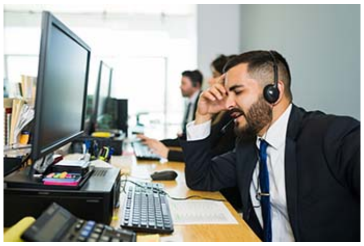

Warming Up Your Sales Call Strategy

by Steve Brown   cross-sell   customer acquisition

Summary: The concept of cold calling has fallen out of favor. But there is a way to use the phone for sales prospecting that may be more acceptable. It is called "warm calling," and it could help your CFI generate new sales and profits.

In a famous scene from the comedy series "Seinfeld," Jerry answers the phone to a cold-calling salesman. *"I'm busy,"* Jerry says, *"but give me your home number, and I'll call you back." "Can't do that,"* the caller says. *"Guess you don't want people calling you at home,"* Jerry says. The caller agrees. *"Now you know how I feel,"* Jerry says and hangs up. That just about sums up how most people feel about cold calls.

In fact, research shows that this sales method can leave both the caller and the call recipient frustrated. Not only do 80% of cold calls go straight to voicemail, but more than 63% of salespeople say cold calling is their least favorite task. Bank of America's Merrill Lynch division even banned cold calling from its advisor training program last year.

There's an alternative to the cold call — an adaption that may be more palatable and effective. It is called warm calling, and it could be useful to community financial institutions (CFIs). Instead of calling someone out of the blue, a warm call targets someone who already has a connection to the company or has expressed interest in its products and may be a candidate for a sale. The connection could be tangential, like a comment on a social media post. It could even be a customer who is a candidate for cross-selling or upselling. The object of a warm call is for a sales team not to interact with a complete stranger, and focus on the quality of the prospect over the quantity of calls made.

Warm calling can actually be a very effective tool in cross-selling. Cross-selling existing customers is one of the more productive ways banks can generate additional sales and revenue. According to the Pareto Principle, 20% of existing customers account for 80% of a company's future profits.

For CFIs looking to increase sales and boost profits, warm calling has great potential. Here are some tips on how to do it effectively:

1. **Be fast.** Prospects lose interest very quickly. Research suggests that the caller has only 15 seconds to engage.
2. **Research your targets before reaching out.** Sometimes, this can mean identifying a customer who might benefit from a new or enhanced service. Do lots of research before the call so you understand the prospect better. If it is a business, make sure you have a clear understanding of what the business does, who runs it, and what its needs might be.
3. **Have a good opening.** There are lots of examples of effective sales openings out there. Pick one or borrow from several. Keep in mind that each call will be unique, so be prepared to pivot quickly.
4. **Don't drag out the call.** Remember that even a warm call is an imposition on another person's time. Try to wrap up the call in about five minutes.
5. **Have a backup plan.** If the prospect doesn't answer, leave a voicemail. Be brief, be clear, and offer something you think the prospect could use.

Cold calling clearly has its limits in today's world of Seinfeld-savvy prospects. Warm calling could be a more acceptable way to use the phone as a tool to generate new business.

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ECONOMY & RATES

Rates As Of: 12/02/2022 05:47AM (GMT-0800)

Treasury	Yields	MTD Chg	YTD Chg
3M	4.33	-0.04	4.27
6M	4.65	-0.05	4.46
1Y	4.73	0.02	4.34
2Y	4.39	0.07	3.65
5Y	3.80	0.06	2.54
10Y	3.63	0.02	2.11
30Y	3.69	-0.05	1.79

FF Market	FF Disc	IORB
3.83	4.00	3.90
SOFR	**Prime**	**OBFR**
3.82	7.00	3.82