

MARKETING MANAGEMENT

“COLD CALLING - 'THE STRATEGIC WAY OF SELLING TO UNKNOWN POTENTIAL PROSPECT'”

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INTRODUCTION

The market particularly sales is mostly cut throat competitive. It is difficult to survive in such market without appropriate competitive strategies over the competitors. Normally people do not prefer sales jobs and they believe that it is tough, heavy mental and physical pressure, and most common is Targets. But there are people in the market who are working in the sales field for many years and enjoying their jobs by accepting new work challenge every day. Usually the term cold calling refers to call or face the customers to their commercial places and households for face-to-face for first time without prior appointment. Cold calling is also known as canvassing or door knocking. “in the essence of cold calling is the art of approaching someone, professionally, openly and meaningfully, with a sensible preposition.” Cold calling is an important technique in sales process. It is useful in many aspects of business and work communication apart from the sales activities and sales functions.

REVIEW OF THE LITERATURE

A research report named 'Lead Generation Insight for 2007' by Mike Schulz, Andrea Meachan Rosal and Johan Doerr concluded that “Cold Calling is second only to referrals a the number one lead generation tactic.” Stefan Torques suggested that cold calling must be targeted and appropriate. Some prevalent misconceptions about cold calling are Cold Calling is a number game. Per day make 100 calls and eventually somebody will respond as 'yes'. Go through the numbers and hang up until you finally get response from the customer. Prospect can be anyone,

just open the phone book or directory and start calling, manipulate the prospect into agreeing and finally ABC- Always Be Closing.

A book named 'Cold Calling' by Fank J. Rumbauskas, Jr. described the cold calling strategy as wastage of time and money. In his book the author Stephan Schiff man's Sales Essentials has discuss the three types of potential customers in the world of sales which are a customer, an account or a client with whom a sales person has closed the sales, a lead, suspect, candidate, opportunity are the someone a sales person want to talk with, a prospect is a person whom sales person has already sold and servicing him. In addition to this the author has also suggested the various types of saying No as an objection and the strategies to handle such objections. Schiff man has also discussed the key principles of cold calling to convert the prospect into sales. These principles are; people respond in kind, some response can be anticipated, communicate people through stories. There is a formula that is more important to be successful sales people than any other; $A=P=S$. In other words, Appointments give you Prospect give you Sales. If you have no new appointments today, what is your chance of getting the new prospect? It is nonexistent. If you have no new prospect, what is your chance of making a sale? That is too nonexistent (Stephan Schiff man, 2008).

Cold Calling for Chickens (Cyan Communications, London), sales trainer Bob Hetherington writes, "fact; in any market 85 percent of the available new business goes to the 5 percent of sales people who know the secret of successful cold calling". Though Hetherington uses the term cold calling, like most of those who teach the successful way to do it, the call is not that cold at all. Scott-Vincent Borba, CEO of Borba, sells a line of high-end unique skin care products that are applied as well as ingested. In his first full year of business, Borbadid \$ 5 million in sales, and every deal he made started with a cold call. His products are carried by such companies as Saks, Sphere, Four Seasons Hotes, Victoria's Secret.

THE STATEMENT OF PROBLEM

Cold calling is to be considered as one of the toughest

activity for the sales department. Normally, initially the sales personnel are quiet negative towards this activity. Since cold calling does not give surety of sales but it just can generate leads and the pipeline of customers in the sales directory. This technique of marketing is extensively used by the various service industries as well as the production firms. In this technological advanced world the business firms are using several tools to generate business or leads from the unknown prospects. These tools are internet, feedback form, registration process etc. This research article is purely prepared on secondary data and the purpose of doing so is diagnose the importance and also the limitation of this method. This article is prepared to understand the problems face by sales executives while undertaking cold calling activities.

OBJECTIVES OF RESEARCH

The major objective behind this research is to evaluate the effectiveness of Cold Calling process over the sales of the business firms. The marketers are not only concern with results but also concern with increased cost and time involved in this process of marketing. Cold Calling is one of the important tools for the marketers to generate leads and create pipeline for future prospects. In addition to this the aim of this research is to evaluate the past results and real cases of cold calling.

METHODOLOGY

This research article is mainly based on secondary data and available information through various sources. For doing this research several books, magazines, old research articles and web references, notes etc. are used. All the analysis and interpretation is based on above mentioned sources of data.

THE ELEMENTS OF COLD CALLING

To make the call successful, the caller need to work upon systematically. The below mentioned elements of cold calling are helpful to design proper cold calling script.

1. GET THE CLIENT'S ATTENTION

It is one of the important elements of cold calling to

get the attention of client. A sales executive is doing cold calling through telephone then he/ she has to open the conversations in such a way that can attract the customer to listen him/ her for a moment. It is important because based on the opening up of sales executive the customer is going to respond.

2. IDENTIFICATION OF YOURSELF AND YOUR COMPANY

In the process of cold calling, the sales executive is going to call or meet unknown prospect, so it is essential to give his or her identity and also brief the customer from where he/ she is? The sales executive should also brief regarding the company's profile and its products or service offerings. This will lead him to make pace up with the customer smoothly.

3. STATE THE REASONS FOR CALL OR APPROACH

While approaching unknown customer or prospect never start up with call. Before proceeds with actual purpose, first brief the reasons for the doing this activity. In the case of calling to unknown prospect always try to have an appointment first from the prospect and then proceeds with the next step of the process.

4. QUESTIONING

Questioning is the second last elements of the cold calling process. Before he/ she as a sales executive proceeds with the appointment, first ask the customer regarding his likes, dislikes and interest regarding the company and its products or services. If the customer is positive with company's products and services then it would be easy for any sales executive to take an appointment with the customer for meeting.

5. APPOINTMENT

Once the questioning session get over the last step is setting an appointment with the customer. While taking an appointment with customer, let the customer know the definite time and place of meeting.

ISSUES AND CHALLENGES TO THE COLD CALLING

Cold calling is the process of approaching to unknown prospects. The sales personnel face many different types of challenges during this process. It is difficult to prepare the sales personnel to do cold calling with phone calls or field visits. Normally sales executive hesitate to approach unknown prospects and feels the fear of failure and fear of rejection.

Approaching the customers for the purpose of field visit sometimes gatekeepers become the issues and obstacles. Gatekeepers are the person who controls the inflow and outflow of the information of the company or firm. Before meeting the actual prospect, the sales personnel have to get into negotiations with them. The activity of cold calling can be performed by using several means like web mails, phone calls, short message service, and field visits etc. Do not Disturb (DND) has given a freedom to the customers to avoid unwanted sales and marketing calls or messages. It is one of the obstacles to the cold calling process for the marketers who are promoting their products and services through phone calls.

Nowadays the marketers face No Cold Calling Zone, where the group of the residents get together and declare it as No Cold Calling Zone. Once such zone has been established, residents can feel confident to say "NO" to cold callers and this will lead the reduction in doorstep crime and burglary in the area. These are the issues and challenges face by cold calling activities in the 21st century world. Due to these obstacles and barriers the marketers are reducing the use of this process day by day.

STRATEGIES TO MAKE COLD CALLING SUCCESSFUL

Cold calling or making field visits have gone beyond just telemarketing. The cold calling process is one of the costly mean of sales to any business organization. So it is important to make each call (through phone or visit) successful by using strategic calling script. Cold calling does not give immediate result but in long term it will definitely be fruitful to company if the sales executive has approached customers properly and effectively. Below are the several strategies to make this successful;

1. MAKE THE FIRST IMPRESSION

'The first impression is the last impression'. The first few words from a sales executive to customer can make a good or bad impression. No matter customer respond you positively or not but we should not cross our limit patient. Getting the listener hooked is the biggest challenges for the sales personnel.

2. AWARE ABOUT THE COMPETITORS

Cold calling is the process of meeting unknown customer without prior appointment, so as a sales executive we have to learn the features of products and services which differentiate your products with the competitors. Discuss the positive characters of the products and services against the competitor's products.

3. BE POLITE AND RESPECTFUL

Politeness always impresses the customer at initial stages of sales process. Talk with the customers and do icebreaking of customer with respectful words so that we can create positivity about our products and services in the mind of the customer. Start the conversations with the customer with politeness and end too with it.

4. AVOID PUSHY BEHAVIOR

No customer want to be forced into listening to sales person. Despite doing so, always try to recognize the need and want of the customers. After doing so find the suitable product from the available product range to meet the customer's requirement. Always listen the customer first and then start acknowledging the customer's requirement.

5. UPDATE THE PRODUCT KNOWLEDGE

Normally it leads the most rejection of call over phone or on field visit. The sales personnel should possess full in depth knowledge of the products and services which he/ she is communicating with the customers. Having product knowledge helps sales people to handle the objections and respond to the questions from the customers positively.

6. FOLLOW UP

If customer ask any question or raise any objection

towards the product and services then a sales person should understand that prospect is interested in his/ her product. It is always not possible to convert the prospect into client or customer in the first visit or call. If the prospect want to think over and says call back then call the customer back in time because prospects respect you if you respect their time.

CONCLUSION

Every day is a new day for sales personnel. It is important to meet the daily, weekly, or monthly sales targets to survive the sales job. If a sales person achieves his/ her monthly sales targets then he/ she will be highly appreciated and awarded. But to continue with the constant performance the sales person has to generate new customers in his/ her pipeline. The cold calling process is one of the tools of lead generation for future prospects. Though it is tough, costly and time consuming process but it will compensate in long term. The company should train their sales executives well in advance before undertaking such activity. The sales people normally dislike this activity and they hesitate to do so. Some sales personnel believe that cold calling is like bagging. To be a good salesman it is important to handle such situations because it will make you shameless and hesitation free. This research article is prepared on various published articles and notes and books on Cold Calling. From this research article it can be concluded that the role of cold calling is important for any business firm to increase its sales. Due to the development of technology and advancement in various marketing communication means, cold calling is losing its popularity day by day.

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