almost always too busy, away on business, on vacation, sick, have lost the message, forwarded the message, are not ready now, mean to reply, or just plain aren't interested. No matter what the reason for a prospect's silence, a clear, courteous request delivered repeatedly almost always begets a reply.

THE RESULTS

Within a matter of weeks Lou's persistence paid off literally and figuratively. In the world of sales, numbers matter, but so too does confidence, morale, and the efficiency that comes from following a good system.

Lou stopped scrolling through his prospect list wondering if it was time to re-touch someone. He felt confident that his best prospects weren't withering from neglect. Indeed, Lou's rigorous follow-up process brought him a welcome sense of satisfaction: "Hmm... today is Tuesday: Time to send prospect X e-mail number three, prospect Y gets voice-mail number two, and prospect Z rolls into the monthly tickler stack."

Lou no longer spent time crafting different voice-mail approaches or e-mail messages for different prospects because he re-used appropriate templates. His messages were tight, courteous, professional, and compelling. Perhaps most important, his despair over the dismal results of his cold calling vanished because his efforts were rewarded.

Lou's e-mail reply rate doubled. The number of "gate keepers" who allowed Lou through also increased by one hundred percent. And most gratifying of all, Lou now gets five out of ten calls returned; an almost four-fold increase in success from voice-mail.

So how did all this outreach activity translate to the bottom line? Over the course of the year, revenues for MSR rose thirty-three percent over their best year ever; with the increase attributable almost entirely to the new customers Lou called and closed.

THE INSIGHTS

1. People generally respond well to clear, concise requests. Professional persistence in the face of silence is not the same as being annoying. Remember: The fortune is in the follow-up.
2. Less is more. If you try to sell or say too much too early, you'll miss the chance to ease into an exploratory dialog.
3. Script yourself. If you don't have a script, you'll likely go off message, talk too long, bore your prospects, or all three.
4. Have a solid system to track your prospecting activity so you can feel confident about letting certain opportunities go, while pursuing others vigorously.



Steady Sales Morals & Wise Words of the Month

CALVIN COOLIDGE (the 13th US President) **TELLS US**

“Press on. Nothing in the world can take the place of persistence. Talent will not. Genius will not. Education will not. Persistence and determination alone are omnipotent.”

THE STEADY SALES MORAL

Your fortune is in the follow-up, follow-up, follow-up.

SALVADOR DALI (the great surrealist painter) **TELLS US**

“I shall be so brief that I have already finished”.

THE STEADY SALES MORAL

Don't saturate your prospects with too much information too early.

PETER DRUCKER (the great management guru) **TELLS US**

“The only things that evolve by themselves in an organization are disorder, friction, and malperformance”.

THE STEADY SALES MORAL

Script your approach, your messages and your system for following up.



The Steady Sales Moral Recap

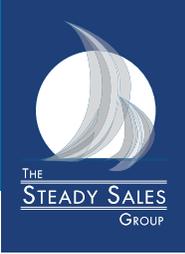
- MORAL 1: Your fortune is in the follow-up, follow-up, follow-up.
- MORAL 2: Don't saturate your prospects with too much information too early.
- MORAL 3: Script your approach, your messages, and your system for following up.

1 WHAT ARE YOU ASKING FOR?

Whether it is other small business you want to approach for co-marketing purposes, a corporate decision-maker, or an end user, ask yourself what you want out of your first conversation. Don't think about what you want as a culmination of your engagement, i.e. a transaction, but what small thing you can ask for to advance the dialog, for example a phone appointment. Script your request here. Hint: be sure it is something for which a specific follow-up is required.

2 HOW WILL YOU SAY IT?

Consider the people you are trying to, or would like to, reach. Rate yourself on two measures: 1) How well-crafted is your message? 2) How many times will you touch your prospects over the course of four to eight weeks? Reflect on what you say when introducing yourself to a "live" prospect, and when leaving a voice message. Now, write what you will say in a roughly thirty second voice-mail message.



3 DO YOU GLOM PEOPLE?

Consider what you say, send, e-mail, or leave behind with prospects. Do you overwhelm people with content, information, answers, or questions? If you completed Exercise One above, then ask yourself, “What’s the most that is required of me to support the incremental step I’m aiming for?” List your arsenal of collateral material, talking points, or information. Next, see if you can chunk your content into bite-sized pieces so that it can be delivered incrementally, over time.

4 HOW PROFESSIONALLY PERSISTENT ARE YOU?

For any type of outreach, multiple approaches are paramount. You must give people repeated opportunities to say yes or to say no to you. Silence from a prospect is misleading because we often greet it as a “no” when in actuality we haven’t a clue as to what our prospects are thinking. Develop a persistence protocol with at least three touches in close succession. Describe what you’ll say or send, when, and how you will keep track of whom to follow up with and when.
