

“Cold Calling – The Deliberate Approach of Selling to Anonymous Promising Prospect”

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ABSTRACT:

Majority of business firms across the globe are in the contest to add more and more clients and customers in order to generate revenue through sales. The business firm uses a variety of sales techniques and methods depending upon the nature, category of business products or services. Cold calling is one of the strategic marketing process of selling products or services to anonymous promising prospect.

The term ‘Cold’ refers to a sales person who is going to approach his promising customers without any groundwork. Promising customers can be targeted with the help of Cold calling. Here the sales person can contact his potential customers or clients via telephone, physical and drop –in visit. This deliberate sales technique is extensively used in service industries across the sphere. In India, educational, banking, insurance, communication and broking firms use this strategic technique in lead generating and convert the anonymous clients or customers into promising prospects.

This kind of marketing process is usually disliked by the sales representative. The reason they hesitate mainly depend upon the two belief, firstly the fear of denial and secondly the fear of failure. They believe that Cold calling is the best suited technique to generate leads but due to the advancement in technology development and in various marketing communication means, cold calling is losing its ground or rather its reputation.

KEYWORDS: Customer, Prospect, Cold calling, Sales, Marketing, Lead

INTRODUCTION

The sales market is predominantly a cut throat competitive market. It is impossible to exist without any competitive strategies over the rival. Fundamentally, people don't prefer sales job as it hard-hitting with grave mental and physical pressure and in particular they have to complete the TARGETS within specified time limit. Alternatively, there are peoples who adore working as sales representative and take pleasure in their work by accepting new challenges at every step.

Cold calling is defined as the solicitation of business from potential customers who have had no prior contact with the salesperson conducting the call, therefore making the call cold. Cold calling is used to encourage potential customers to purchase either the product or service. Cold calling is conventionally a premature stage in the selling process. Cold calling typically refers to the initial telephone call made to a prospective customer. Nowadays, cold calling attribute to calling face-to-face for the first time without an appointment at commercial premises or households. Door –Knocking, Canvassing, Telephone canvassing is the some other name of Cold Calling. Cold calling is an important technique in sales process.

'Lead Generation Insight for 2007' a research report 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.

At the same time, there are many prevalent misconceptions about cold canvassing that it is a number game. Need to make 100 calls in a day and finally a name will respond as 'yes'. Dial the numbers and hang up awaiting you at last get response from the customer. A book 'Cold Calling' by Fank J. Rumbauskas, Jr. portray the cold calling strategy as wastage of time and money.

Stephan Schiff man's in his book Sales Essential has mentioned three types of promising/potential customer in the world of sales - a customer, an account or a client with whom sales has been closed, a lead ,suspect, opportunity. In addition to this the author has also recommended 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). The 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”.

THE STATEMENT OF PROBLEM

The toughest activity for the sales department is considered to be Cold calling. Initially the sales representatives have a negative approach towards cold calling. Since it doesn't guarantee surety of sales but it can generate leads. This technique of marketing is comprehensively used by the various service industries in addition to the production firms. In this technological sophisticated world the business firms are engaging themselves in several ways to generate business or leads from the nameless prospects. Internet, Feedback form, registration process etc are some of these tools.

This research article is solely prepared on secondary data and the intention of doing so is analyse the significance and constraint of this method. This article is prepared to understand the inconvenience face by sales executives while undertaking cold calling activities.

OBJECTIVES OF RESEARCH

This research is to assess the effectiveness of Cold Calling process. The marketers are not only apprehension with results but also unease with increased cost and time involved in this process. Cold Calling is one of the central tools for the marketers to generate leads and create pipeline for future prospects.

METHODOLOGY

Secondary data and available information through various sources is the main methodology. Several books, magazines, old research articles and web references, notes etc. are consulted. Viewed positively and creatively, cold-calling is empowering and potent.

THE ELEMENTS OF COLD CALLING

To make the call booming, the sales representative needs to do homework systematically. Some points of elements of cold calling are useful to design proper cold calling script.

1. GRAB CLIENT'S ATTENTION:

Attention of client is the first and most important element of cold calling. If sales executive does cold calling through telephone then he/ she has to open the conversations that can attract the customer to listen him/ her for a moment. It is vital because based on the opening up of sales executive the customer is going to respond.

2. CREDENTIALS OF YOURSELF AND YOUR COMPANY

It is the responsibility of the sales person to give essential credentials of his/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. MENTION THE REASONS FOR CALL OR APPROACH

In approaching anonymous customer or prospect, 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 considered as 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

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

The sales personnel face various different types of challenges during this process. Normally sales executive hesitate to approach unknown prospects due to the fear of failure and fear of rejection. Approaching the customers of field visit sometimes becomes difficult due to gatekeepers. Gatekeepers are the referred to the person who controls the inflow and outflow of the information of the company or firm. Web mails, phone calls, short message service, and field visits etc. are the activity of cold calling.

DND (DO NOT DISTRUB) is power given to the customers to avoid unwanted sales and marketing calls or message. It is considered as one of the hurdles to the sales persons who are promoting their products and services through phone calls, thus creating a barrier for the cold calling process.

Nowadays the marketers face NO COLD CALLING ZONE, where the residents group get together and announce it as No Cold Calling Zone. Residents feel positive to say “NO” to cold callers resulting in the reduction in doorstep crime and burglary in the area. These are the issues and challenges face by cold calling activities in the 21 century world. Due to these hindrance and blockade the marketers are reducing the use of this process..

STRATEGIES TO MAKE COLD CALLING SUCCESSFUL

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. It doesn't give instant 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 responds you positively or negatively but sales person should not cross limit. Getting the listener hooked is the biggest challenges for the sales personnel.

2. CONSCIOUS ABOUT THE COMPETITORS

As we know that Cold calling is the process of meeting unknown customer without prior appointment, so as a sales executive we have to learn the features to differentiate your products with the competitors. Always emphasise on the positive characteristic of your products and services against the competitor's products.

3. BE COURTEOUS 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. Start the conversations with the customer with politeness and end too with it.

4. REFRAIN FROM PUSHY BEHAVIOR

No customer wants to be forced into listening. Always attempt 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

Having a full in depth knowledge of the products and services which he/ she is communicating with the customers. This helps sales people to handle the objections and respond to the questions from the customers positively.

6. KEEP IN TOUCH

Information and knowledge are crucial to your ability to act as interpreter and coordinator at the start of the cold calling process. It is constantly 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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