

Jump Start Your Sales Process with Telemarketing

By Kathy Lombardino

Having just hired outside telemarketers for a very successful lead generation campaign, I was interested in how I could continue to use telemarketing as part of our overall practice growth strategy. After attending *Jump Start Your Sales Process with Telemarketing* at the 2006 AAM Conference, I learned not only how to effectively use this tool, but more importantly, why telemarketing should be an integral part of practice development and how it is a catalyst for growth.

Telemarketing Misconceptions

Wade Clark, Director of Sales and Marketing at BKD, LLP, explained that there can be obstacles when just discussing the use of telemarketing within a CPA firm. This is because CPA firms traditionally rely on warm marketing tactics, which consist of networking, referral source development, and cross selling to current clients, but telemarketing is a cold marketing tactic and therefore unfamiliar territory. Moreover, most of us associate telemarketers with the people who call you during dinner and read from a script, and who are unknowledgeable about the product and/or service they are selling. Many partners worry about the ability of non-CPAs to contact key prospects and others worry that this will create a disincentive for the partners to undertake business development activities.

Why Use Telemarketing?

In spite of the objections mentioned above, telemarketing can do something that warm marketing tactics can't do. As the pace of business continues to accelerate, it is difficult for partners and managers to spend the time necessary to develop strong business relationships, referral sources only have limited contacts and only some of those fit your client profile.

While not as successful as warm marketing, telemarketing¹ and other forms of cold prospecting, accelerate the rate of opportunities of growth for the firm. Using professional telemarketers saves time for partners and managers and it warms up the meeting for the partner/manager.

Accountability and incentives for the telemarketers ensure that calls are made, meetings do get set, business development activities significantly increase and most importantly revenue comes in.

Numbers – It Works

On average one telemarketer will:

- Call 10,000 – 12,500+ contacts per year (branding)
- Have conversations with 2,000 to 2,500 contacts (credibility and market intelligence)
- 240+ qualified meetings (sales opportunities)
- Result in significant revenue

How to Effectively Use Telemarketing

Finding the Right People

Clark recommends using dedicated telemarketing professionals. While partners, managers and/or marketers can make the phone calls, they generally lack the passion, discipline, time and skills to do so. Professional callers should be degreed, assertive, results oriented, goal driven (sees goals as starting points not destinations), able to handle the pressures, individualistic team players, interested in their next opportunity with the firm and willing to invest themselves to earn advancement. Before engaging telemarketers, you should candidly challenge them on the good and the bad of the position and be careful of timidity, uncertainty, lack of team orientation, arrogance, lack of integrity and lack of dependability. By having the right people make the calls,

¹ Telemarketing can be warmed up with other marketing campaigns (i.e. direct mail, e-mail campaign, newsletters, etc.)

you can focus on professionalism and stay away from typical “telemarketing tactics,” reminiscent of the phone calls during dinner.

Setting Expectations

The primary focus of the telemarketer should be to set qualified, potential revenue producing appointments. The telemarketer/telemarketing department should provide active guidance in planning and launching initiatives, and they should understand and communicate the value proposition of the initiative, seek partner/manager input when issues or questions arise, build relationships and set qualified potential revenue generating meetings.

The partner/manager should identify quality prospects and service initiatives, evaluate prospect list to prevent conflicts, clearly describe value proposition and qualification expectations and keep open communication channels between partner/manager and caller(s). They should also play an integral part throughout the sales process, assisting telemarketers by answering questions that arise, actively preparing and following-through on meetings, avoiding cancellations and reschedules and tracking and managing opportunities and results.

The Process

A partner/manager should take ownership of the telemarketing initiative. Once that has been established, determine who to call. Telemarketers should be calling decision makers at strategic prospects. Next determine what the focus of the call should be, examples include a lead service with broad adaptability, services tied to industry groups or sub groups. The telemarketing team should work with the partner/manager on identifying dates to schedule meeting with the prospects.

The calls can then be warmed up by calling through the list to determine if the contact information is accurate. This is also the time to verify that this is a qualified prospect. Then an introduction letter, packet or even series of direct mailers can be sent to the prospect.

The Call

The caller should identify themselves by saying, “I am (name) with (firm name), I was calling to...” If caller is asked about their role –“I work with the (city) office in the business development area” is usually sufficient since our prospects have sales forces themselves and they understand their place in business.

The call should consist of an introduction, call purpose, value proposition, discussion, question and answer, objection handling and a close on a meeting date. This process takes about 5 minutes so the caller needs to build rapport quickly, another reason why using professionals will have better results.

Results

- Calls per day: 30-60+
- Connection rate: 15% -30%
 - Note: a % of contacts aren’t reached
- Rounds of calls on an initiative: 6-8+
- Meeting conversion rate (success %)
- Approx. 10%+ on specific services
- Approx. 20%+ on general introductions
- Note: post meeting success rates are much higher on qualified meetings

Decisions: In-House or Outsource?

Advantages –In-House

- Lower cost
- You know your industry, services and people

- Caller(s) have vested interest in your firm's success
- More control, leverage and flexibility – particularly over call/caller quality
- Opportunity to develop consistency
- Build a pool of talent
- Callers become a knowledge base and provide guidance to many members of the firm
- High internal value to the firm

Advantages –Outsource

- They have experience, processes and procedures, but be sure those processes fit your desired approach.
- In the early stages of your team's development, an outsourced vendor will generally have more capacity.
- They handle the HR issues (no hiring, training, management, firing, etc.).
- Quick turnaround.
- They occasionally have specialized experience in a given industry or service area.

Bringing Someone In-House

If you do decide to bring someone in-house, there are several things you must consider.

Compensation

Compensation is very different from the compensation structure of most CPAs. Telemarketers are motivated by incentives along with their salary. While there are several models, the better ones include salary with incentive for meeting production and or incentive on meetings and sales (although this could be a problem as many cycles are long and person may not be paid for years.) In addition to their compensation, you should include in your budget bonus incentives, like movie tickets, gift cards to Starbucks, etc. These can be used for contests and at other times as additional motivation.

Training

These telemarketers are not reading from a script, they should be knowledgeable in order to be successful, so they need training. They need to understand the accounting industry, the structure of the accounting firms (i.e., Big 4, regional, local, boutique), they need to understand what makes the firm different, the current events, buzzwords, culture and services the firm offers. Plus, they will need training on internal operations, where to record what, the expectations, sales training, etc.

Managing

Telemarketers are different from CPAs and in order to properly manage them, you should set and communicate clear expectations, understand that telemarketers will have down periods, but be firm and consistent on standards. Furthermore, while telemarketers work individually, they need a team to share and exchange ideas. So, allow breathing room – these individuals need to rejoice and vent. Don't create a kindergarten or sweatshop environment – these callers are professionals and some talking is okay.

Before Instituting a Telemarketing Program

Start slowly. You have several areas to develop:

- Systems & tools
- Policies & procedures
- Hiring & compensation model
- Performance expectations
- Management/coaching techniques
- Career development
- Call techniques
- Meeting coordination
- Results tracking

As for me, I am going to launch another telemarketing campaign using outsourced telemarketers until I can develop all of the internal hiring, compensation, and coaching processes. I just hope our partners can manage all the new leads.

This article is a summary of material presented by Wade Clark, Director of Sales and Marketing, BKD, LLP, during his "Jump Start Your Sales Process with Telemarketing" presentation at the 2006 AAM Summit: Mile High Marketing.

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