

# To Call or Not to Call: Does Cold Calling Ever Pay Off?

C.J. Hayden, MCC

=====

Many independent professionals believe cold calling is a complete waste of time, while others claim their cold calls produce plenty of sales. Why is there so much disagreement about the effectiveness of this approach to selling professional services?

First, let's define the nature of cold calling. A cold call is when you call someone you don't know and have no direct connection to. When you already know the person you are calling, or you were referred by a mutual acquaintance that person trusts, you are instead making a warm call, and different rules apply.

Here's the cold calling debate in a nutshell. According to cold calling fans, "Cold calling, done well, can be one of the fastest and cheapest ways to get new clients." But cold calling foes say, "There's no point in calling people who have never expressed interest in doing business with you. It's annoying to them and a poor use of your time."

The truth, as with most controversies, probably lies in between these two extremes. For some professionals under certain circumstances, cold calling can make a lot of sense. For others, it's far too labor-intensive and ultimately non-productive. Here are ten tips to help you determine if cold calling is a practice you should avoid -- or adopt.

Cold calling can work when:

1. You are selling a service that people are already using or seeking. The best candidates for cold calling are services that can be described in two or three words and are immediately understood by prospects. In business-to-business marketing, services that can benefit from cold calling include graphic design, marketing communications, and IT support. When selling to consumers, successful cold callers include insurance brokers, financial planners, and real estate agents.
2. You can identify likely prospects via research or targeted leads. If you can describe your prospective clients by demographics, industry classification, or job title, you can look them up or buy a prospect list. Online phone directories display businesses by category for any geographic area. List brokers offer databases of homeowners, subscribers to investment publications, and members of certain trade associations.
3. Your name or your firm's are already well-known in your field. Prospects are more likely to accept or return a call when they already know who you are. Being active in professional groups that serve your industry, speaking, writing, and building your web presence are all factors that can increase name recognition.
4. Your phone skills are up to the task. Effective cold calling requires getting past gatekeepers, clearly communicating benefits, and the willingness to hear people say no. The best cold callers actually enjoy being on the phone and have the ability to keep making calls despite many rejections.
5. Your pipeline is empty and you need to fill it quickly.  
Whether or not cold calling is an effective use of your resources may depend on what your alternatives are. Attracting prospects through networking, referrals, speaking, writing, or web presence are approaches that require a certain amount of elapsed time to start paying off. With cold calling, you have the potential to make contact with a large number of prospects by the end of the week.

Cold calling can fail when:

1. Your clients don't know they need you until you tell them why. When prospects aren't already using or seeking a service like yours, it can be difficult to get their attention long enough to explain how your solution addresses their problems.

Communicating tangible benefits in a cold call can often be too steep a challenge for less-familiar services like executive coaching, leadership training, alternative healing modalities, or professional organizing.

2. You place one call per prospect with no follow-up. Calls are typically more successful when they are part of an ongoing call-mail-call campaign. When you contact your prospects multiple times by sending mail or email and calling again, you can communicate a variety of messages on more than one channel.

This increases the likelihood that at least one of your messages will provoke a positive response.

3. You have no name recognition or connection with the people you are calling. When prospects have never heard of you before, they are often reluctant to grant you even a few minutes of their time. You can get more people to take your calls when you can claim some sort of connection between you, for example: "We both know Frank Carducci," "We belong to the same association,"

"We went to the same school," "I read the recent article about you," or "I saw you speak last month."

4. You are uncomfortable or fearful about talking to strangers on the phone. The first impression you make when calling a prospect can determine their willingness to speak with you. If you are awkward or sound uneasy, your call may go nowhere. It's true that you may get better at calling with practice. But if you dislike making these calls in the first place, you may discover that sales and marketing is more productive for you when you use approaches you find more comfortable.

5. You have a substantial list of warm prospects and referral sources you aren't tapping. Surprisingly, some professionals find it easier to call strangers than to talk business with friends and colleagues. It seems it's easier to face rejection from people they don't know than to risk being turned down by an acquaintance. But warm calls are always a surer bet than cold calls. Be sure to take advantage of all your existing contacts before resorting to contacting strangers.

Perhaps the best rule for any professional to adopt about cold calling is not "don't ever do it" but rather "don't ever rely on it." Most successful cold callers combine their calling with other sales and marketing techniques that help them improve their name recognition, referral base, personal network, and market positioning -- all factors that can increase cold calling success.

And in some cases, those other techniques will net you better results if you just focus on using them instead and forget about the cold calls.

---

Copyright © 2007, C.J. Hayden

C.J. Hayden is the author of *Get Clients Now!*<sup>™</sup> Thousands of business owners and independent professionals have used her simple sales and marketing system to double or triple their income. Get a free copy of "Five Secrets to Finding All the Clients You'll Ever Need" at [www.getclientsnow.com](http://www.getclientsnow.com).