

How to Prospect For New Business



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Wit2S (What It Takes to Succeed)

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Whenever I address an audience or train a company's salespeople on prospecting, I start by asking them a question: Is prospecting - a necessary evil?

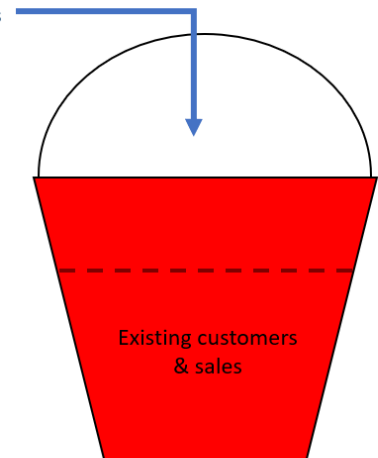
To answer it, we'll break the question down into 2 parts:

#1 Is prospecting necessary? The answer is as straightforward as it can be – yes! The reason for this is that every business (and every salesperson employed in a business) will typically be subjected to what is known as 'churn'. Churn is deemed as the customers who will stop buying from you in a given period. In some cases this can happen because you did something wrong, although that isn't always a factor. In some cases customers do business with you for the duration of what is known as a typical 'customer life cycle' and then they move on. Either way there is good chance that if you don't find new business you will end a trading year with fewer customers (and possibly lower sales) than you had at the beginning of it (despite your best efforts to look after your existing customers as well as you can). So these have to be replaced in order for you to stand still. And then if you want your business to grow and expand, you need additional new business on top of that.

As new business doesn't typically just find it's way to any of us, we have to make the effort to go and find, then win it. We have to go 'prospecting'. We can't chose not to do it or the business will suffer and we will suffer with it.

A great analogy of a business experiencing 'churn' is that of a leaking bucket. The bucket is filled with water which represents the amount of sales and customers a business has at any given time. The aim of the business is to fill the bucket and once it is filled we need to get a bigger bucket to keep on accommodating more and more water. The reality is however that whilst we are focussed on filling it and finding a bigger bucket, we start to lose some of the water we already have via leaks in the bucket. Those leaks represent customers stopping buying or taking their custom elsewhere (the 'churn').

Initial business objective:
find more customers & sales
to continue filling bucket
(grow the business)



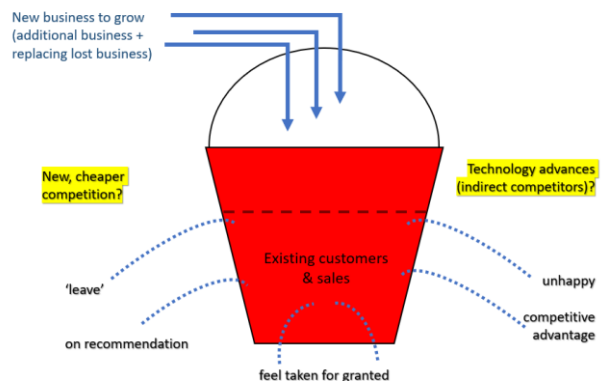
How to Prospect For New Business

There are various reasons for this and according to surveys they can include:

- Customers who just 'leave' – this could be due to a relocation, a lapsed need for our product/service, contacts moving on (retiring, changing employers, changing roles within the customer business, 'shedding their mortal coil', etc...)
- Customers who go somewhere else following a recommendation – this could be a recommendation from a colleague, a connection in their company, a good experience by someone they know, etc...
- Customers leaving because they understand/believe one of our competitors has a better product/service than we do (they are offering some competitive advantage)
- Customers leaving on account of being unhappy with us due to us making mistakes, letting them down and/or delivering a poor quality product/service, etc...
- Customers leaving because they feel we don't care about them, feel we don't think they're not or are no longer important and who can feel taken for granted (this can be the biggest percentage with various surveys over the years showing this in the region of around 70% of all customers who stop buying in a given period!)

On top of that there are also threats from new entrants to our marketplace (new competitors) and indirect competitors who can take business away from us, yet they don't necessarily compete with us. i.e. new technology can facilitate changes in customer behaviour. A good example of this is accountancy practices losing traditional book-keeping business to cloud based accounting apps on mobile phones).

As you can see, there can be a lot of holes in the bucket and the water (business and customers) lost in a time period can be considerable if we're not careful. All of this needs replacing plus additional new business needs to be found where a business wishes to grow. As Steve Ross, former Chief Executive of Time Warner said, *"Running a business is like pushing a stalled car up hill. If you stop it won't stand still, rather it's likely to roll backwards on top of you and kill you!"* We have to keep pushing forwards and adding new business (more water) to the bucket as well as plugging those leaks where possible through improved customer service levels and better procedures.



How to Prospect For New Business

#2 : Is prospecting (a necessary) evil? If you speak to a number of salespeople many will tell you that they don't like prospecting. In fact, its very often true to say that many hate it. Some will do everything they can do to avoid going cold calling, i.e. to avoid knocking on doors or making cold telephone calls to people, or spending time preparing and sending letters, emails and mail shots out to generate interest because they believe that it is often a lot of difficult work for little return. In many cases though, this is because they don't follow certain key rules. For that reason, this eBook focuses on this aspect of proactive prospecting.

Ground Control to Major Tom

It is said that most salespeople don't talk to enough new people, which is why they are average. The reason for this is simple; most salespeople don't like to be rejected. From an early age we are taught that "No", is a bad word; "No", means that we can't have or do something, it means that we shouldn't have or do something. Emotionally "No", meant something big to us when we were children and that stays with us. For all of us now though that's at least a few years ago, so to understand why we look to avoid it let's look back to a particular scenario to demonstrate the effect of the word and the fear we have of encountering it.

Do you remember that feeling you had when your siblings or friends had a new toy or a new bike? We all wanted one too! So we asked (or told in many cases) our parents that was what we wanted. Then came the first, "No!" Not to be perturbed, we carried on regardless demanding and even insisting we have it along with all of the accompanying gestures, screaming, crying and sulking. Eventually we would annoy our parents so much that the result would be a resounding "NO!" It was a "No" which made it clear no further conversation or begging would be tolerated and that if we persisted there could be consequences (we even risked a smacked bottom!). This final "No" was earth shattering, the worst thing that could ever happen to us and it could be traumatic. It felt the end of the world and as such it left its mark in our subconscious mind. Eventually that intense feeling of disappointment, the association with "NO!" became embedded in our subconscious mind along with our powerful emotional reaction to it, staying with most of us as we grew up. As a result many of us will avoid risking putting ourselves in situations where we are likely to get lots of "No"s to avoid that feeling.

In retrospect we all know that the world never did end with that resounding "NO", life went on and we survived. So did the "No's" really hurt us? No ... and neither will they now.

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These pages are taken from the eBook How to Prospect For New Business and are available as a free download to give you an example of the content and style so you can determine if you wish to invest in the eBook from the Wit2S.com website at:

<https://wit2s.com/in-co-programs%2Fseminars-1/ols/products/how-to-prospect-for-new-business-ebook>

About How to Prospect For New Business eBook:

How To Prospect For New Business is aimed at helping salespeople and companies win more new business. It covers why prospecting is essential, both for growth and to replace lost business when customers stop buying. It tackles why many salespeople dislike prospecting and how that can be overcome with strategies so it becomes an easier part of the sales role, with the discomfort and dread many salespeople have overcome with simple steps. By making it a regular activity, salespeople eliminate the 'rollercoaster effect' where new business 'peaks' and 'troughs' and in doing so they improve their new business levels and can increase sales accordingly.

The eBook looks at where salespeople can find new business and discusses how the job of prospecting is made far more difficult than it should be with 'low hanging fruit' often overlooked. A range of prospecting methods are covered to help salespeople and companies introduce more new business development streams using the Pillars of Prospecting model, rather than relying on one or two as so many tend to.

It also discusses the benefits of qualifying and targeting a defined list of prospects and defines how to recognise a good prospect as well as how to convert more prospects into customers using a multi-touchpoint strategy. Finally it reveals 8 golden rules of prospecting, relating to composing the promotional message salespeople and how these can be used to engage more potential customers, so more people want to see you and consider your products and services.

As with all Wit2S eBooks it concludes with setting you actions so you get the best possible return on your investment and improve your prospecting success.

How to Prospect For New Business

An eBook module from the Wit2S success mastery development program:

What

It

Takes

2

Succeed

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