

## It's Getting Hot in Here: 5 Commandments for Turning Cold Prospects into Warm Leads

### Make it Rain! A Column by Erica Stritch

I often speak with leaders of professional services firms about their business development efforts and hear a common lament:

"Put me in front of 10 prospects, and I'll close 80% of them...all I need is more new leads."

My typical response:

"Wow, that's great. You must be doing very well. Do you mind if I ask how many of these prospects are incoming leads or warm prospects—leads coming to you from a referral, your network, or web search where *the prospect* initiates the conversation—and which are outbound leads or cold prospects—leads *you approach* directly about your services?"

More often than not, the 80% close rate refers to incoming leads—prospects initiating the conversation with the service provider around a specific need. Such conversations may start like this:

**Prospect:** *John Doe and I were talking, and he told me about the operational efficiency project you've been working on with him at his company and the impact it's had on his cost structure. He recommended I give you a call, as we are facing many of the same challenges as John, and I'd like to hear more about this and see if there is a way we can work together.*

**Service provider:** *Absolutely. But first, why don't you tell me a little bit more about the specific challenges you're facing, and then we can see if I might be able to help.*

This warm lead is coming to you because the prospect already has an explicit need. And while sometimes someone may call you for their own personal fishing expedition, they usually have a budget or authority to allocate funds.

Those incoming prospects are the best type of leads, but relying on them allows your firm to grow only so much and so fast. To take your firm to the next level, you must reach out to the market to find new opportunities.

With this type of outbound marketing and proactive lead generation, you initiate the conversation with a "cold" prospect who does not already know you. You often don't know:

- If there is a need
- What the need is
- Who is involved in the decision-making process
- What the company's priorities are
- How your services can help them achieve their goals

When you call cold prospects to initiate a conversation, they are likely to be guarded about sharing that type of information. It is up to you to turn it around and get them talking.

### The 5 Commandments of Turning Cold Prospects into Warm Leads

Outbound marketing to cold prospects does indeed lead to new clients. However, this type of marketing and outreach requires a different approach. You can turn up the heat on your cold prospects by following these five commandments.

#### I. Thou Shall Not Be Impatient with Thy Prospect

Don't expect the prospect to go from a first conversation to a new client in 30 days. It rarely happens that quickly. Remember, this is a "cold" prospect; he's never heard of you before, and you are initiating the conversation.

Have patience with these prospects, and be prepared to shepherd them through a long buying cycle. Trust, credibility, and expertise are essential elements to a professional services sale and do not happen overnight. Be prepared to invest time in the relationship to help it grow.

## **II. Thou Shall Not Let Thy Prospect Fall Through the Cracks**

Nurturing and planned follow-up is required. Refer to commandment I—it is a long buying cycle and a relationship-building effort. Develop a touch plan where you reach out to the prospect monthly through direct mail, phone, and email. Stay top of mind, and when the prospect's elusive time of need does arise, you'll be the first person they think of.

## **III. Thou Shall Provide Value in Every Contact with Thy Prospect**

With every touch provide some piece of value. Following up just to "see how it's going" will not enhance the relationship. Instead, answer questions and send articles—have a reason to reach out. Provide case studies and stories—examples of how you helped similar companies.

If it is a first conversation, have questions that start a dialogue and uncover needs related to your services. Then share some best practices based on your experience working with companies in similar situations. Know what your next step is; perhaps send them a white paper or walk them through industry research you've conducted.

Those types of value touches help build the credibility and trust necessary to win an initial engagement with any prospect.

## **IV. Thou Shall Speak Only with Prospects Who Are a Good Fit**

Your first task when initiating a conversation with a cold prospect is to determine if they are a good fit. This involves knowing your ideal client profile, including industry, revenue size, and level/title of individuals within the company.

Beyond that, it also requires determining the prospect's BANT—budget, authority, need, and timeline. Focus first and foremost on the authority and need. If you can uncover a need with a decision maker and move it up his priority list, that person can usually find or make a budget and develop a timeline.

## **V. Thou Shall Not Speak to Thy Cold Prospect the Same Way Thou Speaks to Thy Warm Prospect**

The goal with the any prospect is to start a relationship, and all relationships start with a first conversation. The key is to have a compelling and succinct value proposition. Demonstrate how you are different from the thousands of other accountants, lawyers, or consultants out there.

With these five commandments—and patience—you'll eventually see the temperature of those cold prospects rise, along with your revenue.