

# Give Your Cold-Calling Skills a Workout



*Launch a cold-calling campaign  
and help your bottom line become  
more "fiscally" fit.*

*By Ann Ausich-Austin*

It's funny what some salespeople will do when it's time to cold-call. They'll sharpen pencils, reorganize their files, walk aimlessly around the office—*anything* to avoid picking up the phone.

If that sounds like you, maybe it's time to reconsider the value of cold-calling. Salespeople who've used the phone to dial up business consider it one of their most effective prospecting tools (see "Real-life Success Stories: Salespeople Who Swear by Cold-Calling"). In fact, your

reluctance to make that first call may be your biggest obstacle to making more money.

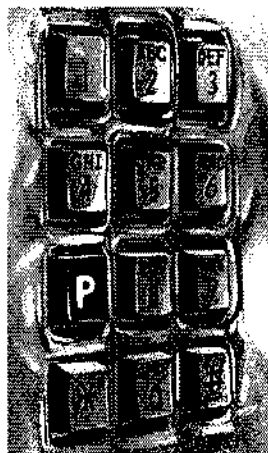
### **Don't Get Hung Up on Fear**

Knowledge and preparation are your best tools for overcoming call reluctance. So schedule some quiet time, sit down with a pen and paper, and list every objection or rude remark that a potential buyer or seller might make during a cold call. Skip a few lines between each item.

Beneath each remark, write a possible response in a different color pen. Put the paper away and read it the next day. Change a response if you think of one you like better, or simply add to the list. Brainstorm with other practitioners for objections and responses. This exercise will help you build a good foundation for overcoming objections.

When you've written all the objections and responses you can think of, input the list on your computer, print it, and keep it handy when you make cold calls. You'll be ready for most shots fired your way.

No matter how well you plan, though, you may occasionally hear an objection that you aren't prepared for. Add it to your list, determine an appropriate response, and chalk that call up to a *positive* experience. You have yet another bullet you can dodge and new fodder for stories at the next office party.



### Dial P for Prospect

Now determine whom to call. You should probably first call the people in your farm, but if you haven't established one yet, call your sphere of influence. Either way, start with about 200 names. If you don't have all the phone numbers you need, title companies may be able to supply them. Reverse telephone directories work well, too.

You should have a computer and a contact management software program for your database of names, addresses, and telephone numbers. But if you have to develop a file manually, list the information by street address and maintain a cross directory by name (in alphabetical order) so that you're ready when someone from your farm or sphere of influence phones you. Use 4" x 6" index cards or paper you can place in a three-ring binder.

On your calendar indicate when you plan to make cold calls; that way, the activity becomes a part of your workday. Also, if you have it marked on your schedule, you may be less likely to procrastinate. Keep in mind, however, that the Federal Communications Commission prohibits you from calling before 8:00 A.M. or after 9:00 P.M. (see "Stay Out of Legal Trouble When You Cold-Call").

Initially, spend five hours a week making cold calls (one hour each weekday), but make them at different times. Track the number of calls you make, the number of people you reach, and the time and day. That information will help you determine the best times and days to cold-call. Set a goal to talk to 20 people each hour. After you get more comfortable making cold calls, you can adjust your goal accordingly.

## STAY OUT OF LEGAL TROUBLE WHEN YOU COLD-CALL



If you plan to launch a cold-calling campaign, be sure to comply with the Telephone Consumer Protection Act of 1991 (TCPA), which went into effect December 20, 1992, and applies to all telemarketers.

You may be sued for up to \$500 by consumers, state authorities, and the Federal Communications Commission for violating the regulation. According to the TCPA, you

- May not call a residence before 8:00 A.M. or after 9:00 P.M.
- Must identify yourself and your company and provide the company's phone number
- Must maintain in writing a do-not-call list and honor consumers' requests not to be called again
- May not use an automatic telephone dialing system in such a way that two or more telephone lines of a multiple-line business are engaged simultaneously
- May not use a fax machine, computer, or other device to send unsolicited advertisements to a telephone fax machine

Brokers who have multiple offices should share their do-not-call lists, since the law specifies that soliciting companies must share such rosters with "affiliated companies." Finally, keep in mind that the TCPA does not preempt state laws that may impose tighter regulations on telephone solicitation.

### Set the Right Tone for Cold Calls

Your calling environment is important. If you phone from the office, tell the receptionist that you shouldn't be interrupted. Place a DO NOT DISTURB sign on your desk, cubicle, or office window. That will ensure that the office gossip committee waits until you've completed your work. To avoid distractions, clear your desk of everything but your prospecting tools.

If you can't have uninterrupted time at the office,

consider calling from home. You should be insulated from others while you prospect.

Having a positive, upbeat attitude can mean the difference between cold-calling success and failure. So before you begin cold-calling, think about the benefits you'll derive from the activity, and focus on being confident. That means you should know what to say when someone answers the telephone. You can either use a script or make a guide of items to cover during the call and have more of a free-flowing conversation. The script or guide you develop is your treasure map, so follow it closely. Deviations may get you lost.

### **Warm Up to Cold Calls in Four Steps**

These steps will help ensure that your cold-calling campaign is a success:

**1. Use a warm and sincere greeting.** Say, for example, "Good morning, Mrs. Gardner," rather than simply "Hello." This will set a good tone for the call. Use people's title (Mr., Mrs., Ms., Dr., Reverend) along with their last name until you've been asked or given permission to use their first name instead.

**2. Identify yourself and your company.** If your company hasn't been around long or isn't easily identifiable, you must also provide your telephone number. This is required under the Telephone Consumer Protection Act of 1991.

**3. State the reason you phoned.** When you cold-call just to ask for business, you'll be rejected more often than if you call to provide a service. So think of something *useful* you could provide consumers.

If the homes in your farm are old, for example, it may be a good idea to compile a list of tradespeople and include it in your next newsletter. (But don't forget to insert a disclaimer.) When you cold-call, you could ask prospects whether they know of a good plumber or con-

tractor and are willing to share the name. (Mention, of course, that you'll get the person's permission before including the name on your list.) If people can't recommend anyone, tell them to watch for the list and keep it handy for when they need to find a repair person.

Or call apartment dwellers and offer to send literature on the benefits of home ownership or how to get a mortgage. Many lenders and title companies will provide you with free information to send to prospects.

**4. Ask for business.** This seems obvious, but all too often people don't get business because they fail to ask for it. Always end each call to homeowners by saying, "Have you considered selling your home?" If prospects say no, thank them anyway and ask them to think of you if they hear of anyone who wants to buy or sell a home. You could also mention a home you've listed; they just might know a buyer after you describe it to them.

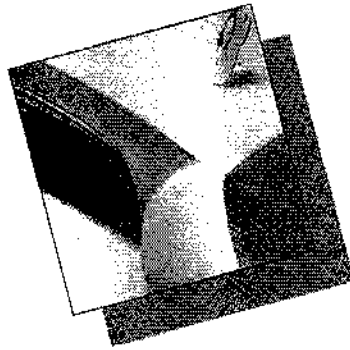
### **The Work's Not Over When You Hang Up the Phone**

Be sure to take good notes during any conversation you have with a prospect. Jot down what you offer (for example, to make a tradespeople list) and whether the person seems interested. Write down any family names the prospect mentions and indicate whether you promised to mail anything. Send a thank-you note to anyone who gives you information you ask for, especially a referral. That's more than common courtesy; it's good business.

If you promise to send something to someone, get it in the mail that day. Include your business card and stamp your name on every item you send. Follow up by phone a few days

later to see whether prospects received your mailing.

If someone says she can't talk because her daughter has chicken pox and she's about to go to the doctor, jot that information down. Send a short note a few days later and say you hope the daughter is better. Ask for nothing!



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because they fail to  
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end each call by  
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Build rapport with prospects.

When it's time to phone the same party again, glance at your notes before you dial. After you've identified yourself, ask whether the daughter had a quick recovery from the chicken pox and then continue the call in the usual format.

Try to keep your calls interesting. If you're calling your farm, capitalize on the name recognition you've already established. For example, you might say, "Mrs. Hale, have you been receiving my newsletter, *The Eureka*? I mail it to all homeowners in the Rich Digs subdivision every month." If she's not familiar with it, verify her address and offer to send her a few back issues.

If you compile a list of tradespeople one month, you can follow up the next month by saying it was so well received that you're going to develop another list. You might ask for names of the best car mechanics, restaurants, or weekend get-

aways. People like to help, and the information that you gather will be useful to them.

### Let Your Fingers Do the Prospecting

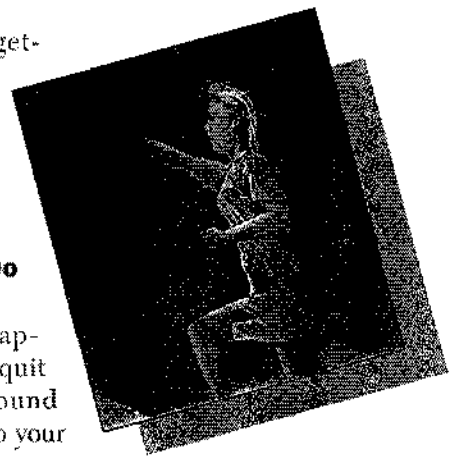
When you get an appointment, *do not* quit calling and run around the office bragging to your co-workers. That may cause you to lose your momentum. Instead, give yourself a pat on the back and continue making calls. You could soon have another appointment.

When you encounter rude people, never argue with or insult them. Consider that they may be having a bad day; perhaps the bathtub was overflowing when you phoned. *Do* call those numbers again next month unless the people ask you not to, in which case it's unlawful to do so. But if someone is rude more than once, don't call again. Above all, don't be discouraged and allow rude people to interfere with your momentum—press on and make another call.

Cold-calling may be the least expensive, fastest, and most lucrative business tool around. Not only does it help you find new business, but it also helps you market your current listings. Think of how impressed sellers would be if you told them you had made 200 calls in the past three weeks to discuss their property with potential buyers.

So if you aren't prospecting with cold calls, start doing it now! More business could be just a phone call away. ♦

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## REAL-LIFE SUCCESS STORIES: SALESPeOPLE WHO SWEAR BY COLD-CALLING

Whoever coined the term *cold call* obviously didn't talk to Tom Klapsa or Andrew Lacey. They think that cold-calling is the hottest way to generate business.

"Listings are the name of the game," says Klapsa, a salesperson with ERA-Associates Realty of Indian River in Vero Beach, Fla. "When I got into the business four years ago, I'd lock myself in a room and do hundreds of cold calls. I started in April, and by the end of the year, I had 60 listings—just from making cold calls. And today whenever my listing inventory falls down, the quickest way to increase it is to pick up the phone."

Klapsa, who refers to cold-calling as the backbone of his business, says he doesn't feel as if he has accomplished anything unless he makes at least 20 calls a day. He estimates that he gets about 25 listings a year as a result of his efforts.

Andrew Lacey, of Coldwell Banker-Newton Inc., REALTORS®, in Spartanburg, S.C., spends about ten hours a week making cold calls. "Two years ago I closed 60 transactions. Then I began calling FSBOs, expired listings, and buyers and sellers I had worked with. And I closed about 160 transactions in 1993 alone."

Both Klapsa and Lacey contend that they're in the minority when it comes to salespeople who use the phone as a prospecting tool. Most practitioners are afraid of rejection, according to Klapsa and Lacey. But that doesn't stop them. "It's very rare for someone to hang up on me or tell me to get lost," says Klapsa. "But when that happens, I don't take it personally. I realize that people aren't rejecting me; they're rejecting what I have to offer."

Lacey agrees. "Rejection doesn't bother me—it's a challenge. If I have to make 10 or 20 calls to get one appointment, that's great. Without making cold calls, I would have found it impossible to increase my production as much as I have."

—Julie A. Bleasdale