

# Monday Morning coffee

Aug 2  
2010



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### Is cold calling a thing of the past? YES!

Cold calling is over. The only people who don't realize it are the people still making them. Or worse - their bosses.



I am in a LinkedIn group called Sales Gravy. I'm following a thread about the ROI of cold calling. It's interesting to see how salespeople view cold calling.

As you read my posts, you will gain insight to my philosophy and get a few sales tips on how to AVOID cold calling FOREVER.

There were more than 100 other posts - here are mine:

- My definition of cold calling since 1992 has been "waste of time." I have upgraded it since the onset of the Internet to "total waste of time." Oh, some people make sales cold calling - but not nearly as many as with referrals, by a margin of 50-1. Whatever your thoughts are about cold calling - one fact is undeniable: of all the options, the cold call is BY FAR the lowest percentage sales call.

- Which would you rather have - 100 cold calls or 100 referrals? People have to cold call because they are transactional with customers (they have a hunter - farmer, 1970's mentality) and don't take the time to build memorable relationships that lead to referrals. Instead of spending a day cold calling, why not spend a day with existing customers to EARN referrals.

- Focus on delivering real value to your best customers, and relationships will blossom. Real revenue comes from long-term relationships, not one shot deals. Anyone trying to tell me that, "Cold calls work, or I made a lot of money cold calling" will get my agreement. I did it, and

### Father Figure

After you have gotten to know your customers well enough, a great way to gain even more insight relative to their value systems and psychology is to ask how they grew up and, specifically, about their fathers. (A non threatening way to broach the subject is to first offer a little insight about your own upbringing and your Dad's role therein.) The reason this is so interesting is because fathers often set the achievement blueprint in people's minds relative to business, that is, what constitutes proper business behavior and success, also often setting the tone for how people want to be treated.



For example, a customer who grew up with a working class father may relate well to a no-nonsense, roll-up-your-sleeves approach and, conversely, have little tolerance for high minded talk. On the other hand, a customer whose father was a college professor may enjoy a healthy philosophical debate and perhaps deeper analysis of our value proposition. When I hear the phrase, "My father was a tough guy ...," I can almost be sure I am up against very high standards of judgment and that it is going to take me a while to earn my customer's deeper trust.

Understanding and relating well to our clients is part of the great fun of our business. It is like a puzzle, and part of the code can often be traced to an authority figure who you can be sure still sits prominently in our customers' minds when they make important decisions.

Source: Richard Abraham, Mr. Shmooze

have made a lot of money cold calling. BUT I have made millions by writing, positioning, delivering value first, and creating a reputation of excellence. And I recommend you do the same.

- (Someone's post) The only accurate statistic I can quote is, "You miss 100% of the shots you don't take."

- (My response) Eh, almost Bill - closer to accuracy is - You only miss 100% of the cold calls you do make

- As I said in my other posts - some people have success cold calling. I have had success cold calling - at the C-Suite (with referred inside information) - but with reputation, relationships, and referrals, it blows away all stats on cold calling, and reduces the sales cycle time from connection to sale. You can say all you want about how great cold calling is - but the fact remains it's the lowest percentage of sale among the options available. There is a bright side to cold calling - it's a great place to learn how to sell. It calls for real mental agility to get to the real decision maker, and preparation combined with creativity once you do. And you feel GREAT when you finally do make the sale. But in today's business world, where most cold calling takes place on the phone or online, you're much better off with a referral - or better - when someone calls you.

- If you're in sales, you should spend the majority of your time in front of people who can say "yes" to you. If you're making cold calls, the majority of your time is wasted on people saying "no."

- No wonder everyone fails at cold calling - no one gets what the real objective is: GET TO THE DECISION MAKER, AND CREATE THE ATMOSPHERE WHERE HE OR SHE WANTS TO BUY (not to sell them). Until that takes place, the ROI on cold calling is under zero. REALITY: The cost of lost opportunity for not investing your time in other sales generating activities - like earning referrals - relegates you to having to cold call. The three elements are NOT: art, best practice, and science. There are four elements: ENGAGE, PROVIDE VALUE, PROVE WORTH, AND GET A SIGNED CONTRACT - any other results are an utter waste of time and effort - not to mention an annoyed potential prospect, lost forever.

- I've been reading with amusement all the comments that have been posted about "how to" cold call - the one above is a classic example (here is an exact quote from the post: "And here is a by-product of cold-calling: when you call in, you learn where the receptionist sends salespeople. That

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is, NOW you know where your competition is being sent and you can make sure to protect that entry point in the future.) It's sharp thinking, and a great sales thought - it's just starting at the bottom, and a rehash of 1980's thinking - and it takes five calls to get anywhere. If you used the business power of LinkedIn, or the social media power of Twitter and Facebook, this kind of sales-stealth would not be necessary. In 2010, sales is NOT about one out of ten calls, or getting through the gatekeeper, or calling and hanging up.

Interesting that most of the people posting here have few if any LinkedIn connections, almost no recommendations, no Facebook fan page, and under 250 Twitter followers. In other words, they are doing things the way I did things in 1975 (taking freight elevators in NYC to get to the floor of the buyer and walking in with no appointment). It was fun - and got results - but there was no Internet, and the world was receptive to salespeople.

Not the case these days. Not ONE of these contributors talked about e-zine, blog, earning referrals, writing an article in an industry publication, or giving a speech at a trade show - all ways of 2010 cold calling - resulting in people wanting to connect with YOU.

Periodically "cold-calling" your customers is NOT a good idea - sending them a value-based e-zine once a week is - then maybe the customer or the prospect will call you! That's not a cold call, that's a HOT call.

OK - there's my current thinking on cold calls. And some will argue that cold calling has and is working for them. Great - good luck - two out a hundred if you're a great salesperson. I'll take 100 referrals anytime.

Source: Jeffrey Gitomer, [www.gitomer.com](http://www.gitomer.com)



# Espresso Coffee

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Rick Lui  
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