



Inside TeleSales: How to Sell More To Your Installed Base

With customer acquisition costs escalating, many companies are relying more on their inside TeleSales groups to solicit their installed customer base. In most cases, the inside sales group is responsible for 80% of the customer base. With an adequate infrastructure, solid management and effective marketing, an outbound department can grow customer accounts. But few are achieving their potential. Here's why:

- Poor database integrity,
- Lack of defined customer milestones,
- Inefficient direct marketing lead generation and
- Low customer loyalty.

TeleSales Team Experience

Although it's a natural tendency to promote a successful field sales person to inside sales manager, a successful outside salesperson is not the best personality for inside sales management. In fact, you're better off with someone strong in marketing and relationship building skills, rather than sales experience. You can always send them to a seminar on account development/sales skills.

Your TeleSales staff must be trained to solve any customer issue, and always accommodating. Those trained in services industries such as hospitality and travel succeed well. Their job is to give your customers what they want in order to foster a relationship, and nudge them from tier to tier.

The telemarketing team should be fueled by frequent marketing activities, designed to elicit a response from their respective customer groups. And they should be motivated by highly visible quarterly incentives.

Database Integrity is Critical

The TeleSales database must contain all customer information and be capable of supporting all TeleSales comments and marketing efforts. It must accurately categorize each customer as an Ideal Customer, Non-Ideal Customer or Uncertain.¹ And within each account three contacts should be identified: the implementer or end-user, the executive who signs for the PO, and the C-level executive who gains the competitive advantage by using your product or service.

The TeleSales staff should be trained to probe each account, to keep each record current. Information is the key to successful TeleSales marketing.

Account Development is Vital

In addition to categorizing each customer as Ideal, Non-Ideal or Uncertain; customers should be identified by their service level², to clarify how far they're into your company for product or service. This is account development tiering, and it establishes each customer's point of entry, and their subsequent investments into your company. Where do you want to take them? Determine each grid level by the product or service they have to purchase, along with the business benefit to each of the three contacts. This provides the TeleSales team with a useful grid to reference as they work to migrate each customer to a newer level.

TeleSales must have total control over the TeleSales accounts, and be responsible for delivering quarterly company messaging. Their customers must receive communication ONLY from their TeleSales representative. Ownership is vital.

¹ See article entitled '3 Questions. What is the Lifetime Value of Our Ideal Customer' on www.ChrisHallMarketing.com

² Ibid.

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Structured correctly, strong account tiering can provide accurate TeleSales forecasts and new revenue sources, by developing new applications and new markets for the higher tiers.

Fuel TeleSales with Direct Marketing Programs

No TeleSales person can effectively reach his or her assigned customer base. And you don't want them to try, either. Instead, have them focus on the top 20% of their accounts³, and leave the rest to relationship marketing.

Lead generation can be accomplished in a number of mediums, but should always include the same fundamental elements⁴:

- A Provocative Offer;
- Easy Due Diligence, and
- Peer Referencing.

No TeleSales person can effectively reach their assigned customer base. And you don't want them to try, either. Instead, they should connect with the top 20% of their accounts quarterly, and leave the rest to relationship marketing. Various mediums should be employed for the latter.

For maximum effectiveness, lead generation objectives should change monthly. Here are some objective examples that have been successful:

- Upgrade 20% of certain customer installations to new version within 60 days;
- Sell \$X revenue of add-on services to a certain customer segment; and
- Identify new users or recommenders within an account, but giving a FREE personal offer to all new customers within existing accounts.

Poor Customer Loyalty Will Destroy TeleSales

Customers will only respond to TeleSales if they think they will benefit. So in order for them to respond to your direct marketing and sales tactics, they must understand what's in it for them. If they are already saddled with a poor impression of your company, or have been recently courted by your competition, you should invest in a Customer Loyalty Program⁵ before investing in an Inside TeleSales Operation.

Conclusion

There's no great secret to developing a successful inside TeleSales team - you just need to give your customers what they want. Physically, you need an adequate infrastructure and solid management. Conceptually, you need to develop the department using marketing programs, so every action has a (1) a targeted audience, (2) an objective to motivate an action from this audience, (3) measurability; and (4) is ROI driven.

Are there pitfalls with developing TeleSales programs? You bet!!! I've made plenty of "misjudgments" over the last 25 years. Don't suffer from the same errors - hire an experienced marketing program contractor!

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³ Most companies get 80% of their business from 20% of their customers. The same is true with inside sales, who should communicate with their top 20% quarterly, and direct market to their remaining 80% just as frequently.

⁴ See article entitled 'Emerging Companies. 3 Critical Components for Generating Leads' on www.ChrisHallMarketing.com

⁵ See article entitled 'How To Increase Customer Loyalty' on www.ChrisHallMarketing.com.