

# Telephone Success Strategies for Small Businesses

By David Frey

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The other day I was in an auto parts store buying an oil filter. It was on a Saturday morning and there were only two workers on duty. The place was packed and the line to purchase goods was long and most of the people were getting impatient.

Suddenly, the phone started ringing and the worker seemed very irritated. Finally, after about 10 rings he got frustrated and answered the phone. He was rude and brief while he reluctantly answered the caller's question. As soon as he could, he slammed down the phone and resumed his behind-the-counter duties.

This episode occurs millions of times a day around the small business world. It's not only confined to the retail world but the professional world as well. Too many small businesses see phone calls as interruptions rather than opportunities.

**\* \* You Pay Good Money to Make Your Phone Ring! \* \***

A ringing phone is the result of your marketing efforts, which you pay good money to develop and implement and the fact that your phone rings indicates that you're marketing is working. Don't squander your hard-earned marketing dollars (and reputation) by underestimating the value of each phone call.

The following are several inbound and outbound telephone marketing practices that you can use to make your phone one of your most powerful marketing weapons.

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## Stress the Value of Each and Every Phone Call

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### 1. Know Your Costs

Calculate your cost of an inquiry by dividing your total cost of advertising by the average number of calls you receive. For instance, if you spend \$5,000 monthly on advertising, and get about 500 calls, each call cost you \$10.

To further stress the value of each phone call, attach a \$10 bill to the handle of each phone unit to remind your employees how important each and every phone call is to your business and that each call could result in cash.

### 2. Recognize Good Work

Give a "golden phone award" to the employee who gets the full contact information of the most inbound callers. Spray paint a phone gold and give it out at an employee meeting with a free dinner for two or weekend at a local hotel.

### 3. Train Employees

Include telephone training in your sales meetings. Ask employees (rather than you) to give the training. Supply your employees with access to professional telephone training systems for reference.

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## Get Each Caller's Full Contact Information

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The value in any business is its customer and prospect list and the fastest way to build that list is to ask for contact information.

### 1. Are They a Customer?

Ask to know if the caller is a prior customer. If they are then say, "Mr. Customer, we are updating our customer list. Would you mind giving me your address and phone number so that we can update our records?"

### 2. Are They a Prospect?

If the caller tells you that they are not a prior customer then handle the phone call and at the end of the call

say, “Mrs. Prospect, I’d like to send you a free report that you’ll find very interesting. It will help you ... If you give me your address and I’ll send it out to you today.”

### 3. Get They're Email Address

To get a customer or prospect’s email address (critical!) offer the customer a second free gift that you can email to them right away and then ask for their email address. Getting prospect and customer email addresses is important because it will allow you to market to them absolutely free.

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### Have A Reason to Call Prospects

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Have you heard - - cold-calling doesn’t work - - but “warm-calling” does. Warm-calling happens when you call someone who has already had some type of experience with you. Whenever you call a prospect, have a valid reason to call.

#### 1. Direct Mail Follow Up

Send a direct mail piece to a prospect or customer and follow up by asking them about, “the free report you sent them three days ago” or the “newspaper article you recently sent them.” You can even call them up in advance just to let them know your direct mail piece is coming (this is better done with voice broadcasting).

#### 2. Use a Familiar Name

Try to get the name of someone familiar that you can use to open the conversation. For instance, “Hi Ms. Prospect, my name is Denise and I’m calling from Spa City USA. I was speaking with John Richter yesterday and he mentioned that I might want to call you... (Hint: always get permission from the referrer to use their name)

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### Listen Carefully While On the Phone

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People call you because they want something. Let me say that again, people call you because they want something. They might want a price, an explanation, to report a problem, to speak with a manager etc. Whatever the case may be, they want something.

The key to selling is to give people what they want. What better time to listen to what somebody wants than when they call you up? If you listen well enough, your prospects will tell you just what you need to know to sell them your product or service.

### 1. Ask Open-Ended Questions

Questions such as, “Why are you looking for (product or service)?” evoke free wheeling responses that contain valuable information. Ask questions that start with, “Why...”, “What are your thoughts...”, “Tell me about...”, or “What was your impression...”

### 2. Wait For a Response

A common mistake with phone marketers (inbound or outbound) is that they feel the need to talk. Remember, when you’re talking the customer isn’t. You should do 20% of the talking while the customer or prospect does 80% of the talking. Don’t be afraid to leave dead space on the phone while you’re waiting for a response. Ask an open-ended question then be quiet and listen.

### 3. Listen Carefully for Pain, then Quantify It and Solve It

People have a natural tendency to complain about problems. As a marketer, this is your key to success because the reason people are complaining about problems is because they’re looking for a solution, even though they don’t ask for one.

Listen for a problem that is causing your prospect pain, then try to quantify it. Find out just how bad the pain is by turning it into numbers. For instance, your prospect tells you she has back pain. Your response could be, “On a scale from one to ten, ten being excruciating, how bad is your back pain?”

Or your prospect’s inventory is being stolen, a possible response may be, “What is the dollar cost of inventory that is missing per store? How many stores are experiencing this same problem? Then this problem is costing your business \$XX dollars”

Now solve your prospect’s problem by keying in on the solution to their pain. “Ms. Smith, most of our customers experience back pain just like yours, some even worse. Most have found relief within 30 days or less using (product or service).”

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## Turn Price Checkers Into Value Seekers

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One of the most common challenges to telephone marketing is how to handle price checkers, people who call you up just to get a price. This is especially dangerous if they have not yet received enough information to determine value.

It leaves you to compete price alone. This leaves you at a disadvantage unless you sell a bottom-end, cheap-as-dirt product. If you do, hopefully you have a cost advantage over your competitors.

Perhaps the most detrimental result of giving out your price over the phone is that you have just taken away the single most powerful motivation for people to come into your business and speak with you personally. You've just set yourself up to be price shopped.

### 1. Ask Probing Questions

The secret to handling price checkers is to ask them open-ended probing questions. For instance,

Caller: "Hi, what's your price on the platinum pool?"

You: "Well, what type of pool are you looking for?" or "It depends, what types of features are you looking for?"

These responses lead you into "value discussions" that help you to build the value of your products or services in the mind of a prospect. Remember, if you can't build value then all you have to compete on is price, and this is rarely a winning proposition.

### 2. Use the Compare / Contrast Principle

Earlier I told you to quantify the pain your prospect is experiencing. If you've done this right, the dollar amount of the pain will be very large compared with the price of your product or service. In comparison, people will perceive the price to solve their problem very little in contrast to what their problem is costing them.

Remember: If you feel the need to give out a price or estimate over the phone, do so only AFTER you've had a conversation about value using the compare / contrast principle.

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Always Ask for An Appointment

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A phone call without an appointment is like building a website and not getting visitors. Why work to make your phone ring if you're not going to try and get an appointment? You should ask for an appointment on most every call.

### 1. Give Your Caller a Reason

It's much easier to ask for an appointment when there is a valid reason to meet. You might say, "I'd like to show you one specific technique we use to reduce costs that many of our customers are getting great results from. I'd like to meet with you this week to demonstrate how this technique works."

### 2. Be Sensitive To Their Time Constraints

People are busy and don't want to be bothered so you always need to openly recognize the value of their time. For instance, using the previous example you might say, "I'd like to meet with you this week to demonstrate how this technique works. I know your time is valuable and I want to honor that. Our meeting would only last for 15 – 20 minutes."

### 3. Tie Down a Time By Limiting Their Options

Give your prospect only two options for meeting times. First of all this forces your prospect to think about WHEN they can meet rather than IF they want to meet with you. Secondly, it makes it a simple no-hassle scheduling process.

Again, following up from the last example you could say, "Our meeting would only last for 15 – 20 minutes. I have a time slot open on Wednesday at 3:45 pm or Thursday morning at 11:15 am. Which is better for you?"

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### Use Benefit Oriented After-Hours Voicemail

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There's no better time to market to somebody than when they are waiting to speak to you. Instead of telling the person waiting on the phone about how great you are, help them to solve their problems. Here is a typical message that I hear often: "Thanks for calling ABC Pools, our store hours are from 9:00 a.m. to 6:00 p.m. Please call back during our normal business hours. Thank you." Click.

## 1. Offer a Free Report

Consider putting a recording similar to this on your message system:

“Thanks for calling ABC Pools, with the only pool that provides a maintenance free sparkling pool water system. If you’ve reached this message we are probably gone for the day. We apologize and want you to know that you are important to us. Feel free to call our 24 hour free recorded message at xxx-xxx-xxxx to hear “The Six Secrets to Building Your Own Pool.” Leave your name and number at the sound of the tone and we’ll call you as soon as we possibly can. If you don’t leave your name and number we won’t be able to enter you into our drawing for a free trip to Las Vegas. Thanks again for calling ABC Pools.”

## 2. Send a Postcard

Another idea is to talk to your phone company about hooking up a caller ID so that you can get their phone number with a reverse phone number look up that can be found on the web.

If you get their address in this manner, immediately send a postcard out to them thanking them for their inquiry and inviting them to come in or receive a free report. If they are calling you and they are a prospect it means that they are in the market and will probably make a decision soon so the postcard needs to go out quickly.

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## Conclusion

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Your telephone can be a powerful marketing tool if used correctly. With some know-how training you’ll be able to see results immediately. A great website for learning more about how to use your phone to make profits is [www.BusinessByPhone.com](http://www.BusinessByPhone.com) owned by Art Sobczak, an author and expert in telephone marketing.

Now pick up your phone and start dialing for dollars!

David

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