Cold Calling Articles
2000–2012
by Bill Good

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The Greatest Script
Tax-Free Bond Fund Dialog

Note: This script has been used to open tens of thousands of new client relationships.

May I speak with M/M ___________, please?

M/M ___________, this is (FANAME)'s office from (COMPANY) here in (PLACE). I have some important information on what's called a tax-free municipal bond fund. Have you ever heard of one of these before?

Yes or No. Basically, (as you know,) it's a portfolio of tax-free municipal bonds that have been selected for both income and safety. Could I send you some information on it?

Not Interested. Thankyouverymuch and have a great day!

Interested. Very good. M/M ___________, if you like the idea would an investment of $___________, be a problem for you at this particular time?

Money Is Problem. That's fine. Tell me, when in the next 6 months do you expect to have some money available to invest or re-invest?

All right. Tell you what I'll do. I'll send you a letter introducing our (COMPANY) Team and some of the services we provide. I'll stay in touch from time-to-time and call you back around (DATE), when your funds should be available. Fair enough?

Money No Problem. Great. I'll send it out to you right away. I have your address down as ___________________________. Is that correct?

Just one other question and I'll let you go. In case I can't get in touch with you during the (evening/day), how can I reach you during the (day/evening)?

Close. Thankyouverymuch and have a great (day/evening)!

Process any Funds Due according to standard System methods
Cold Calling Still Works
—by Bill Good

Author's Note: In this article I make references to a script. If you would like a copy of the script, designed for you to easily “fill in the blanks,” go to http://www.billgood.com/coldcalling. Answer a few questions about your own cold calling, and you may have a copy. Some of your comments may appear in future issues of Research. My offer of the script is my inducement to snag a minute or two of your time for some questions.

In this article, I’m going to reproduce an email thread from an old student of mine, Paul, who decided to get back to prospecting “The Good Way.”

First some background:

In 1983, I wrote a script to prospect for interest in a tax-free municipal bond fund. Over the years, in up and down markets, that script consistently generated two to three “cherry” prospects per hour. A few years ago, I conducted a “script harvest.” I asked my Research Magazine readers to send in their favorite cold calling script. The script I received most frequently was the one I had written originally in 1983. So I immodestly named it “The Greatest.”

While “The Greatest” is strictly a tax-free bond fund script, you can easily modify a few lines.

Before you read my correspondence, let’s go over some basic prospecting theory. If your dialing finger has become a near-worthless appendage, you may find this helpful.

The dictionary definition of prospecting is: searching for something of value. When we prospect, we are not trying to turn base metals into gold. We’re trying simply to find gold. While it is not true that “everything that glitters is gold,” we know for certain that if it does not glitter, it is not gold.

Someone saying, “I’m not interested,” is gravel…not gold. Simple.

So how long does it take to determine if a handful of gravel is gravel, and not gold?

To answer my own question, “it takes about 30 seconds.”

And so it is when prospecting for financial services clients:

You have about 30 seconds to find out if the person who answered the phone is gravel or gold. Are they interested or not; do they have money or not; are they willing to talk or not?

The techniques you must master are these:

1. Get a good list.
2. Make 40-60 calls per hour. I cannot tell you how important this is.
3. Sound upbeat, professional, interested and don’t talk too fast.
4. Have an excellent script that first qualifies for interest. If someone is interested then qualify for money.

5. NEVER try to sell on the first call. “Prospecting” and “Selling” are two entirely different activities. Ideally, they should be done by two different people. It is a complete waste of time to try to sell anything on the first call. Your objective is very simple: find someone who is interested, qualified, and will talk to you. Now get to work and develop the relationship.

6. Send out the promised information and call back in five to seven days.

7. The objective of the second call is to re-qualify, and if qualified, set an appointment. My definition of a “hot prospect” is: someone who is very interested, financially qualified, and willing to set an appointment with the financial advisor.

8. Religiously practice the “Cherries and Pits” principle. In a nutshell, when they say they’re not interested—believe them. Utter the cry of the cherry picker, “Thankyouverymuch,” and disappear back into the electronic haze of the telephone system. This principle is THE secret to making lots of calls. If you’re not wasting time doing what I call “pit polishing,” you can push your calls up into the 40-60 per hour range.

All right. Now let’s follow a modern success story. This story is admittedly just starting, or should I say, re-starting. Unless my correspondent ignores my warnings against “Basic Mistake #2—Get a good idea and change it”, he will continue to do fine, open 80-100 new client relationships in the next year, and move his business up to the next level.

***

Bill:

I am interested in starting a cold calling campaign. I am a former student of yours who went through your training while at A.G. Edwards in 1985. My question is simply this: what have you found to be the best approach to cold calling today? Does my much-used script for a tax-free muni fund work as well today as it did in 1985? I was #1 in my sales class thanks to you, so I value what you say. My biggest problem right now is self-doubt, as it’s been many years since I’ve cold called. I was in a bank program for over eight years and there was very little need to cold call, so I am overthinking the process.

Any words of wisdom?

Thanks,
Paul S.
Future Gorilla

***

Dear Paul, Future Gorilla:

A client of mine who had not prospected for years dusted off the trusty old Tax-Free Municipal Bond Fund script and started opening accounts.

What can I tell you?

It’s still “The Greatest.”

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Re-read my book*.
Get really organized.
Implement the techniques in the Chapter “How to make more calls.”
Don’t touch the computer during prime call time.
Call during optimum times.
Give it a whirl and send me an email and let me know how you do.
***

Good morning Bill:
Thanks for the reply. After I emailed you, I decided to get off my butt and just start calling. I went to your web site and got a copy of “The Greatest” and adapted it for some callable CDs that we have in inventory. The cherries have started to roll in.
***

Paul:
Who did you call?
How long?
During what time of the day?
How many cherries?
How did you adapt the script?
Keep some stats and report in soon.
Bill
***

Bill:
You asked for a follow up on my cold calling campaign. Here goes:
I’m calling on Callable CDs because the rates grab attention. Six to seven percent recently.

My script is as follows:

“May I speak with Mr./Mrs. __________, please? Very good. Mr./Mrs. __________, this is Paul S. with __________. The reason I’m calling today is that my firm is offering a callable CD, or a certificate of deposit, that is paying ___%, and is FDIC insured.
“Could I send you some information on our CDs?”

Then I qualify. Most days for $15K, some for $25K. The difference is just experimentation with minimums.
In the last two weeks, I’ve brought in a $100K account, have two more in ACATs worth another $100K, and have a total of 50+ leads in various stages of call backs. So in my opinion, cold calling does work and at a very much reduced cost compared with the seminars I was doing.

I’m averaging my three to five leads per hour, and trying to do at least an hour of calling per day. Interestingly enough, the excuses haven’t changed from when I was cold calling nine years ago.

I hope this info helps your survey. It’s done wonders for my psyche knowing that there is still business out there as we go through these tough times.

One more item. The list I purchased is supposed to be 60+, with minimum net worth of $250K. Mostly day calls.

Paul

***

Bill Good is Chairman of Bill Good Marketing, Inc and creator of the Gorilla System™. BGM’s stated mission is: produce sales systems that enable our clients to have more time and money to pursue their other goals in life.

In 1986, Bill published a book, Prospecting Your Way To Sales Success, referred to in this article. The book teaches practical, nuts-and-bolts methods to dramatically improve your prospecting skills. Consistently applying these techniques will significantly expand your bottom line! For additional information, go to www.billgood.com or call 800-678-1480.

*Good, Bill. Prospecting Your Way To Sales Success.

When Cold Calling Doesn’t Work

BY BILL GOOD

In 1990, a tough year if you have been long enough in the industry to recall, I wrote a four-part series of articles called “I Love to Prospect.” These were my first articles at Research after my own “firm change” from Registered Rep.

I chose that title for the simple reason that most people hate prospecting and would rather get deep-root cleaning than make outgoing phone calls to generate business. My point is (and has been for years): if you do it right, if you have a system that works, you’ll love it. Prospecting is, after all, what feeds your business. You should love being in control of your future.

This past July, I wrote an article “Cold Calling Still Works.” I have heard of branch managers passing this article out. Well, Mr. Manager, if you can get them started with “Cold Calling Still Works,” this article should help you keep them doing it.

In this article, we’re going to look at why cold calling doesn’t work, which happens to be why you hate it, assuming you do. If it delivered a predictable and profitable amount of business to you, would you hate it? I don’t think so.

So if it’s not working, here’s why:

Not Enough Calls

You are not making enough calls. During daytime hours, the goal is 40 dials an hour.

At night, you’re going for 60.

Doing less?

There are several reasons.

1) You’re not applying the “Cherries and Pits” principle I developed in my book, “Prospecting Your Way to Sales Success.”* Reminder: It takes less than a minute to find out if someone is a cherry or pit. When you get even a whiff of a pit, you utter the cry of the cherry picker, “Thankyouverymuch,” and disappear into the electronic haze of the telephone system.

2) You are trying to sell on the first call. Knock it off. The worst thing that can happen to a rookie is to actually sell on the first call. That rookie will keep trying first call sales until his or her last day in business, convinced that it works. It doesn’t. It didn’t work 12 years ago. It doesn’t work now.

3) Disorganized. If I observe someone for two minutes, I can tell you if that person is organized or not. The organized prospector never disconnects between calls, never updates a computer between calls, talks and writes at the same time.

You Don’t Sound Good

There is a whole nest of errors possible here.

Your voice rises at the end of a sentence, making a statement of fact sound like a question.

You talk too fast.
You talk too slow.
You sound sour, antagonistic, dull, boring, or under pressure.
Best bet: record your side of the call. Listen to yourself, painful as that might be.

**Bad or Unsuitable List**

Question: How do you know if a list is bad or unsuitable?
Answer: You can’t get 2-3 cherries per hour from it, no matter what time of day, what script, or how you sound.
I can’t tell you what offer a list will respond to.
I can tell you what it most likely WILL NOT respond to.

“This is Alice Agar with Reliable Securities. I’m calling to introduce myself and let you know of the services we have available.”

This is a classic service approach. Sure, try it, but keep in mind what I have labeled “Basic Mistake #1”: Get a bad idea and stick to it.

After an hour or two of the “Introduce myself” script, no or very few cherries, chuck that approach.

Here is how I elaborated on Basic Mistake #1 in my 1990 article. (In all modesty, it’s nice to know you got some things right and don’t have to go on changing them.)

The most deadly of the basic mistakes is #1. If there is a single pattern that afflicts most new advisors, it is this: A new advisor gets a prospecting idea. After a couple of days, he or she notices that it doesn’t work. So the new advisor tries harder. Since the idea itself is bad, it still doesn’t work. But the new advisor has been trained to chant, “Try, try again”; to believe that “winning isn’t everything, it’s the only thing”; and, of course, to expect that “practice makes perfect.”

There’s only one problem with this proverbial wisdom: If you’ve picked a bad idea, why practice? Why try to win at a game no one else wants to play?

Here are the brutal facts: In direct response marketing (which is, of course, the field we’re discussing), you sometimes need only one good idea to succeed beyond your wildest dreams. In direct response marketing, the problem with failure is failing repeatedly with a single bad idea, instead of failing with a whole string of bad ideas.

As the story about the pile of horse manure goes, there’s got to be a pony in here somewhere. And there has to be a good idea amid all the bad ones you go through. You just have to try a lot of ponies. But most failing advisors don’t fail enough! They stick to one old tired pony, riding the poor beast around in circles until it falls over on them.

When you have gone through several different ideas, and you still can’t get that list to produce, follow this bit of 1990 advice:

Package up the list. Scribble the words “Hot Prospects” on it and leave it in the elevator of your competition’s building. At most, you’ve invested four to six hours in Bad Idea #1.

Now get a different idea. Test it. Refine it. If it’s a no go, throw it out, too. And keep at it. Within 30 days, you should find an idea that works for you in your market.
Bad Script

A “bad script” is one that doesn’t work, that does not deliver 2-3 cherries per hour. The trick here is: how do you know if it’s your sound, the list, the numbers, or the script?

Well, we try to eliminate the sound by just knowing that a professional sound is: confident, conveying authority, warm, enthusiastic, and spoken at about the same rate as the person who answers the phone.

Numbers are easy. If you aren’t pounding out the numbers I’ve outlined, what’s the point of discussing anything else?

Now we’re down to the list and the script.

I have good news for you. The form for the perfect script is done. It’s “The Greatest” that I wrote about in July. I have left it posted on my website and you can have it in exchange for a few questions. Go to http://www.billgood.com/coldcalling/ to get it.

Stick to this script form. Change the wording as you come up with different offers. Pick a product, a manager, or a strategy. Offer some information. Then qualify for interest. If interested, qualify for money.

If the offer isn’t generating enough prospects per hour, change the offer. Change it several times. Still not working?

Are you making the calls?
Do you sound alive and well?
Chuck the list, and get another one.

And when you get all the pieces right and it starts to work, you will easily say:

I Love to Prospect!

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*Good, Bill. Prospecting Your Way To Sales Success.

Living with the “Do Not Call” Laws

by

Bill Good

If you are a conspiracy theorist, you could certainly regard the “Do Not Call” laws as payback by the banks to the brokerage firms.

For years, brokers cold-called to look for CD money. As soon as they found it, it got moved in the blink of an eye to a bond fund or even a CD brokered by the firm. Billions got moved.

With the “Do Not Call” law (officially known as the Telemarketing Sales Rule) now settling into place, who can call whom?

Well, the days of brokers cold-calling homes are certainly gone, aren’t they?

Who can call people at home now?

Brokers in banks, because they have an existing business relationship. So the banks win, and the traditional wirehouse broker loses.

Payback, as they say, is a bitch—if, of course, you are a conspiracy theorist.

Institutionalizing Good Manners

Basically, what these laws do is make good manners “the law.” Even though the National Telemarketing Sales Rule only affects interstate calls, we both know that it’s bad manners to call people at home when they do not wish to be called there.

Even though the federal law does not affect intrastate calls; even though various telemarketing companies and trade associations have filed lawsuits against these laws; and even though there are probably ways around the law (surveys), the hard reality is that cold-calling people at home is just no longer socially acceptable.

So get over it and move on.

Whether it’s legal or not, your license to place calls to people at home is running out quickly.

You hate it when a call disturbs your dinner to sell you credit cards, mortgages or carpet cleaning. And the people you call hate it when you call about a seminar or offer of information about an investment during personal times, too.

This brings up a term from the dot-com era: OPT IN.

To market to people at home by phone, fax or email, you must get them to opt in to receiving these communications. And to get them to opt in, you will obviously have to reach them through some medium other than the phone.

Master Alternate Channels of Communication

I hate to say, “I told you so,” but in the August 1991 issue of Research, I wrote an article titled, “Master Alternate Channels of Communication,” in which I wrote:
“DON’T RELY ON THE TELEPHONE EXCLUSIVELY.

In 1988, I gave a talk at my annual ‘Gorilla Marketing Conference’ on the secrets for survival in the 1990s. I listed five such secrets:

- Computerize
- Build a team
- Specialize
- Master relationships
- Master alternative channels of communication

Since I made that talk, I have not felt it necessary to budge one inch in my survival recommendations. On my recommendation that you master at least one alternate channel of communication, I’ll not budge a centimeter—nay, nary a micron.”

From August 1991 to February 2001, I wrote another 12 articles on the IMPERATIVE that you master other ways to communicate. Most recently (Feb 2001), I wrote:

“No, the telephone is not dead. It is still the primary channel. You can still build a business from scratch by cold-calling. With Caller ID, Voice Mail, call screeners etc., it’s much more difficult to build a business this way than ever before.”

Well, guess what, folks. For all intents and purposes, the telephone as a medium to call people at home is now dead. The future I wrote about 13 years ago has become the present. It is time to move on.

Which Channels?

1) CALL BUSINESSES

The new telemarketing laws have no effect whatsoever on business listings. But rest assured, many of the people driven out of the homeowner market will wind up there, making it even more difficult to reach business owners and executives.

Best bet: Use a mail/phone style campaign. Send a letter and follow it 3-5 days later with a phone call. At least you have a little leverage with the screener.

2) SEMINARS

With seminars, you can contact people at their home addresses via mail or flyer. When they respond and give you their home number, you can follow up by phone.

3) CONNECTIONS

Aside from the fact that it is your civic duty to be a good citizen and contribute to your community, developing connections through good works becomes even more important. When you play golf, don’t waste time playing with friends. Tip the local pro to set you up with the town ophthalmologist, federal judge and owner of the biggest tire store in your community.

4) COOPERATE WITH OTHER PROFESSIONALS
I have asked dozens of reps lately, “Do you send business to estate planning attorneys?” The answer is almost always “yes.” My next question is, “Do they send business back to you?” The answer is almost always, “I’ve been trying to get them to, but blah blah blah.”

Guess what? It’s time for a down-on-your-knees prayer meeting with these people, because they should feel in immediate danger of being cut off. You need to find someone who will help your business as you help his/hers. No more free rides for CPAs and attorneys!

5) TRADE SHOWS

Let’s suppose you attend a home and garden show. You have a drawing for a $1000 Zero Coupon Treasury. People throw in their business cards or fill out a registration form. They have now given you their phone numbers to contact them. Per my understanding of the national law, if someone makes an inquiry, you can call him or her for three months.

In short, learning to live with the new “Do Not Call” laws just requires some creative thinking, a clear business plan and a little bit of elbow grease.

Bill Good is Chairman of Bill Good Marketing, Inc., a firm specializing in innovative marketing and organizational solutions for Registered Reps and Investment Advisors. Bill is the author of Prospecting Your Way to Sales Success (Scribners, NY). For information on BGM products and services, call 1-800-678-1480.
The Old Way vs. the Good Way

Part 1

Author’s Note: 2006 is two special anniversaries.

It’s the 20th anniversary of the launch of the Bill Good Marketing System.

And it’s the 20th anniversary of the publication of my book, Prospecting Your Way to Sales Success. This book has been in hardback from Scribner’s since its publication that year.

This year, I will complete a major overhaul of the book so extensive I will probably re-title it. Its working title is, The Good Way to Prospect. But that title may not last since the scope of the book has broadened into a book about building a business, not just a clientele.

Nevertheless, the foundation of the book remains what I now immodestly call “The Good Way,” which is mindset, a way of thinking about your business and its growth. If you read my first book, you already have this concept as the “Cherries and Pits Principle.” But it’s probably been a while, so re-read it. If your response to “Cherries and Pits Principle” is “Huh?” start reading. And come back next month. The concepts in this chapter, which I am presenting in this issue of Research and the next, can keep you in the business by taking the curse off prospecting.

“Don’t throw good money after bad.”

—Bill Good, age nine

Until this very moment, you were not aware that I, Bill Good, am the creator of many of the world’s most famous statements. I know this is a difficult concept for you. So over the course of this book, I will gently reveal the true origin of many statements you thought were made by others, perhaps Ben Franklin or Shakespeare. The statement above is one of my “top five.”

My family frequently went to dinner at the S&W Cafeteria in Greensboro, North Carolina. They had some kind of wishing well in the lobby. My brother Ed was throwing handfuls of coins in it. I said, “Ed, quit it! Don’t throw good money after bad.” As near as I can figure, some fellow who worked for an ad agency overheard my comment. He ran some kind of local ad with a picture of a kid throwing money in a wishing well and used my statement as a slogan. Whatever he was selling never caught on. But within a matter of months, my statement became known worldwide.

From ages nine to eleven, I was, frankly, precocious. Many of my comments on life were picked up by others and even made into advertising or political slogans. I never received credit or money. By age eleven, I realized that others were profiting from my comments, and so I shut up for a long time. With the publication of this book, I decided to come out of the closet of anonymity and accept the credit for these statements. You will find many of my other statements in Bartlett’s Familiar Quotations. Look in the author section under “Anon.”

You came into sales to sell, but it’s not working out that way.
Perhaps you wanted to be a financial adviser and help people make their fortune (as well as your own, of course). You didn’t think most of your time would be spent in an endless search for people with money. And worse, you had no idea that people wouldn’t welcome your call, at least those few who have not signed up for the “Do Not Call” list. After all, you have ideas that should help people get a better return on their money than they now enjoy.

Or perhaps you sell some kind of business equipment. You may have a degree in business and because of an outgoing personality, got drafted for sales. You would be taking home much bigger checks if only you had more “face time.”

Or you sell life insurance. You know that if you can help one or two families each month protect their assets and provide for their families, you can make a very good living in the process.

You found out in a hurry, of course, that most people really don’t want to talk to a life insurance agent. But not even in your most pessimistic brooding about your future did you realize it could be as bad as it really is.

The problem was really driven home to you at your spouse’s company Christmas party. You had been warned not to talk business, but in the back of your mind, you had an idea that people would at least want to know about some of the new life insurance products on the market.

Drink in hand, you bide your time, then, as expected, someone asked what you do for a living.

“I’m a life insurance agent,” you said.

You might as well have said, “I’m currently under psychiatric care.” The room couldn’t have emptied out any faster.

Now, you certainly didn’t come into sales to frighten or offend people.

**The Problem with Sales Is Prospecting!**

Where did all the prospects go? Are there just too many salespeople, or did something happen to scare them off?

Worse, the longer you’ve been in sales, the more you hate prospecting. Why? Because they turn you down, reject you. And because they reject you and because prospects are so hard to come by, you try harder and harder. And the harder you try, the more scared they get.

It’s interesting that the major problem in sales is not really a problem with sales. It’s a prospecting problem. And that problem is scarcity. Most salespeople act as if there are too few good prospects.

The reason you are reading this book is that you don’t have enough prospects. If you had all you could handle, you certainly wouldn’t be looking at a book on prospecting. Yes, I am very well aware that 99 percent of the salespeople in this country believe that rejection is THE PROBLEM. But that’s not it. If you really believed that there were enough prospects for you, would you care if some jerk hung up on you? But since you and most other salespeople believe—consciously or subconsciously—that prospect’s are scarce, then rejection threatens survival. And that hurts.

So rejection is not the problem in sales. Nor is it closing, a lack of product or service knowledge, too high a price, the “competition,” or poor company advertising. The problem is scarcity of prospects. But we live in a country of almost 300 million people. How can prospects be scarce?

In “Julius Caesar,” Shakespeare says, “The fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings.”
According to me, “The reason for a scarcity of prospects lies not in the market but in our method.” And that method is one I call the “Old Way.”

**The Old Way Style of Selling**

Every sales trainer I ever had, plus all that I’ve read, has focused on overcoming objections and on closing. J. Douglas Edwards, perhaps the best of what I call the Old Way trainers, preached that “half of your sales will be made after the prospect has said no six times.”


“Psst — hey — com’ere. I’ve got a secret to tell you. Sometimes prospects will stall you; sometimes they will lie to you, sometimes they won’t tell you the real reason they won’t purchase. When a prospect gives you some lame excuse (stall) about why they won’t buy now, he’s really saying, ‘not yet.’”

In a description of a sales course offered by Salesmasters International, we find this offering:

“Changing your attitude towards prospecting - turning No into a $ amount Proven prospecting formulas - how to rate and qualify your prospects.”

At [www.entrepreneur.com](http://www.entrepreneur.com), in “Overcoming Objections,” March 27, 2003, we find these gems. (My comments follow each).

“The prospect wants to say yes, but has limited funds.”

Hmmm. What if the prospect actually wanted to say, “No.?”

“The prospect doesn’t understand what you’re saying.”

Really? What if she does?

“The prospect has a difficult time making decisions, large or small. You have to help her decide.”

Perhaps the prospect has in fact made a decision.

This particular Google search turned up 78,300 hits. If we pop over to Amazon’s search engine, [www.a9.com](http://www.a9.com) and search the text of books currently for sale, we find 535 books that include a discussion of “overcoming objections.”

Regrettably, the “Old Way” is alive and well.

So it is not unfair to say that concentration on closing and overcoming objections has defined a lifestyle for countless millions of salespeople.

So you can understand fully that this is not another book in that tradition, I do think we should spend a few minutes highlighting the “Old Way.” Then you will understand what my system isn’t.

**Old Way Teachings**

If you have been around sales more than one day, I am certain you have heard one or more versions of the three principles summarized below. I personally have no idea where I first heard them and doubt if anyone should be given credit. At any rate, here are the philosophical foundations of the “Old Way.”

- All buyers are liars. (Think I’m kidding. Do a Google search for “buyers are liars.”)
• Don’t believe the prospect until he or she has said no three, six, twelve, or twenty-seven times.
• Every “No” gets you that much closer to a yes.

As you can well imagine, if you believe these principles, they will affect the way you live your life. If you sell insurance, when you receive what the prospect thinks is a final “No,” you will press ahead anyway thinking you are that much closer to a yes. If you are a financial adviser or planner and the prospect tells you he or she doesn’t have any money now, you won’t believe him or her but will charge forward anyway, ruining the prospect’s day and your own when the prospect tells you which anatomical portion should receive your offer.

Most “Old Way” salespeople, consciously or otherwise, believe and act as if there is a war between buyer and seller. Your job as seller is to win! “We Shall Overcome” was not just the theme song of the civil rights movement. It’s a song, the “sales movement” has been singing for generations. It’s one reason your approach usually isn’t welcome. Too many generations of prospects have been overcome.
The Old Way vs. the Good Way

This is Part II of the chapter in the new edition of my book, tentatively titled “The Good Way to Prospect.” In Part I of “The Good Way versus the Old Way,” I laid out how generations of salespeople have been taught to sell. I gave evidence from a Google search and searches on Amazon but this method is alive and well today. In this excerpt, I will give you a way to approach the business development side of building your business, which rejects these tired old methods taught most of the last century.

If you missed Part I, bad child. Go immediately to www.researchmag.com, click on last month’s issue of the magazine and start reading. Then come back here.

Applying Old Way Principles

If you work in insurance, real estate, most financial services (except, of course, where my company does the training!), appliances, automobiles, or just about anything else, you have most likely been trained in the “Old Way”—if you have had any training at all. If you have had no formal training, you’ve still gotten the “Old Way” message. Like a powerful undertow, whenever you put a toe in the sales water, it’s tugging on you.

Let’s assume, for the sake of argument, that you are a salesperson in a financial services company. Perhaps you sell mutual funds and annuities. As I am sure you will recognize, the yarn I’m going to spin for you is all too typical. If you don’t recognize yourself as the key player, I’m sure you know someone to whom this applies directly.

So let’s assume you are fairly new in the business. Since you don’t have any customers and therefore nothing else to do, it is abundantly clear that you have to prospect. Since you don’t have much money to invest in mailings or seminars, this means you spend at least five hours a day on the phone. On your part, you would much rather wait for someone to call you or at least be provided with twenty or thirty direct-mail leads each week.

But—as you learn to your dismay—it doesn’t work that way. So you decide to take the plunge one day when no one is listening, you sit down at your phone and start calling, say, dentists (They have lots of money, right?) After a half hour of struggling with receptionists, Dr. Jones answers his own phone. (As you know, this rarely occurs.)

Now, you happen to know that Dr. Jones has a huge practice. He and his spouse, Dr. Smith-Jones, drive his-and-hers Mercedes. This couple would, of course, be highly desirable customers.

Here’s how the usual conversation goes:

YOU: (Ring, ring.)
DR. JONES: Hello.
YOU: May I speak with Dr. Jones, please?
DR. JONES: Speaking.
YOU: Dr. Jones, this is Fred Smithers with Beam of Light Financial Services.
DR. JONES (interrupting): Excuse me, but I am really not interested.

Before continuing with this now classic conversation, let’s review your “Old Way” training. First of all, you will undoubtedly have been trained to persist. In sales school, you probably heard countless anecdotes about how various superstar salespeople (also called “CHAMPIONS”) have persisted and triumphantly returned with the prized order. Plus, your sales manager or your peers will have surely relayed some or all of these “Old Way” gems of wisdom:

- “No’ is just a stepping stone on the way to yes.”
- “The more no’s you get, the closer you are to a yes.”
- “No is simply a misunderstanding on the part of the prospect and is just a way of saying that he or she requires additional information.”

With these philosophical pearls jangling loose in your purse or pocket, let’s pick up on your conversation with Dr. Jones, who was saying:

DR. JONES: I am really not interested.

YOU: Of course you’re not interested. If you had been interested, you would have called me, right?

DR. JONES (angrily): I guess I would, but I didn’t. So what does that tell you?

YOU: I understand you are not interested, Doctor. But let me just ask you this: What are you not interested in?

DR. JONES: I’m not interested in you. I’m not interested in Beam of Light Financial Services. But I’m very interested in getting back to my patients. I’m busy.

YOU: I understand you’re busy. I find that most of my clients are busy and it’s for that reason that . . .

DR. JONES: (Click. Dial tone.)

YOU: (Sigh) (Addressing room at large) I wonder what I did wrong?

From the “Old Way” point of view, you certainly must have done something wrong. Weakness? Wimpy tone in voice? Failure to persist? Insufficient goal orientation? Bad phone breath? Sadly, you recall the words of “Old Way” trainer J. Douglas Edwards, who said that half of your sales would be made after the prospect has said no six times. So sitting there with a long face and with a fly buzzing obnoxiously about the pizza crust on the table, you reflect on the magic number six.

“If only I could have gotten Dr. Jones to say no six times,” you say to the fly, “I might have gotten his account. But,” you say to the coffee cup with bits of creamer curdling on the surface, “Rome wasn’t built in a day.”
And so you grind through another eight or twelve calls, and not one sale or appointment do you get. At the end of an hour, you feel as if you have been passed back and forth through a paper shredder. You’re tired and discouraged.

Walking toward the door, you turn and make a face at a post-it note on your phone reminding you to call Dr. Jones tomorrow and grind a few more no’s out of him.

As you lock up, a terrible thought strikes. There was that videotape you saw in training. What was it the trainer said? Was it, “Don’t believe the prospect until he has said no twenty-seven times?” It couldn’t have been!

Poor you. You couldn’t even get Dr. Jones to say it six times.

**What a Way to Make a Living!**

Now I submit to you that the “Old Way” is one hell of a way to make a living. If you happen to be brand new to sales and think I exaggerate that people are trained this way, just pick up any other sales book or attend any sales meeting anywhere.

If you would like to conduct your own tests of “Old Way” methods, by all means verify the following:

1. It’s very hard on the salesperson. If you don’t already hate prospecting, you probably will—if you stick to “Old Way” methods.

2. It is very hard on prospects. Why do you think the room empties out when a Life Insurance Agent introduces himself? It’s not the product. The product is really just a contract to deliver a known amount of money at an unknown future date. The problem is the sales method. After decades of nail-pulling selling skills, people have finally come to believe that a session with a Life Insurance Agent will be unpleasant. And so it is.

But, lest you think that this approach to sales is entirely without redeeming social value, it did serve its purpose. Undoubtedly it came of age in an era in which the old-time peddler could not make more than one call a day or even in a week... And in the old days, if you didn’t sell on that one call, you didn’t eat.

Today we live in an entirely different era in sales. Instead of being limited to one call a day, using web conferencing software, you can make sales presentations in Bangor Maine at 9:00 am and Boca Raton an hour later. You can cover more territory by phone/letter/fax/email in an hour than the old-time salesperson could in a week, or even a month. In seconds, you can blast out an e-mail broadcast to pre-qualified clients and prospects. While you are wrapping up a sale or setting up an appointment, your personal computer can be cracking out twelve letters or faxes a minute. And who knows how many people can check your latest price quote on your company’s web page?

It’s a different world. Yet the old methods, unfortunately, still persist.

This book, however, is most definitely not about this “Old Way” style of selling.

**The Good Way**

The system of prospecting I’m going to outline relies upon two very basic assumptions:

1. There are enough prospects in your market area that are interested and qualified today to make it worthwhile to look for them and to ignore the rest.
By “interested,” I mean INTERESTED. Ask a child, “Are you interested in ice cream?” The child’s “yes” is the one I’m talking about. Ask the child, “Are you interested in going into the backyard and weeding the garden?” That “no” is the one “Old Way” salespeople grind away on in their misguided efforts to convince the child there is some remote benefit in weeding the garden.

By “qualified,” I mean, “has capability to buy NOW.” In different industries, being qualified will, of course, mean different things.

Unless you have an extremely limited market, you can develop a simple way to look for those who are interested and qualified NOW. That’s what a good part of this book is all about. No problem.

I’ll show you a lot of different ways to find prospects that are INTERESTED and QUALIFIED.

2. Not all “buyers are liars.” In fact, we’ll assume the opposite that buyers tend to be truth tellers.

The idea that “buyers are liars” is the fundamental assumption on which the “Old Way” is based. “Old Way” practitioners believe that if someone tells you they’re not interested, what they really mean is “I need additional information.” Or, when buyers tell you, “I don’t have any money,” what they really mean is “I don’t have any money for that idea, but if you come up with another idea, of course I could raise the money.”

I call this “translating English into English.” And it assumes the prospect doesn’t know his or her own mind or is spinning a lie.

Frankly, if you treat people as if they are lying or don’t know their own mind, you shouldn’t be surprised if they don’t respond well to your sales message. Undoubtedly, there are many people out there who will lie to you, who will create a smoke screen to tell you they’re not interested when they are, and who will rely on other subterfuge to mislead you. Yes, their lies and smoke screens can be penetrated by “Old Way” selling. But my question to you is: Do you want a customer list full of liars?

You can build a selling system on one of two assumptions. First, you can assume, along with the prophets of the “Old Way”, that buyers are indeed liars. If you make that assumption, you must follow it with all of the various techniques to overcome opposition. You must be prepared to suffer endless rejection, and you must continue the endless process of translating English into English.

Or, you can shed the “Old Way” and join the Good Way and make life almost infinitely easier. The implications for your daily activity of what I just told you are quite profound.

Remember Dr. Jones, who got the call from Beam of Light Financial Services? Here’s how a practitioner of the Good Way would have handled it.

YOU: May I speak with Dr. Jones, please?
DR. JONES: Speaking.
YOU: Dr. Jones, this is Fred Smithers with Beam of Light Financial Services.
DR. JONES (interrupting): Excuse me, but I am really not interested.
YOU: Thankyou very much for your time. Have a great day. (Click. Dial tone.)
Thankyouverymuch, uttered as a single word, becomes the modern equivalent of Hiyo Silver as you disappear into the electronic haze of the telephone system in search of a prospect.

So, let’s abandon the “Old Way” and its tired, old methods and go in search of “The Good Way.”

You have been spending a lot of time and money on the “Old Way”. Now it’s time to follow my advice: “Don’t throw good money after bad,” OK?

Or, in “Good Way” terminology, “Pick the Cherries, Not the Pits:”
Cold Calling State of the Art 2009
by
Bill Good

In my May article, *I Love to Cold Call*, I asked for your best cold-calling scripts. I received 65 scripts. I sent everyone who responded an e-mail asking for additional information. 24 people responded. Of these, I have picked some "best scripts." I have reproduced them in this article. In addition, I have posted a Microsoft Word copy at [www.billgood.com/coldcalling2009](http://www.billgood.com/coldcalling2009). This way you can tweak them and more easily submit to Compliance. You can also download my own "Greatest Script" as well as some scripts that came in after I completed the article, and some other goodies all designed to help you master this tough but highly effective prospecting tool.

With that said, most people seemed to be struggling. There is no doubt in my mind that it is much tougher today than it was five years ago. And it was tougher then than it was 10 years before that. The world has changed.

There are some mistakes people are making when they attempt to cold call. In my new book, *Hot Prospects*, and in my two previous books, I have identified "Basic Mistake #1": **Get a bad idea and stick to it.**

Twenty years ago this mistake reduced rookies to rubble. It is doing so today.

With that as a caution, try out some of my "best scripts." I cannot tell you they will work for you. The script is only one of five ingredients in a recipe that makes up a successful cold-calling campaign. To be effective, all the ingredients have to be there and in the right proportions.

The other four ingredients are:

1) **List.** Practically everyone who responded to my request for additional information is using a store-bought list. The first law of lists is: The easier a list is to get, the more competitors have it, the less likely it is to be any good.

2) **Sound.** There is such a thing as a professional sound. If you sound wishy-washy, uncertain, tired, bored, sour, or have any of a host of other unprofessional sounds, you lose … even if you have the world’s best script.

3) **Numbers.** When I am debugging a failing cold-call campaign, my first question is always, "How many calls do you make an hour?" If it's less than 40 per hour, I won't even discuss anything else. I have to fix that one first. If you're lolling along making 10-12 calls per hour, guess what? You will fail even with the best script, an optimum list, and a great sound.
4) **Style.** There is certainly more than one way to skin the cold calling cat. I refer to this as "campaign style." The style is determined by what you want to accomplish on the call. Do you want to sell something? Virtually none of the scripts I received are trying to sell something on the first call. That's good, because it is a colossal waste of time. Do you want to get an appointment on the first call? A substantial number went for an appointment on the first call. That is almost always doomed. However, I did say "almost." Or, do you want to offer information? In my opinion, after having trained tens of thousands of people to do this, the best way is to offer information and then "develop" that cold-call lead into a hot prospect.

With this as a frame of reference, take one of these scripts. Get a list, get organized so you can pound out calls, put a smile on your face, and go to work. *After a few hours,* if it's not working for you, change one of the ingredients. It does not take forever to find out if a prospecting idea is a good idea or a bad idea. Eight or ten hours and you should have an excellent idea if you have a dud, or something you can take to the winner's circle.

**Best Scripts 2009**

The first script is actually not a "best script." I actually consider it one of the worst. It is a variation on an old Lehman Brothers script. I didn't like it then. I don't like it now. Then and now it contains a lie. This industry has seen enough of that. Fortunately, it is also not working.

Hrs CC/Week: 30 (300–450 dials/day)

Leads/Week 2–10

New HH YTD 3 (since April) InfoUSA, Dunn & Bradstreet

The reason why I am calling you is because my firm is releasing a major recommendation in the market. When would be the best time to get back to you and share some ideas, morning or afternoon?

Great. Just so I know for future reference, how many brokers are you working with? What firms? And can you name me one stock?

Great do you have a pen in hand so you can write my name and company down so you can remember me better?

Thank you ... 

I want to send you some information about myself and my firm. Is this the best address to send you some information? Great it was nice talking with you and I will be getting back to you soon.... I hope this is a relationship we can build on.
Jason Clowers is brand new in the business and has attacked one of the toughest markets around, "C-Level" executives.

He wrote: Two of the clients had a little over five million, one client with 800k, and two with 500k. I would not put my hopes on these clients either bringing in additional assets or producing great referrals but I will take the assets considering I acquired them all off cold calling in my first eight months in the business.

This is __________I work with __________ in downtown (City).

How are you?

FirstName, I specialize in working with C-level executives and have become an industry expert in addressing the needs of executive professionals with our suite of services tailored to each client’s specific needs.

What I would like to do is set up a twenty minute introductory meeting to learn more about your business and explain a little more about the value I can provide to you and your financial assets.

I have Thursday or Friday afternoon open. Which day works best for you?

Mark Van Houton with Janney Montgomery Scott

Hello, this is (full name) calling from your local, (Place), (Company). May I speak with Mr./Ms. Prospect please? This is s/he. Good evening, M/M Prospect. The purpose of my call tonight is to help you make your hard-earned retirement income last throughout your retirement years (agenda). Many financial advisors are great at helping you to accumulate retirement income; I specialize in making it last for you (value). With that in mind, could you briefly describe for me your plans for the distribution phase of your retirement assets (checking for acceptance)?
IF OPEN: I want to make sure you have money to live on in case you live to 95 or 100. Let’s get together next [e.g.] Tuesday and talk about that.

IF RESISTANCE: I am going to send some information about retirement income and call you a week from today.

Financial Concerns

This script is compliments of Brooks Canavesi of the Canavesi/York Group in Beaver, PA. He has a great opening question. I would imagine most people who answer that question will at least request information or set an appointment.

Hrs CC/Week: 1-2
Leads/Week Calls 50 names a week and gets 1-2 leads
New HH YTD 3 at average of $200,000 each
List: 5 mile radius, income > $100K

Hello my name is ___________ from (Company).

I work with businesses in your area to understand their financial concerns in order to ensure that our services are in line with the current market's needs.

Do you have a few minutes to speak to me about your top 2 financial concerns facing your company?

No: Would there be a better time that I could reach you, or could I send you an email that you could reply to when you had a bit more time?

Yes

Top 2 Concerns:

1. ______________________
2. ______________________

Thank you so much for your time, If I were to come across anything that may solve your financial concerns or at a minimum save your company some money, could I send you that information?
What would be the best way to deliver that information?

Email: or Physical Address:

Email: Would you prefer I send this to your business or personal email address?

I have your physical address as: ______________________________________________ is that correct?
Best Results
Leo Alapon wrote:
Hello Bill,

"This cold calling technique is designed for a second call in person at the door step of the prospect. It certainly seems to be doing the job."

Leo is in a small town. So I cannot tell you this would work in a metro area. But the stats sure look good.

Hrs CC/Week: 10-12
Leads/Week 8
New HH YTD 37
List: Zillow and White Pages.com to target neighborhoods/streets.

May I speak with Mr. Prospect please?

Hi Mr. Prospect, my name is _____ and I work for ____________ right here in town. Have you heard of ____________?

Yes: That's great. Are you already a client of ours?

Is Client: Well you are in great hands. Thank you and have a great day.

Not Client: Do you work with a good financial advisor?

Happy with FA: I am glad that you have a professional working for your best interests. However, a second opinion is worth your time. I will be in your neighborhood on Tuesday and Thursday of next week, what is better for you? Two or three o'clock?

No FA: Very well, my firm's service may be a good fit for you. I will be in your neighborhood on Tuesday and Thursday of next week, what is better for you? Two or Three o'clock?

No: Well at ____________ we help people in the community just like you reach their financial goals.

Great I will see you next week!
I Love to Cold Call!!!

by

Bill Good

I have written several articles with this title because I know that 99% of the people who even glance at the title would rather stand in a cold shower ripping up $100 bills than cold call.

But yet, that’s how many of the great books have been built.

And maybe, just maybe, the reason you hate it is because of the method you use.

Does cold calling work today? You bet.

A long-time student of mine, Ric Lager, (lagerco.com) emailed me:

I am in my 25th year of cold-calling as the primary method of building my business. I can’t ever remember opening as many new advisory account relationships in such a short period of time as I have since last fall.

The same rules apply in regard to the cherry-and-pits philosophy and telephone prospecting still being a “numbers game.” With a little bit of pre-call research and a brief message targeted directly to the type of prospect I am looking for, my handful of hours on the phone each week has consistently given me 7-10 new accounts per month and at least $3-$4 million in new assets to manage.

Is it more difficult than three or four years ago? No.

Is it more difficult than 10 years ago? Absolutely.

Key ingredients? A good list, lots of calls, upbeat professional sound, and a good script for sure.

This brings up a favor—one for you, and one for me.

For me: In a future issue of Research, I want to publish the best scripts of 2009. If you are doing any cold calling, I want you to send me a copy of your script. Go to www.billgood.com/coldcalling2009.

For you: Anyone who sends me a script will receive in return, a booklet of all the good scripts I receive. I will publish some of these in a future article in Research. But the only way to get them all is to be a contributor. If your script isn’t written down, write it down. And hit that website sooner rather than later.

Oh, who picks the scripts? It’s a committee of one. Guess who is on it? Yours truly.

Want a script today? I’ve posted a selection for you. Maybe you will take one of those, make it better, post it, and then get the full script library when released.

Keep it Simple

To keep this article as short and simple as possible, I will ask myself some of the questions you have probably been wondering about.
What distinguishes one caller from another on that first call?
The first impression, which is created less by what you say, and more by how you sound.

If you were going to produce a 30-second radio commercial, you would know instinctively that the first few seconds make it or break it. Guess what? You have a commercial. It's a bit longer than 30 seconds, but that first few seconds make or break it.

Sound boring? Sound like you're sucking a lemon? That first impression will do you in every time. The correct sound is upbeat, positive, and confident.

How should I allocate my time?
Allocate an hour or two a day of uninterrupted time for cold calling. You don’t take incoming calls. You don’t talk to clients. You don’t send text messages or answer your cell phone. Call it your “Cold Calling Power Block.” With cold calling you find prospects and stuff them in your pipeline.

Allocate a different block of time for your call backs. During this “Pipeline Power Block,” you ONLY make follow-up calls.

During my Cold Calling Power Block, how many calls an hour should I make?
About 40 an hour with gusts up to 60. Don't waste time leaving messages or taking call-back information.

If you are having trouble hitting 40, you are doing something else, such as making long-winded, bloated calls, or making notes on the computer after each call, or worse, trying to convert a cold call into a sales call.

What do you mean—trying to sell? Shouldn’t I be doing that?
Not even a little bit. Prospecting and selling are two different skills. They should not be mixed in the same time frame. When you're prospecting, you are just looking for someone who is interested and qualified now. Ideally, prospecting and sales should be done by two different people.

What is the objective of a cold call?
To find a prospect who is interested and qualified right now. I have labeled this prospect a “cherry.” When you find one, you offer to send them some information, verify contact information, and move on. If you take a “big picture” view, we are using the telephone just like you might use direct mail. You send out bulk phone messages, pick off some responses, and then follow up on them.

How long does it take to find out if someone is a prospect?
It takes less than a minute to find out if someone is a cherry or a pit. When you get even a whiff of a pit, you utter the cry of the cherry picker, “Thankyouverymuch,” and disappear into the electronic haze of the telephone system.

How should I get organized for cold calling?
If I observe someone for two minutes, I can tell you if that person is organized or not. The organized prospector never disconnects between calls, never updates a computer between calls, or never talks and writes at the same time.
What is the best way to organize your list for cold calling?

It’s a high-tech system called “note cards.” Print off your list on labels, slap a label on a 4x6 card, and you are geared for high-speed calling. Make your notes on the card while you are talking. If you have to update things in the computer, do it in non-optimum calling time.

Where can I find a good list?

First let’s clarify: a good list is any list that will produce 1–2 cherries per hour. The problem is: to hit that number, all of the other variables have to be right. You have to be calling at the right time of day for that list, you have to sound good, and you have to have a good script. So you might have a good list, but a bad script. It will not then produce 1–2 cherries per hour. You might throw out the baby with the proverbial bathwater.

So where do you find a good list? It can come from almost anywhere. But there is a rule here. The easier a list is to get, the more advisors have it, and the less likely it is to be any good. The best list will be dug out of nooks and crannies by, guess who—you.

How long does it take to find out if you have a bad list?

Maybe four to six hours. You pick a list, get a script, and make an hour or two of calls. If you’re not getting good results, try a different offer in your script. If that doesn’t work, try another. By this time, I would conclude: bad list.

What should I do with a bad list?

Package up the list. Scribble the words "Hot Prospects" on it, and leave it in the elevator of your competition’s building.

What should I look for in a script?

Look for an offer that intrigues people on your list.

I can’t tell you what offer a list will respond to. I can make good guesses. The reason list development is so important is by pulling people together who are demographically united in some important respects, you are more likely to craft an offer that will appeal to a lot of people.

Here is an offer that might work:

Suppose you piece together a list of executives who have left their previous firm and joined a new one. You might offer a booklet, “The Seven Really Awful Mistakes You Can Make with Your Retirement Funds after Taking a New Job.” If no such booklet exists, find another one that solves a problem.

Will that work? Probably. But how do we find out? You know the answer.

While I cannot tell you for certain what offer a list will respond to, I can tell you what it most likely WILL NOT respond to.

“This is Alice Agar with Reliable Securities. I’m calling to introduce myself and let you know of the services we have available.”

Or, there’s this tested classic:

“This is Bob Loblaw with Loblaw Wealth Management. We offer a free portfolio evaluation service as our way of introducing ourselves to people in the community.”
But don’t believe me. Try them. Both of these are what I call service approaches. They don’t work now. They didn’t work last year, or 20 years before that. So go ahead and try it, but after an hour or two of the "Introduce myself" script, and no or very few cherries, chuck that approach.

Now get a different idea. Test it. Refine it. If it’s a no-go, throw it out, too. And keep at it. Within a few days, you should find an idea that works for you in your market.

A "bad script" is one that won’t produce 1–2 cherries per hour in any market.

The trick here is: how do you know if it’s your sound, the list, the numbers, or the script?

Well, we try to eliminate the sound by just knowing that a professional sound is: a confident, warm, enthusiastic sound with proper inflection so it conveys authority.

Numbers are easy. If you aren’t pounding out the numbers I’ve outlined, what’s the point of discussing anything else?

Now we’re down to the list and the script.

I have good news for you. The form for the perfect script is done. I named it "The Greatest." You can have a copy of it at the website posted above.

Stick to this script form. Change the wording as you come up with different offers. Pick a product, a manager, or a strategy. Offer some information. Then qualify for interest. If interested, qualify for money.

If the offer isn't generating enough prospects per hour, change the offer. Change it several times. Still not working?

Are you making the calls?

Do you sound alive and well?

Chuck the list, and get another one.

And when you get all the pieces right and it starts to work, you will easily say:

*I Love to Cold Call!*
Mystery Advisor Reveals Proven Cold Calling Strategy

by

Bill Good

In my “I Love to Cold Call article,” (Research, May 2009), I made this offer:

“If you are doing any cold calling, I want you to send me a copy of your script. Go to www.billgood.com/coldcalling2009.

“Anyone who sends me a script will receive, in return, a booklet of all the good scripts I receive. I will publish some of these in a future article in Research.”

I delivered on that promise last month. If you missed that, you can read the article, and pick up your copy of “16 Best Scripts of 2009” at www.billgood.com/coldcalling2009.

One script was far better than the other “Best Scripts.” It was really much more than a script. It was an entire cold-calling system. You will find it at my cold calling website labeled “The Best Cold Calling Script.”

Mystery Advisor?

He’s 25, and is completely defying all the expectations one would have for a rookie FA. In my experience, the business life expectancy for a rookie who is not part of a team is about what one would have had for a soldier rushing a machine gun nest in WWI. You didn't want to be writing life insurance policies on that crowd.

Sadly, I cannot tell you who he is because his firm has a set-in-stone policy that FAs with less than five years cannot be quoted by national media.

Let’s give him a name. I'll refer to him as “Bob Loblaw.” (If you want a laugh, try to say his name aloud five times fast.)

While I cannot give Bob credit, I do quote him with permission, and have been authorized by him to share his script and questionnaire.

Notes on the Script

Before reading the rest of this article, you really need to go to www.billgood.com/coldcalling2009. Download the Bob Loblaw Script and Confidential Questionnaire.

When I saw Bob’s script the first time, I thought it was the most complicated script I had ever seen. It was four pages long, and had an entire page of “Resistances.” I nearly threw it out but instead I sent Bob an email and asked him what kind of results he’s had to date.
As of the end of April, he had opened 22 HH, about half from referrals, and some of those from accounts that opened as cold call leads. His goal, which he is hitting consistently, is to open 1 per week. He is right on target.

He spends 3-5 hours a week cold calling residential names who have not signed up for the DNC list. He says he buys the cheapest ones possible, and pays about $.10/name. His 3-5 hours of cold calling generates 15-30 prospects a week. And when he comes in on Monday morning, he said he has at least 50 prospects to call back.

It was these numbers that gave me the clue that his script, with all its legs was not what he was really doing.

So I called him.

I asked him if he really used all the “Resistances.” He replied, “Well, no. I found that appointments with people I pressured just didn’t hold up. So what I do instead is make about 100 (you read that right) calls an hour and generate five to ten prospects an hour.”

Important note: I have included all of his original resistance handlings. You can try them if you like. Better yet, don’t bother. But you want to see these because his own thinking is an exact mirror of my own: You cannot cold call and overcome resistance. You will NEVER hit 100 calls/hour dealing with resistance. Let it go.

The Bob Loblaw Story
I’m going to let Bob tell his own story. This is a partial transcript of our interview.

Who do you actually set the appointment with?

These are people I have spoken to at least once. On the second call, if I cannot make an appointment, I will make a judgment call on whether it’s worthwhile to continue to follow up.

What kind of information do you try and gather before setting an appointment?

I will try to get more information about what is motivating them. What is going on from a goal standpoint, whether it is retirement, education, or whether it is a risk tolerance issue, and whether what they’ve lost in the market has been a backbreaking issue. And I will try to get some kind of idea of what they own, whether it’s an annuity, individual stocks and bonds, mutual funds, or whatever. I’ll try to get some employment information, and all of this will get put down as notes. I will try to send them out something more specific from an information standpoint. I’ll also try and make some sort of other personal connection with them. This way, when I call back, I’m mentioning something about the wife, the kids, or the job.

What is your target new client in terms of investable assets?

I’m getting between $100K and $1 million. My target is $500,000.

What hours of the day do you call?

I typically call during the evenings. I set my Monday evenings to call from 5:30 to 8:30. I typically run appointments Tuesday night, Wednesday night, and Thursday night. And then three of the four Saturdays a month I’m here from 10-2 making phone calls. If I have an appointment that
cancels or re-schedule, say on Wednesday night, I will typically stay and make phone calls for a couple of hours.

**Mostly, you are going to see them, correct?**

Yes. The rate of rescheduling and cancellations is going to be much lower if we agree on an appointment at their place.

**What is the percentage of first appointments that stick?**

About 50%.

**Does this mean they just don't show up?**

No. About 50% of them call or e-mail to reschedule.

**So you're going to lose half the appointments?**

That's correct.

**Out of the people who keep that first appointment, how many of them become clients?**

I would say about 75%. For me to average one new HH per week, I need to set 4-5 appointments a week. So I have about a 50% seen ratio and about a 50% seen to sold ratio.

In order to get my goal, I'm trying to set one appointment per day.

**When you're going to send out some information, is it mostly e-mail? Or do you use both e-mail and letters?**

If I have an e-mail address, I will typically send a follow-up e-mail telling people it was nice talking to them and for them to expect something in the mail.

**Do you stay in touch with your prospect file?**

I do try to stay in touch with my prospects. I grade them. And at the end of the month, I typically send additional material to my A+ prospects.

**What is your sales process?**

In my first appointment I typically am going over the profile. (He has already sent them the one-page profile I have posted for you.) But I will first take as much time as necessary to talk about personal issues, what's going on with the kids, vacations, etc. This typically takes about 15 or 20 minutes. I do ask them in a confirmation letter to please have their statements ready. But I will not spend a lot of time on that. Then we will get more into a goal discussion. I would rather spend time talking about savings rates, when they want to retire, rather than anything regarding investments in that first meeting.

**So you gather all this information. Then what do you do with it?**

I'm taking a lot of notes. Then we take another 10-15 minutes to discuss how my process looks. I have a three-meeting process in which the consultation is the first meeting, the second meeting is a due diligence meeting in which I will give them a much longer profiling brochure. We will spend an entire meeting talking very specifically about goals and all their individual
numbers. The third meeting will be a solution implementation meeting. Here I will present a completed financial analysis. We will talk more specifically about recommendations. We will typically implement at that third meeting. In this meeting, I will also cover how I'm compensated.

Basically, all I’m looking for out of that initial consultation is a commitment to proceed with the next two steps of the process. At the end of that meeting, I want to get the next two steps scheduled and leave them with the profile questionnaire.


**Cold Calling Doesn’t Work?**

If you Google the term "cold calling," on page 1 of the search results, you will find a reference to a book, "Cold Calling Is a Waste of Time." You will also find a video, "Cold Calling Is Dead." Make sure your competitors receive copies of these, and read and apply them. This will reduce the number of cold callers and make it easier for you because the reality is, cold calling is not dead. It does work. Obviously, the fewer people doing it, the better it is.
Prospecting Strategy
Why Wirehouses Are Losing Market Share

by

Bill Good

The firm’s latest research shows that the wirehouses’ share of retail assets under management fell from 49.7% in 2007 to 42.8% at the end of last year. The distribution channels posting the biggest gains in asset market share were independent broker-dealers (now 17.6%), registered investment advisers (16.9%), and regional broker-dealers (14.8%). Investment News, October 28, 2011, reporting on a survey by Cerulli.

Question: Why are independents and registered investment advisors growing at the expense of the wirehouse advisor?

Anyone at all who is talking to financial advisors in the wirehouse channel, independent channel, and RIAs, can answer, and since I am having these conversations, here is the answer:

Independents and RIAs are out there prospecting. Wirehouse advisors are not.

Of course there are exceptions to the rule.

From my observations and conversations, new client development is not sufficient to overcome disintermediation and assets lost due to death and normal attrition.

The loss of clients through death is compounded by firm account minimums.

Advisors cannot take “starter accounts” and smaller accounts are sent to the hated call centers in New Jersey. Some of “peepers” never opened, or sent packing are the heirs to parents whose advisor is at a competitive wirehouse. So when Momma Oldebucks dies, the assets don’t even blow a good-bye kiss.

The independents and RIAs, with no minimum account requirements, are out there scooping up the small change which will become big bucks when she and her generation die.

It’s the same problem for investors whose liquid net worth is almost entirely in their 401(k). They may have only chump change outside of that account. When they retire, the wirehouse advisor who would not talk to them is not even in the race.

Bye-bye assets.

This puts an even greater strain on the wirehouse advisor to prospect, and do so heavily.

With this as an overview, I commend to you the following prospecting strategy.
Prospect Enough
In any class or speech I give on the subject of prospecting, I always ask, “How much prospecting is enough?”

The usual snap answer is: “There’s no such thing as ‘enough.’”

My response is always, “Not true. There is too much,” and quite obviously, “too little.” Therefore, there must be enough.

We have all known great prospectors. They get so addicted to the adrenaline rush of the hunt that they never develop a clientele. They open an account, sell a product, and move on. That’s “too much.”

The flip side of “too much” is “not enough.” This is clearly a condition where new client development does not overcome losses. Asset balances are shrinking, not growing. Too many wirehouse advisors live here.

Your first step in shaking yourself to life is to decide how much is enough for you?

Let me give you a defensive and offensive guide that can help you decide.

**Defensive:** You need to bring in enough new assets to counteract possible asset losses through bad investment performance, client attrition, disintermediation, and assets fleeing it due to death.

The average wirehouse rep has $94 million under management. If you think the market could drop 6% and you could lose another 4% from these other leaks, then to counteract the hated income reduction plan, you need to bring in $9.4 million a year. If you get market growth and Velda doesn’t die as expected, your business grows. But investment performance is down, and if Velda does die and her dreadful nephew takes the money and invests in a race horse, for your income not to have dropped you need to be bringing in $783,000 a month. In developing a marketing plan, we generally assume you can get half of that asset goal from existing clients. So your new asset goal from prospects would be about $400,000 per month … a far cry from what is actually being done in the wirehouse channel.

**Offensive:** Suppose you want to double your business from $94 million to, say, $200 million. Let’s assume you want to do this in three years.

You obviously need $106 million more under management. That’s about $3 million a month. Again, assuming we can get half of that from existing clients, you need to bring in one and a half-million dollars per month from new clients. That’s some serious prospecting.

Can it be done? Of course.

There are two great sources of money in motion—death and retirement. You better have your hand in the stream.
Let's continue with our strategy.

**Always Be Prospecting**
Here is the usual pattern when an established advisor begins to prospect.

1) Advisor wakes up one morning with pit in stomach realizing three of his biggest clients are likely to die in the next few months, and that he does not have relationship with heirs.

2) Begins prospecting campaign of some kind.

3) It works. After all, this advisor did not develop a $94 million book by being a prospecting slouch. Yes, I know. You think you developed it all from referrals. Not true. At some point, before you had any clients to refer you, you were out there prospecting. *No one ever built a $94 million book from referrals only.*

4) Because it's working, advisor does not have the time to continue prospecting and process the new business that is coming in. Therefore, advisor stops prospecting.

5) Some months or years later, the advisor again jolts awake and realizes, “I have to start prospecting. Why did I quit? What was I thinking?”

Guess what? It was not a “thinking problem.” You ran out of time.

Question: So how can you keep prospecting?

Answer: Every team must have a person on it whose primary responsibility is new business development.

That is the simple answer. It is the true answer. And it is a bitter pill to swallow because it is expensive. You have to lay out the money first. You might not get it right the first time. *But it is the only way an established advisor can continue the prospecting effort.*

So buck up. Get that team member. Or if you are under 40, become that team member and inherit the book.

**Have at Least One Prospecting Channel other than Referrals**
Here is the harsh reality.

In any downturn, advisors who rely only on referrals participate in the income reduction plan. Clients unhappy with their returns do not refer as often. That's why you must have at least one other channel.

To help you with this, I have created a “Prospecting Resource Page.” I pulled together some past Research Magazine articles, some white papers, and some cold calling scripts. You will find these free for the taking at [www.billgood.com/prospectingresources](http://www.billgood.com/prospectingresources).
Maintain Rigid Quality Control over People Designated As Prospects 
These Are Future Clients

I rarely ask people to commit anything to memory. But you should memorize this definition:

A prospect is anyone who has responded or been referred that you would like to do business with.

You have to constantly clean up your prospect file. At the foundation of this definition is this concept: You have to want to do business with them.

If you don't know enough about them to know if you want to do business with them, throw them out. If you don't like them, send them to a digital shredder. If they don't meet your concept of your ideal client, get him out of your file.

There are two reasons for these instructions:

1) Later on down the road, you won't wind up with a bunch of people you don't like, don't want to do business with, and now think you should follow some guru's advice and throw them under the bus. This problem solves easily with tight quality control run on your prospect list.

2) If you allow people in your prospect list that you do not care about, and do not want as clients, you will not develop that list. A prospect list must be developed. You must communicate with it.

There is more to this prospecting strategy. But I'm out of space. I have three more points to cover. You will find these over at my Prospecting Resources page at www.billgood.com/prospectingresources.
Cold Calling: Three Ways to Open the Door

by BILL GOOD MARKETING on DECEMBER 15, 2011

You will get better results from prospecting with a product than a concept, and better results with a concept than a service.

This blog will not be popular with some. You may think, “Gimme a break! Old school stuff. Out of date. Besides, cold calling doesn’t work. I hate to cold call. I would rather stand in a cold shower ripping up hundred-dollar bills. Gross. Yuck.” OK, fine. If that first paragraph is you, read another blog. But if you are currently cold calling, or are thinking about it, read on.

As you read this blog, it would be helpful if you have a copy of my “The 16 Best Scripts.” Look through these scripts. Sort them into the three piles: product, concept and service. You will understand more in a minute.

With that out of the way, let me tell you about a discovery I made that changed the way the industry prospected in the ‘80s. By the time the cold-calling era had wound down, my company had trained maybe 50,000 advisors in the U.S. and Canada to cold call.

We built the better mousetrap. While it is much tougher to cold call today, the key discoveries I made in the very late ‘70s and early ‘80s are entirely valid.

A key discovery was the answer to this question: What should you talk about on a cold call?
Here’s how it happened.

In 1979, I was teaching one of my very early classes at E.F. Hutton in Los Angeles. While my students were practicing what I had been preaching and were making cold calls, I was also on the phone testing a script.

This particular script offered a free portfolio analysis. Even though I was calling a wealthy area, results were dreadful. On a whim, I dropped that approach and trotted out an early version of a tax-free municipal bond fund script.

**The results changed instantly.**

By changing my offer, I dramatically changed results. Hmmm.

After much more testing and many more classes, I formulated the following law:

“All things being equal, you get better prospecting results with a product than a concept. You get better results with a concept than a service.”

**Product-Concept-Service: What else is there to talk about?**

By the way, don’t even think about prospecting for fee-based business, C-shares, managed accounts or wrap accounts — this is just how you charge for your services. It’s not what people buy. No client in world history ever said, “I want to buy some C-Shares.”

**Product-Concept-Service**

When you prospect, you have to talk about something. You get better results generally if you start out talking product.

Here are some examples of phone-script openings:

**Product:** Tax-free municipal bond fund.

I have a free report available about a tax-free municipal bond fund. The tax-free bonds in the fund have been selected for both income and safety. Would you like to receive a copy of this report?

**Concept:** Reduce taxes.

“We have some important information available on how to shelter your investment earnings from the ravages of current taxes. This booklet will outline several alternatives you might find of interest. May I send it to you?”

**Service:** Investment Tax Analysis.

“One of the services we offer here at Reliable Securities is called “Investment Tax Analysis.” We’ll take a look at what you have, what your retirement income objectives are, and then show...
you how some changes in your tax strategy might benefit you. Could I send you some information outlining this service?"

Without further testing, I would expect to get better results from the Product Approach than from the Concept Approach. And I would anticipate better results from the Concept Approach than from the Service Approach.

And I could also be dead wrong. There are exceptions to the rule. This just gives you an idea of where to start, and a warning to change if your script is bombing.

Again, the principle states: As a rule, you will get better results from prospecting with a product than a concept, and better results with a concept than a service.

Why is this true? Who knows! That’s just the way it is.

If you really study the “Cherries and Pits” theory in my book Hot Prospects, you will see we generally get the door open with a product. We make the sale with service. A financial planner who prospects with financial planning (a service) will go toes up. Don’t even go there. Offer some product or concept information. Start the dialogue. Establish the relationship. Invite them to a seminar (concept). Then invite them to the office. Ask them to bring their brokerage statements. Run them through a questionnaire. Offer to work out a roadmap to help them get where they want to be (service).

That’s how you do it.

Open the conversation with a product.
Profile gently, then intensely.
Set an appointment.
More profiling.
Find their go-buttons.
Prepare a proposal.
Present it.
Close it.
DO IT AGAIN.
Cold Calling—Your Offer

by BILL GOOD MARKETING on MAY 14, 2011

Your offer in a cold call is a:

a) Free report on a product.
b) Free report on a strategy.
c) Free service, such as portfolio analysis.

These have been the choices since the 1980’s. From what I am able to learn, very few advisors who are cold calling are offering info on a product, say a bond or preferred. Mostly, they call with a sloppy intro such as “This is Farnsworth Butter with Reliable Securities. I’m calling to introduce myself and let you know of the services we have available.” BORING.

I have preached tirelessly that the services approach is the least workable of the three.

But don’t believe me.

The beauty of direct response marketing is that you can test. You can find out for yourself.

Take a cold calling list of a few hundred names. Divide it into three parts. Develop three scripts.

Call the three parts of the list in three equivalent time frames. Keep good stats.

Find out for yourself which type of offer is best. My money is on “Free info on a product.”

M/M ____, this is FA Name with COMPANY. I have some important information on ________. As I’m sure you now, this is a _______________. Could I send it to you?

That’s the opening I would use.
Financial Advisors Prospecting: When Cold Calling, Should I Mail and Then Call?

by BILL GOOD MARKETING on MAY 22, 2011

References:
“I Love to Cold Call”—Research Magazine on how to cold call and love it
“Winning Scripts for Cold Calling”—Research Magazine article on best scripts.
“16 Best Cold Calling Scripts”—You can get the scripts I wrote about in Research here
Hot Prospects—This is a link to the website for my book, “Hot Prospect.” It’s a handbook to designing a workable prospecting campaign. Book buyers get lots of scripts, letters, emails posted in the buyers section of the website.

***

In cold calling today, please understand: you are using the phone as a lead generation tool. Rarely will you find someone so hot they will set an immediate appointment.

Your objective: a prospect interested, qualified, willing to receive information.

You have two choices today in how to approach your market.

1. Mail/Phone—Send a letter and follow it with a phone call no more than 3-5 days later
2. Phone/Mail/Phone—Call, offer a free report, mail or email it to people who are interested and qualified, call back in an attempt to set an appointment

Which style should you use?

There are no hard-fast rules but one: test.

A benefit of cold calling is the ease with which you can test an idea. With a few hundred phone calls, you can rule a specific idea in or out.

In your testing, you may discover you feel more comfortable sending a letter first and then calling. Because you feel more comfortable, you prospect more. Great! For you, mail/phone is the way to go.

Nevertheless, there are some conditions that suggest trying Mail/Phone first.

1) The list is extremely well qualified and not pounded into the ground by everyone selling soup to nuts.
2) Your letter presents an offer uniquely appropriate to the people on the list.

3) Your phone call arrives not later than three days following receipt of the letter.

**How to Test**

Pick 200 names from a single list. Send half of them a letter.

Let’s assume it’s a list of business owners. You are offering info on a SEP/IRA.

You mail the letters on Monday. They will deliver in your area on Tuesday. Allow a couple of days for people to look at their mail.

Meantime, Tuesday and Wednesday, cold call from 8:00-10:00. You are running Phone/Mail/Phone.

Same drill: keep stats.

Friday about 10:00, compare results from each campaign.

Actual results, plus your own preferences will answer the question: should I mail first?