

THE ART OF COLD CALLING AND THE SCIENCE OF CONTACT RATIOS



Kraig Kleeman

Chairman of The Blaire Group
Blairegroup.com



Ken Krogue

President, Founder &
Chief Strategy Officer
InsideSales.com



Introduction

“The Art of Cold Calling and The Science of Contact Ratios” is designed to increase the skill and ability of sales reps to tackle cold calling with confidence and increase success.

Learn how to approach cold calling in a way that will dramatically increase your contact ratios. Featuring Ken Krogue’s “Seven Rules of Cold Calling,” and four cold calling examples from Kraig Kleeman, sales reps will walk away with the ability to increase their contact and qualification rates through best practices and tips.

These tips and best practices were originally presented by Ken Krogue and Kraig Kleeman as a webinar. Access the webinar at www.INSIDESALES.COM/webinar

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*Published by InsideSales.com
1712 South East Bay Blvd. Suite 100
Provo, Utah 84606
877-798-9633*

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About the Authors



Kraig Kleeman

Chairman of The
Blaire Group

—
Blairegroup.com

The author of the award winning book, “The Must React System: A Users Guide to Cold-Calling,” Kraig knows the best practices to optimize cold calling efforts to create a high return. He is a frequent speaker at sales conferences, executive retreats and motivational events. Under Kraig’s direction, Blaire Group analysts have directly observed, measured and documented more than 25,000 cold-call presentations.



Ken Krogue

President, Founder &
Chief Strategy Officer

—
InsideSales.com

Ken founded InsideSales.com in November 2004, where he currently leads as President and Chief Strategist. He sets the vision for the company together with the CEO. Ken brings more than 24 years of experience in sales, business strategy and marketing in both domestic and international markets to the sales acceleration technologies and consulting at InsideSales.com. Ken has received many industry awards, including being recognized among the Top 25 Most Influential Inside Sales Professionals consecutively from 2012-2014 by the American Association of Inside Sales Professionals (AA-ISP) and being honored as No. 2 in the world in a list of Top Social Sales Influencers featured on Forbes.

From Ken Krogue

I first heard about Kraig Kleeman when somebody told me about his book "[The Must-React System: User's Guide to Prospecting C-Suite Executives](#)."

I bought it from Amazon, read it and immediately knew his concepts of "Executive Briefing," leading with research, and staying in the "no product zone" were something new... a breakthrough... a disruption to prevailing prospecting wisdom. Top-of-funnel approaches that use marketing wisdom in the world of sales; very similar but more refined than the "Stadium Pitch" introduced by the late Chet Holmes in his bestselling book "The Ultimate Sales Machine." That book had already made a huge impact on sales a lot like "[The Challenger Sale](#)" is making today.

We have experienced huge success at InsideSales.com by leading with research rather than a product pitch. Our research

on immediate response to web leads done in conjunction from Dr. James Oldroyd from MIT and later with Harvard Business Review has now been accessed by sales and marketing professionals from over 160,000 companies and republished in Inc., Forbes, Fast Company, and many more.

So I called him. We talked and talked like old friends.

Since then I have had dinner with him twice, including a BBQ on the veranda at his home in downtown Chicago overlooking Lake Michigan. I brought along my son, Josh Krogue, CEO of [InsideSalesOutfitters.com](#). Kraig also has a son, about the same age, who is also a leader in the inside sales industry, just like his dad. Kraig is what he says he is, and does what he says he does.

I checked references on a half dozen accounts; some he didn't know I knew

about. They all said the same thing... incredible results.

We spoke together at a national leadership summit of the American Association of Inside Sales Professionals. When I heard the buzz, controversy, and sarcasm in the audience among the prevailing thought leaders in the hallways after he spoke, I knew he was on to something.

He is...

Creating Optimal Cold Calling Scripts

Sales people Ought to Persuade

Most sellers embrace a language and a process that is decades old and void of best practices. In particular, this language is void in persuasion.

To counteract this, sales people ought to be equipped with scripts that persuade. Not unlike actors in a play, salespeople ought to run lines, rehearse, practice and they ought to be held accountable to include systems and methodologies that will persuade.

Many companies masterfully deploy exceptional product development processes. Sadly, companies rarely deploy an equally sophisticated selling apparatus.

Remember

If cold calling is about anything at all it's about the art and science of persuasion.

Proposition Cold Calling

The following example to the right is a script for cold calling that a team that The Blaire Group worked with used.

Who They Targeted

Chief marketing officers and senior marketing executives of large insurance companies

Their Product

Enterprise class software solution that was in the area of an agent portal software solution

Results

For 12 months, they scheduled 250 net-new briefings generating \$3.5M in forecasted revenue

Why it Failed

It was ineffective because it incorporated value proposition language

VALUE PROPOSITION SCRIPT

Admin: Hello, this is Mr. Williams' office.

Seller: Hi, this is Joe Smith from Global Enterprise Systems (GES). Is Mr. Williams available?

Admin: No, he isn't.

Seller: I'd like to schedule a 30 minute meeting with him. Can you help me with this?

Admin: Maybe. This is Jane, his assistant. What is this regarding?

(This is where it all breaks down, when he introduces the value-proposition language.)

Seller: I'd like to introduce him to GES, specifically our agent portal software solution. I'd like to share with him how we saved Zurich International Insurance Company \$1 Million last year.

Creating Optimal Cold Calling Scripts

Lead-with-Research Cold Call

Executive buyers respond to research that is relevant to their professional mandates. By incorporating this mindset and applying it to a sales script positioned at the target audience, sales teams will get very different results.

How To

It's critical that the research aligns perfectly with the outcome of the product or service that you want to get them interested in.

Results

The team, in a 12 month period, scheduled and completed 1,680 net-new briefings which generated \$30 million forecasted revenue.

LEAD WITH RESEARCH SCRIPT

Prospect: Hello, this is Bob Williams. May I help you?

Seller: Oh, hi Bob. This is Kevin Johnson with Corporate Systems. Good morning. I noticed that you downloaded our white paper entitled "Optimizing Social Media to Drive Brand Awareness." Do you recall requesting that white paper?

Prospect: Yes. It was very helpful. Thank you so much.

Seller: Great! What was your purpose for downloading the white paper?

Prospect: We are interested in doing social media monitoring in a more formal way. We wanted to hear what you folks have to say about it?

Creating Optimal Cold Calling Scripts

Unproductive Warm Call Follow-Up

A common mistake we see senior VPs of global sales making is hiring someone for an inside sales management role whose primary experience has been with inbound warm leads, but assigning them to work on outbound cold calling.

The following is an example of a warm call presentation gone wrong, but is fairly common within the industry.

First

The first thing that went wrong here was the ineffective, “Do you have a minute?” No one has time for the interruption of an unsolicited sales cold call. While it’s important to be polite and show respect, unfortunately this over emphasis on politeness is at the expense of persuasion, leaving the call ineffective.

Second

When the lead said, “No, go right ahead. Check in with me sometime,” this was code language for never call me again.

Result

This is a squandered lead because the seller did not have the discipline of persuasion.

INEFFECTIVE WARM CALLING

Prospect: Hello, this is Bob Williams. May I help you?

Seller: Oh, hi Bob. This is Kevin Johnson with Corporate Systems. Is this a good time for you? Do you have a minute?

Prospect: Well, I guess I have a minute. What’s up, Kevin?

Seller: Well, I noticed that you downloaded our whitepaper “Optimizing Social Media Monitoring to Improve Brand Awareness.” Did you find that whitepaper informative and insightful?

(Phrases like this are irrelevant and violate the rules of persuasion).

Prospect: Yes, it was very helpful. Thank you so much.

Seller: Great! Is there anything else that I can help you with? Do you need anything else from us?

Prospect: Nope. I’m good for now. Thanks, so much.

Seller: Well, great Bob. Listen, would you mind if I check in with you from time to time to see what’s happening, or if you need anything else from us?

Prospect: No, go right ahead. Check in with me sometime.

Creating Optimal Cold Calling Scripts

Warm Calling Done Right

A successful warm call presentation should be productive and should not squander a lead. By leading the target to talk about their purpose, a sales rep can adopt these principles.

By asking your prospect about their purpose the target begins to open up. Additionally, qualifying with open ended questioning allows sales reps to use a "Three Deep and Down" campaign.

How To

To execute a "Three Deep and Down" campaign, start by discovering the target's values. Next, qualify and seek to understand. Last, sales reps then have the opportunity to land and expand.

By adopting this strategy, companies experience off the chart conversion rates.

EFFECTIVE WARM CALLING

Admin: Hello, this is Mr. Williams office.

Seller: Hi, is Mr. Williams in?

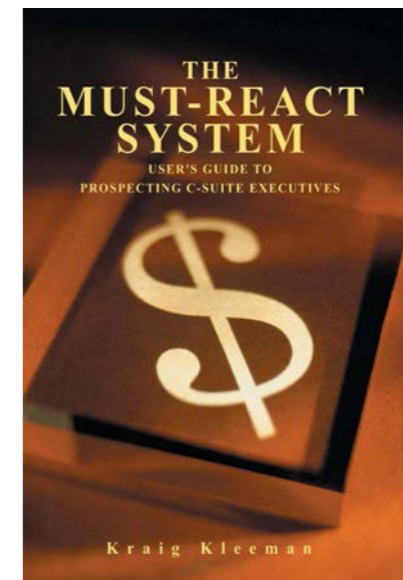
Admin: No, he isn't.

Seller: Do you keep his calendar?

Admin: Yes, I do.

Seller: Oh good. This is Joe Smith with Global Enterprise Systems and I'm calling to schedule his 15 minute analyst discussion. I plan to accomplish this no later than Friday of next week. I have availability on Tuesday in the morning, or Wednesday in the afternoon. Which works best for him?

Get More Meetings & Close More Deals



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Prospecting with Excellence
Presenting with Excellence
E-mailing with Excellence

Transform your sales organization

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 **blaire group**
Home of the Must-React System

The Seven Rules of Cold Calling

In 2007, the Lead Response Management research study changed the industry and showed how fast a lead cools off or how fast you need to respond.

[Download the LRM Study](#)

In 2011, another study done in conjunction with Dr. Oldroyd that was ten times larger found similar results and was published in [HBR](#) and [INC](#).

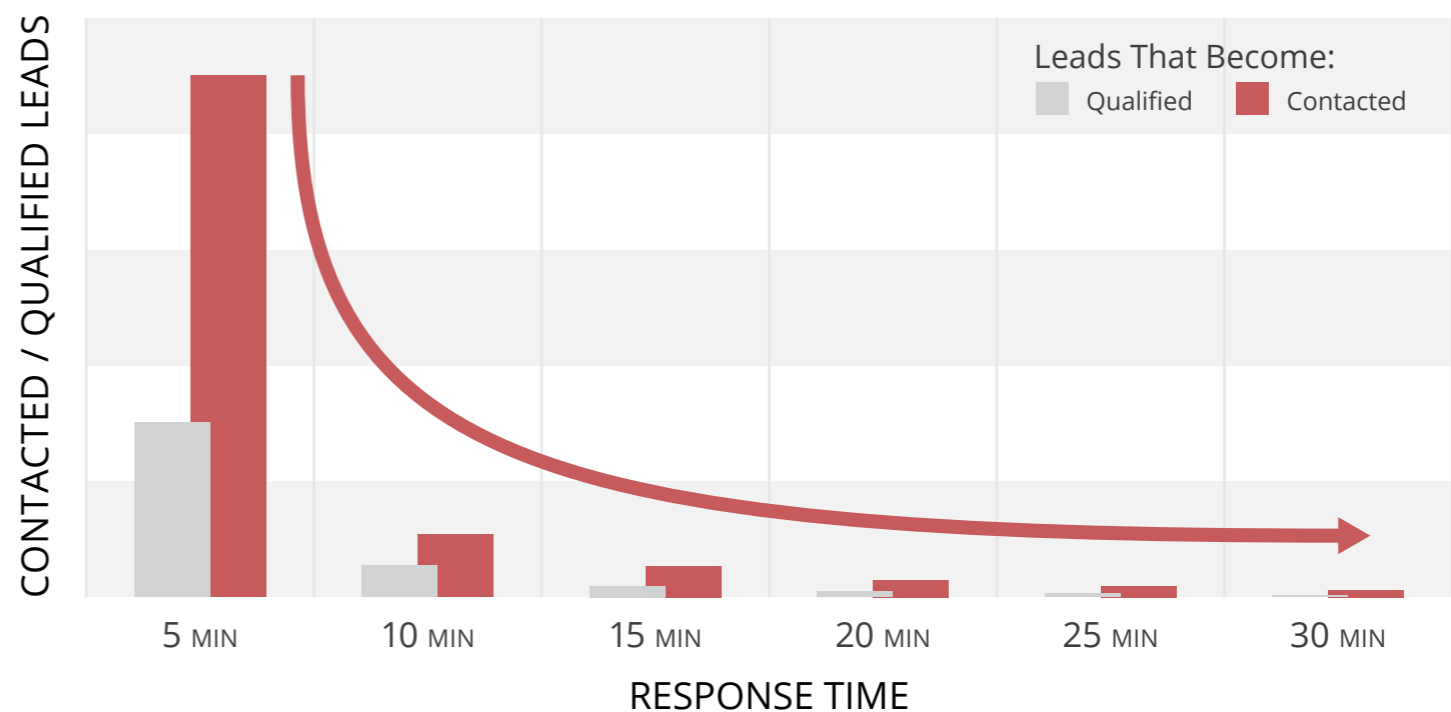
Rule #1 – Immediacy

Best Practice

Contact leads within 5 minutes.

The odds of a sales rep actually contacting and qualifying a web lead drops a hundred times from waiting thirty minutes.

CONTACTS MADE FROM FIRST DIALS



WITHIN 5 MINUTES

100 X Higher chance of contacting
21 X Higher chance of qualifying

AFTER 5 MINUTES

Contact rates drop significantly

The Seven Rules of Cold Calling

Rule #2 – Persistency

Best Practice

Sales rep should make 6-9 calls before giving up.

Reality

Most sales reps are making one or two calls per lead before giving up.

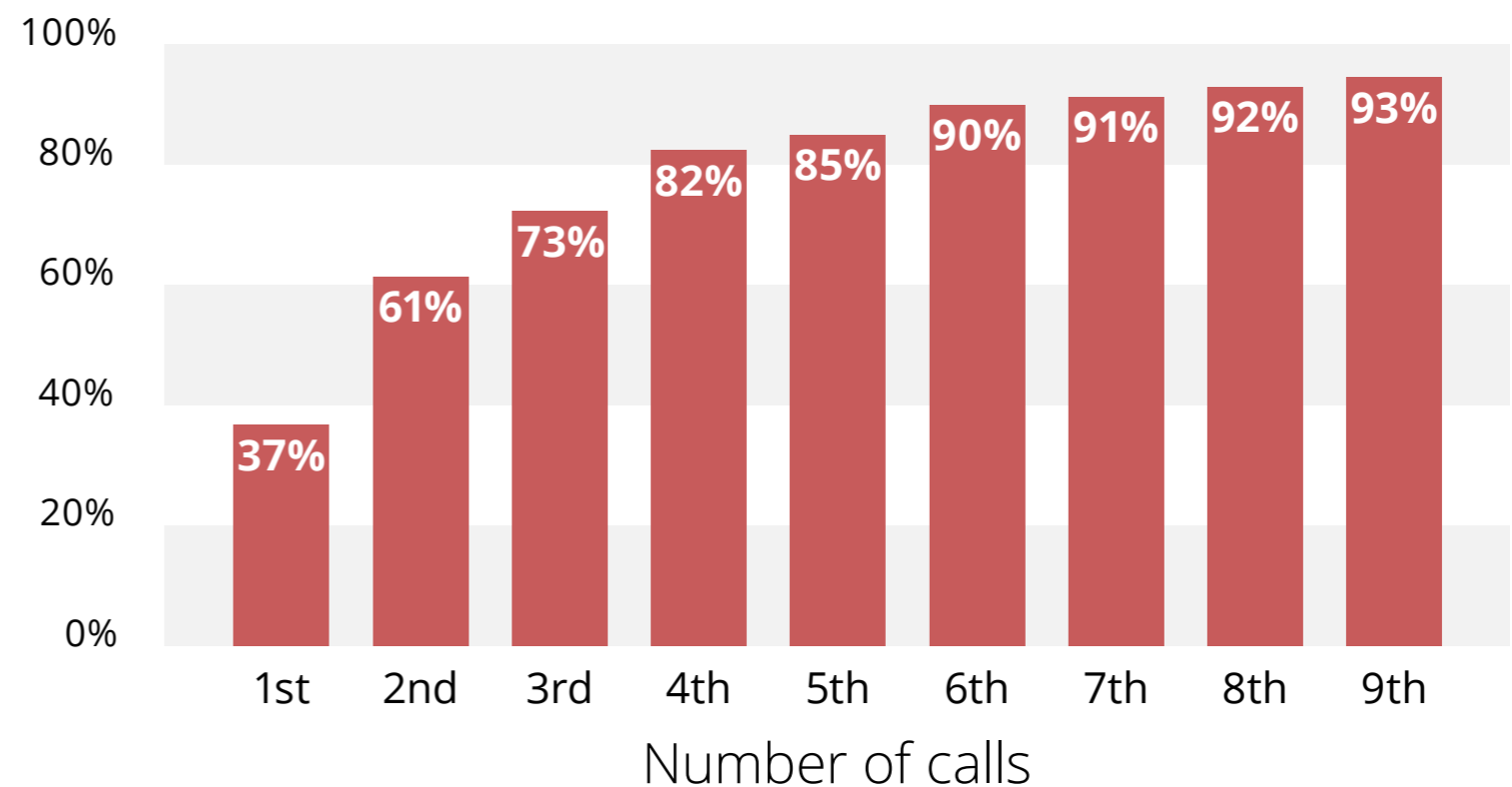
Think about that

If the contact ratio is between 10 and 11 percent and the sales rep is only make one or two calls, they're only going to reach 10 or 20 percent of the people they want to talk to.

Tip

Make sure that your sales reps are wringing the most value out of their leads as they possibly can and are not leaving money on the table.

PERCENT OF SALES BY CALL ATTEMPT



Based on internal InsideSales.com research

The Seven Rules of Cold Calling

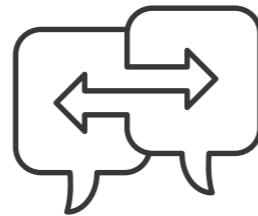
Rule #3 – Optimize

A few years ago, InsideSales.com was doing a research study with FranklinCovey. Their reps were calling people back immediately when they were abandoning the sales process half way through, only to experience the leads getting upset with them for calling.

Their reps called a few of these individuals back on a later date and surveyed them. This is what they said, “I was halfway through buying a day planner and I forgot my credit card. I didn’t have it with me. I didn’t want you calling me – I just went and got my card.”

Tip

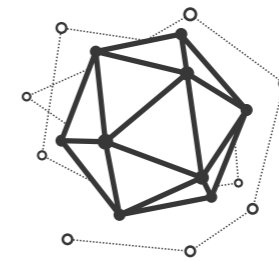
Put a field on your webform that says, “When is the optimal time to call you?” If the lead wants you to call, they will tell you when the best time to contact them is.



Communications



Gamification



Prediction



Data Visualization

Sales Acceleration Technology

Improve sales through science with InsideSales.com.

- Contact the right prospects, in the right way, at the right time.
- Motivate your sales team by making the sales process visual, competitive, and fun.
- Work smarter by predicting which leads you are most likely to contact, qualify, and close.
- Bring your sales data to the forefront by making it visual, meaningful, and actionable.

The Seven Rules of Cold Calling

Rule #4 – Time of Day

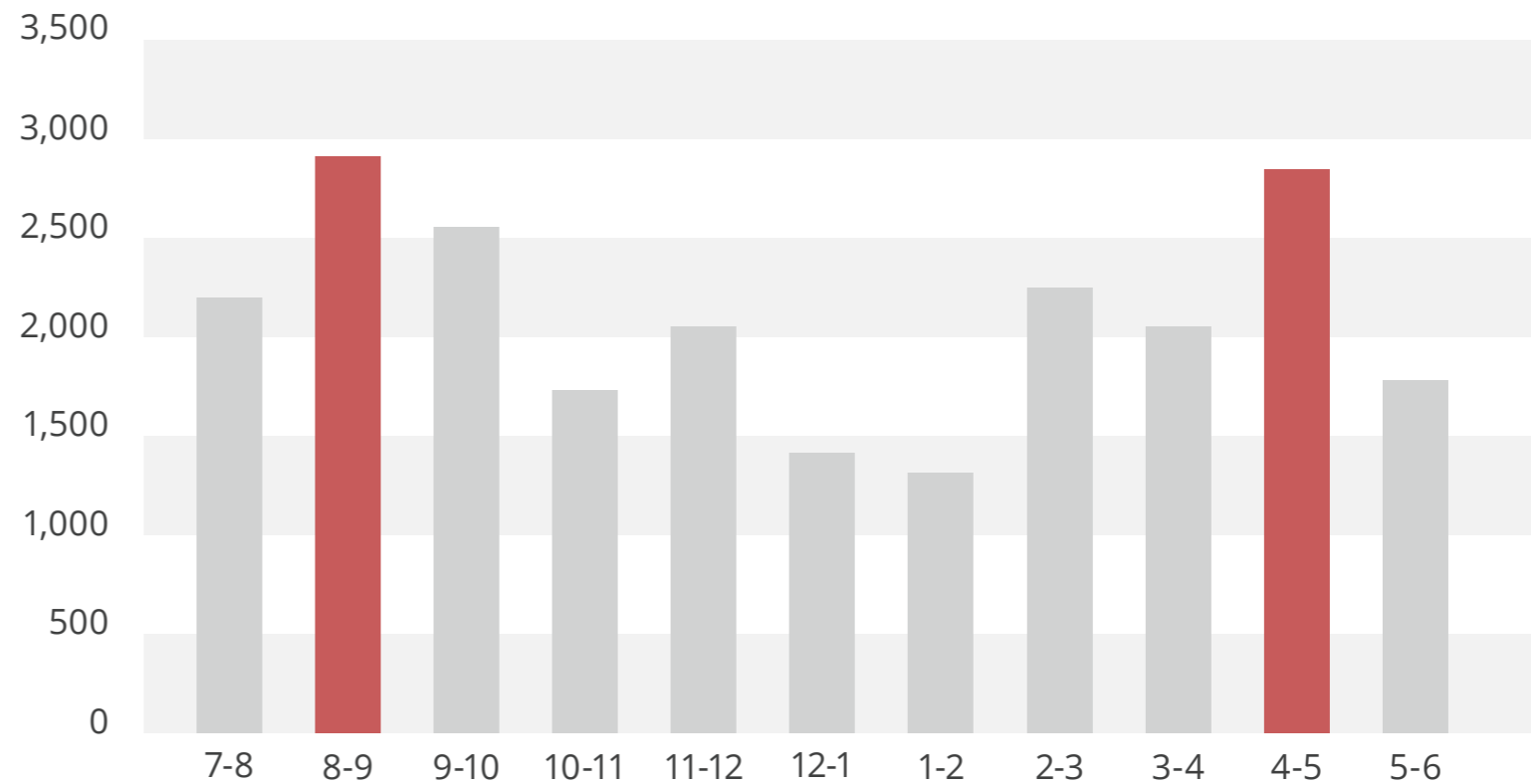
Assuming you're calling into your same time zone (if not, then adjust accordingly) the best times to dial are between 8:00 and 9:00 a.m. or 4:00 to 5:00 p.m.

If you call during these times, you're going to have much higher contact ratios than if you're calling around lunch time.

What This Means for Business

If your morning sales team meeting is at 8:00 a.m., you're wasting the best calling time of the day!

CONTACTS MADE FROM FIRST DIALS



BEST TIMES TO CONTACT 8-9 AND 4-5

The Seven Rules of Cold Calling

Rule #5 – Day of Week

In addition to the best time of day to call, the study also revealed the best days of the week. Tuesday is the worst day to be calling. Thursday is the best.

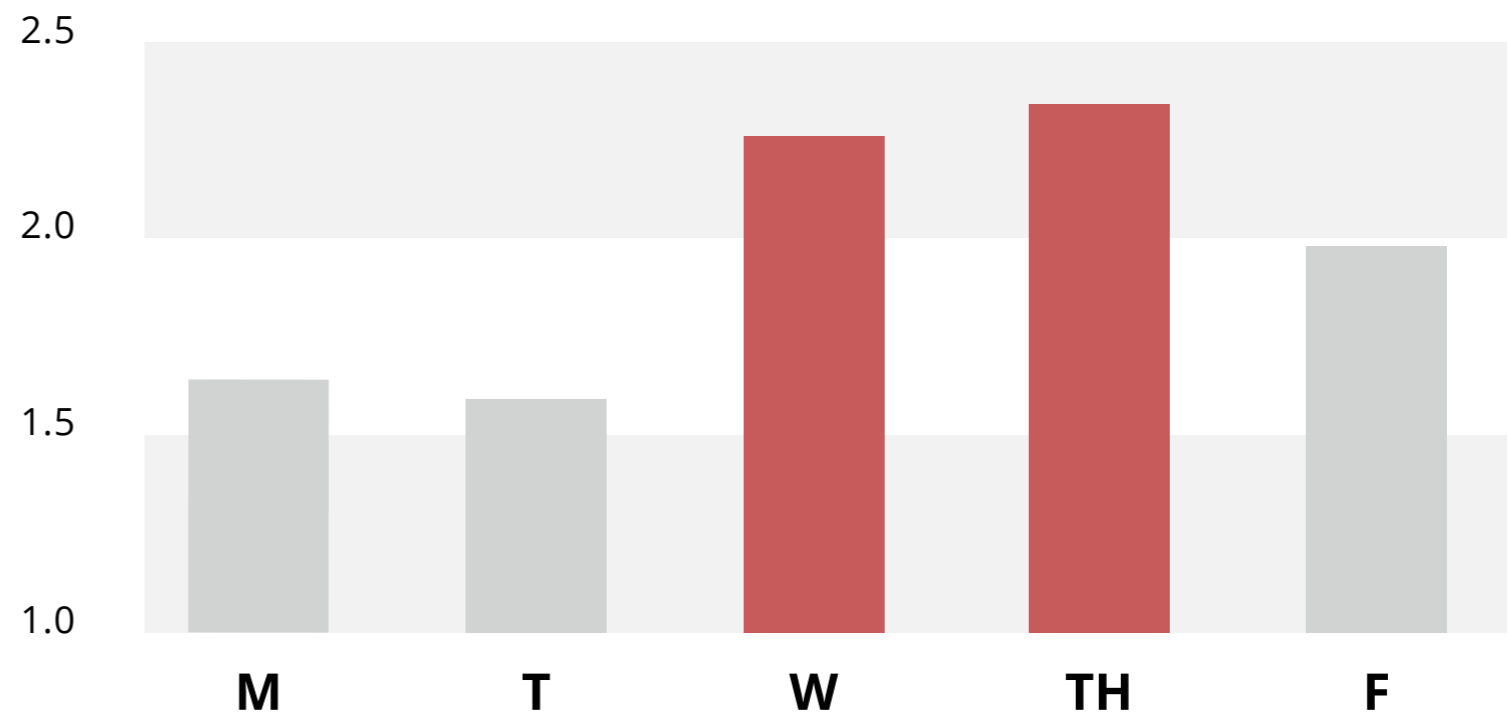
Why

Most people go into work on Monday and then get slammed from everything that came in over the weekend, only to spend all of Tuesday digging themselves out. By Wednesday, they're ready to talk to people again.

Tip

Do some testing and figure out the best days of the week for your target industry.

INITIAL DIAL TO LEADS THAT BECOME CONTACTED



The Seven Rules of Cold Calling

Rule #6 – Get Direct Dial Numbers

Do your best to find the desk phone or cell phone number of the prospects you are trying to reach.

Take a look at rep number six with an average of 33 appointments per month. Vorsight went into the sales reps' database and found 97.6 percent of the sales reps' personal data base included direct dials. The results of rep number six's efforts were triple that of rep number one's.

The good news is that this is mostly a technique, not even a technology. Teach your sales reps the importance and impact direct numbers can have.

REP	AVERAGE MEETINGS PER MONTH (LAST 3)	% DIRECT LINES ON CONTACT LIST
1	11	51%
2	13	45%
3	20	76%
4	22	74%
5	29	87%
6	33	97.6%

Source Vorsight

The Seven Rules of Cold Calling

Rule #7 – Local Presence

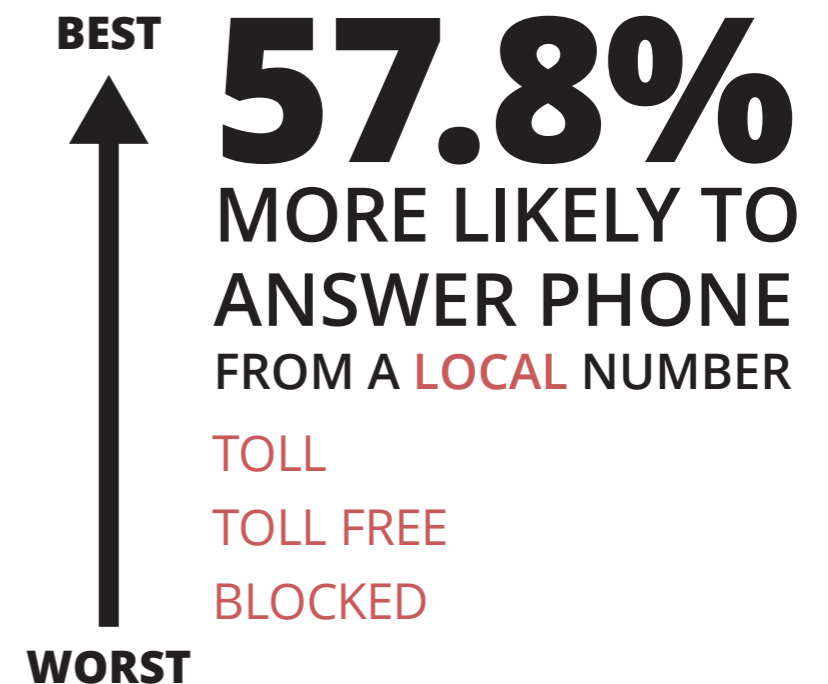
If I call you from San Jose, California, area code 408, and you live in New York, area code 212, you probably aren't going to answer my call.

However, if I call you from a number with area code 212, you're probably going to answer the phone.

The odds of your prospect answering is 57.8 percent higher if the call is from their own, local area code verses a blocked, toll free or even a long distance number.

How This Impacts Cold Calling Efforts

If you have ten sales reps and you boost their productivity by 57.8 percent with InsideSales.com's LocalPresence, it's the equivalent to hiring six additional full-time sales people.



Summary & Credits

From this eBook, you've learned that simple changes to your sales approach can have a dramatic impact on your cold calling and contact success.

What's next?

By implementing the best practices found in this eBook, any sales rep can experience enhanced confidence to tackle cold calling and increase success.

This eBook was based on a webinar originally presented by Ken Krogue and Kraig Kleeman.

View the webinar, at www.INSIDESALES.COM/webinar.

CONTENT

Ken Krogue |

INSIDESALES.COM

Kraig Kleeman |

BLAIREGROUP.COM

WRITERS

Alex Orton |

Jessica Winn |

EDITOR

Jessica Dyer |

DESIGNER

Scott Humphries |