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TeleSales

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Business success requires continued sales. Any business will fail with a lack of sales. One does not need a research study or investigation to know this. There are many tools that help a business produce sales. The tools of a marketer can range from mass media to social and personal media, but the form of marketing this paper specifically studies is the direct marketing tool of the landline phone as to how it is used for telemarketing.

Above all, without the opportunity to get a message in front of a person who has the power to make a decision, no action can be taken that generates revenue. This puts the roles of marketing, advertising, sales and media as the most vital part in the business process. Consequently, mass media advertising exposure does not guarantee revenue and the realms of social and personal media are still new and are in the developing stages; it has yet to be proven the effective of these marketing mediums. In short, people make sales happen, not inanimate advertising or marketing, and telemarketing is a way of reaching out to prospects instead of passively waiting for them to contact the business.

“Sales calls stink” (Shiftmen, 2003), or at least that is what most of the people making and receiving the calls will think. As a result, these days marketing by telephone is an uphill battle. The industry has given telemarketing a bad name. Most people feel that amateurish, annoying solicitors are intruding in on them. However, business is very difficult without using the phone (Riehl, 2003). It is a tool for success.

Using the telephone as a direct marketing tool requires the understanding of two main cycles that take place simultaneously. First, there is the prospecting cycle (Shiftmen, 2003). Prospecting is a method that is carried out to find people who might be potential clients. Typically before a business spends money on advertising and promotional campaigns they will have done some

marketing to know who to target with the campaigns. Secondly, there is the sales cycle. The sales cycle is simply working with potential clients towards a mutual agreement to form a business relationship (Shiftmen, 2003). Here are some clear definitions of the process that are outlined in full detail in Shiftmen's book on telesales.

DEFINITIONS: How audiences are segmented and measured in telemarketing.

A **contact** refers to any information about a person and a way to get a hold of them (Shiftmen, 2003). This information can come from a database, a phone book, a lead sheet, internet solicitation or any other source (Shiftmen, 2003). A contact then moves to a **lead** when the number and name have been verified (Shiftmen, 2003). Once the decision maker is reached, they must be qualified as a prospect. A **prospect** is someone who is willing to move to the next step in the buying process (Shiftmen, 2003). A qualified person is determined by establishing enough information about them to know what they do, how they do it and if the product or service can help the prospect do what they currently do better. If they meet these criteria, and agree to pursue the examination of products or services for potential purchase, then they become a prospect. In direct marketing there is no such thing as a bad lead, only a wrongly targeted contact (Youngman, Conley, Lynch, 2003). All prospects are potential clients in the future. If a prospect has been qualified, then it is a matter of timing and following up that determines when there might be value for that person. On the first presentation they may be happy with what they currently have or are just not interested. However, that could change tomorrow (Shiftmen, 2003).

Similarly, the sales cycle exists to help track the process of prospecting. The sales process is like to an equation, meaning, if all the elements are there, the desired outcome should produce somewhat the same result each time. This process is set up as: $C = L = P = S$; these are the ratios (Shiftmen, 2003). For example, 75, 50, 15, 2, means if I make 75 **initial contact** dials, = 50 **leads**

will surface that allow one to present to = 15 **prospect** and end with = 2 **sales**. If one does not know the ratios they are walking in the dark. Not really sure how long to work or how many people to talk to in order to achieve the desired goal. (Shiftmen, 2003).

To just sit down and start pounding out dials without a method or strategy can be an exhausting and humbling experience. For this reason, before starting a telemarketing campaign it is necessary to know how many dials are needed to work through the sales process. There are a couple reason for this; one being, by having a clear idea of what one is working toward, one maintains high morale. If a person doesn't know what it takes to be successful they will burn out quickly. Additionally, hiring people and hardware to do telemarketing cost money, therefore, the company needs to know how to allocate resources to help a telemarketer work through the sales cycle (Youngman, Conley, Lynch, 2003).

While it may be true that following a method will help produce an effective outcome, there is no guarantee. Effectiveness is evaluated by the end results. If the telemarketing ratios are known one can anticipate company or personal revenue and adjust it for maximum effectiveness. For example, if it took 12,000 contacts throughout the year to reach 2,400 prospects which resulted in 480 sales, generating an end result of a \$50,000 income, then the ratios can be manipulated to increase revenues. This can be done by changing various elements, such as Shiftmen illustrates (2003): one, contacting more contacts to increase the overall number of people for potential clients. Two, obtain a more targeted list of qualified people so there are fewer calls, but each is more effective and efficient. Three, equally important, would be to convert more prospects to clients so the cost and time from contact to client is less. And finally, one could increase the price of the product or service, fewer sales still resulting in higher income (Shiftmen, 2003).

Furthermore, the effectiveness of a telemarketing campaign will be determined in part by the money invested to insure professional, trained and efficient telemarketers (Youngman, Conley, Lynch, 2003). A company can choose to run the campaign in house or outsource it by hiring a call center (Youngman, Conley, Lynch, 2003). As always with the question of outsourcing depends on who can do it cheaper? To explain, in order to pull together 75 contacts it will cost the company (x) amount of dollars, using recourses like advertising, marketing, promotional materials, staff overhead and salaries. That number divided by the overall revenue generated helps make a clear decision what is more cost effective. In most sales departments there is not a high overhead cost of people, since commission is the main form of payment (Verrecchia, 2008). However, telemarketing is different. Telemarketers are not necessarily sales people; however, sales people should be telemarketers. Here is why, a telemarketer is typically someone who works for an hourly wage and has little involvement and commitment to the company (Verrecchia, 2008). Usually a telemarketer does not know or understand the extent of the products and services and mostly is working a “job” for the sake of income not a lifelong developing career. Telemarketers are okay if a call center is what is being run, with the intention of gathering information or generating leads for an account manager to close the sale (Verrecchia, 2008). Depending on the price of product or service will determine if the money, space, workers, and training is worth doing it in-house or outsourcing it.

In the meantime, regardless of where your telemarketing campaign takes place, one thing is true. Having an abundance of quality contacts is what enables telemarketers to produce results. This gives the telemarketer the ability to succeed (Verrecchia, 2008). If the phone person knows that if “this deal” does not go, and they will still have more leads to call on to make their income, a lot of pressure is taken off of the telemarketer and the prospect. As Riehl (2003) wrote about in

his congressional report about stopping unwanted telemarketing calls; “the era of high pressure sales is over (Riehl 2003).” No one buys, at least not twice from high pressure sales. The best way to make sure marketers are not high pressuring is to make sure they have no reason to be. It is better to let a deal go and move on to another one rather than try to force a close on everyone.

With that in mind, accordingly, the script is the deliverer of the message, the first tools that a telemarketer has, usually the script will direct the amount of pressure in the situation. The script should still only be used as an outline. An effective script is one that has been internalized by the marketer to sound like a natural conversation, rather than an automated reading (Levisnson, Smith, Wilson, 1998). Everyone has to find his or her own phone personality. No script can be read verbatim, although it is a good place to start. This script outline is based on Verrecchia`s (2008) article on how to telemarket:

- Identify you and your company.
- Give the reason for your call.
- Ask some qualifying questions.
- Present the product or service that is appropriate.
- Ask for the sale or relationship.

In spite of a good script, people can hear sincerity over the phone. If a prospect suspects that they are talking to a newly hired hourly wage telemarketer they will shut him or her down before he or she can tell them why they are calling (Rowson, 2004). So the best way to avoid this from happening is to understand what it is the company is offering and what it is expected to be accomplished (Rowson, 2004). Some Help full hints to remember are: speak at a normal conversational pace of speaking, encode your script with words that act as “traffic signals” to let your prospect know what the next step is. This is done with strategic pauses,

phrasing, and emphasis on words (Verrecchia, 2008). Do not use industry “jargon” that may confuse or alienate (Unless you’re dealing with someone who is in the position of understanding technical jargon) (Hurst, 2008). Believe in what you’re advocating. Speak with confidence and passion and think positively, the next call could be worth money.

The best script in the world is only as good as the person delivering it. With that being said some common mistakes that telemarketers make need to be addressed. These mistakes are usually made in the first thirty seconds of the call (Hurst, 2008). An effective phone call grabs the prospects attention simply by introducing oneself and stating the reason as to why the call is being made. This is all one needs to get done up front. It is not necessary to deliver the whole message in the first 30 seconds (Hurst, 2008). If it is done properly the prospect will permission to move forward to the qualifying stage. Consequently, It is often thought to grab someone`s attention one has to say something, exciting, or outrageous. This is a mistake (Rowson, 2004). Everyone at some point has received a call similar to one of theses:

Telemarketer: “Hello, is this Bobby Jo ness?”

You: “yes this is Bob Jones, grrgrrr.”

Telemarketer: “Oh super, great, I’m so excited to talk to you, what if I could offer you an unlimited return on an investment for doing nothing. Wouldn’t that be great!?”

Or

Telemarketer: “Bob I’m not calling to sell you anything, but to raise money for needy children in Africa, all you have to do is buy a magazine in support. How many orders can I put you down for?”

And sadly:

Telemarketer: “Bob I’m doing a marketing test in your neighborhood, I need people to evaluate a demonstration of a floor cleaning machine. You’ll get a free gift just for watching.”

In conclusion, if telemarketing wants to be taken seriously again, one has to cut out the gimmicks, and word play. Tell people who you are, why you’re calling, and what you want. Anything less is only adding to the current dislike for telemarketers. No one likes to do business with an amateur, so do not act like one. The question should always be asked; how would I talk to a friend or family member? However, keep this in mind. Do not sell the way you like to buy, sell the way that works! This is why the best place to learn about telemarketing is from listening to other telemarketers. The next time the phone rings and the caller ID says “unavailable” pick it up and listen.

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