

Olin Thompson

Advancing the business of software

The First Call – Cold, Warm or Hot?

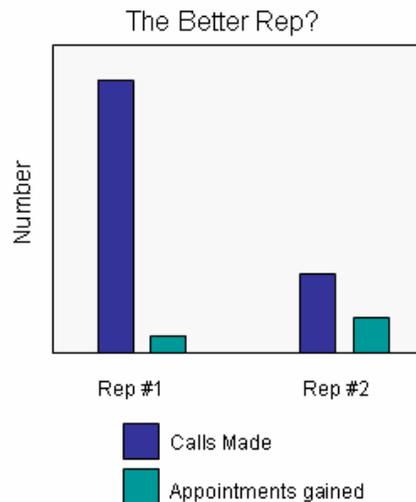
By Olin Thompson

You never get a second chance to make a first impression. When using the phone, getting to talk to an actual person is more difficult all the time. When making calls, you cannot afford to do an average cold call. Do not squander your chance to make a good first impression with a cold call. Invest your time to improve the call. Make it warm or even hot and increase your hit rate.

During a review of sales territories, one rep bragged that she had made 20 cold calls in a single day. The sale manager said the objective of the calls were to get the chance to do a short web demo to build interest.

When we asked this rep about her success, she told us she had gotten one web demo during the day. She was still quite proud of her 20 calls.

A second rep had spent all day but had made only five calls. He said he did not have the time for any more. However, he had gotten two web demos. Who had the better day? Since the objective was web demos, the second rep was clearly two times as successful. His secret was that he was not making cold calls; he was making warm calls and even some hot calls. He invested his time doing his homework to make his calls warm or hot and did twice as well as the person who made many more calls.



Getting to talk to the right people is very difficult and getting more difficult. Some have an assistant or receptionist trained to keep you from talking to them. Most now use voice mail as a barrier; they never answer their phone and only return calls to those voice mails that they find interesting. Even when you get to talk to the person, they have learned from experience that most of the calls from people they do not know are calls to be avoided and terminated as soon as they figure out who it is (or isn't).

The odds of you actually talking to the person you want are low. If you do talk to the person, the odds of making the right first impression are also low. When you do get to the voice mail or, if lucky, to the person – this is your chance to make that first impression.

Cold, warm or hot call, what is the difference?

Cold Call The information you have about the company and the person is telephone book information. Since you know very little, you find it very hard to customize your message for the situation. You rely on a canned pitch that often results in a message that sounds like a canned pitch.

We all understand what happens in most of these cases. Personally, what happens to your junk mail or e-mails? What happens when you get that call during dinner asking you to buy something or support a charity or political candidate? Most of us protect ourselves by trashing the mail or e-mail without opening it, or we simply hang-up the phone (or even worse).

The mail and calls are “cold calls” and what you do with them is what most of your prospects will do. The odds of breaking through and delivering a meaningful message is low at best.

Warm Call A warm call means you know more information. You have taken the time to do some research on the company, typically looking at their web site. From their web site, you can find information that allows you to customize your message for the company. You can use information on their mission, products, customers, locations, etc. to match your benefits with their needs.

Hot Call An extra effort to do further research gives you greater information than just what is on the prospect’s web site. Google is a key source for hot call information. The information may be current news about the company, its customers, market or even competitors. It may be recent financial results or their new advertising campaign. Their annual report may give you information on their major challenges or initiatives.

Google the name of the person you are calling. It may reveal their industry involvement, personal hobbies or other personal interest. For example, will it help your efforts if you can start a call with, “I enjoyed your recent article on industry trends, great article.”?

Other approaches can make it a hot call. Do you do business with a competitor or one of their customers or suppliers? Do you have a local reference? If lucky, these may even be the right to use an introduction from a mutual business contact.

Calls are an investment in your pipeline. Think about your return on this investment. More cold calls are usually not the answer to increasing the return on your call investment. Better calls, warm or even hot, lead to the greatest return on your call investment.

About the Author

Olin Thompson has over 25 years experience as a corporate executive in the application software industry. As a consultant, he provides business strategy, sales, and marketing guidance to application software providers. For more details, see www.olinthompson.com

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