

Factors Enhancing the Probability of Cold Calling Success: A Literature Review

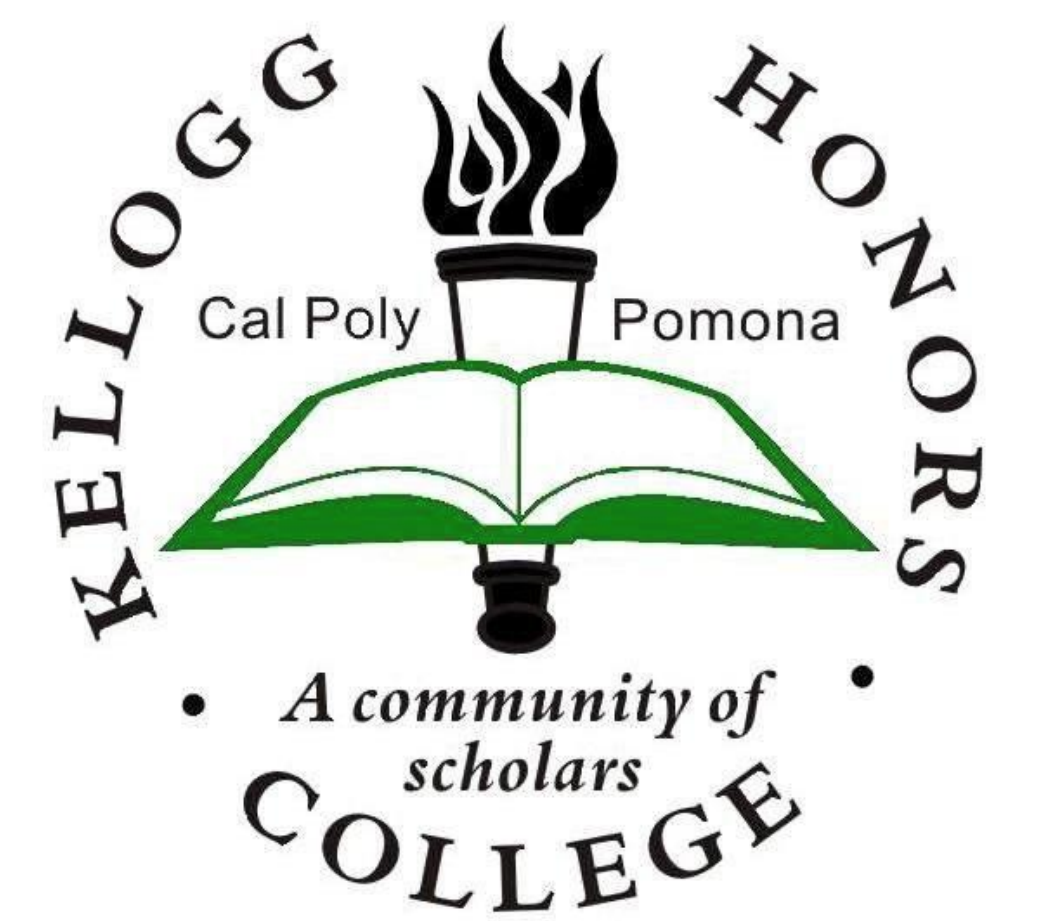


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Kellogg Honors College Capstone Project



Abstract

This assembling of findings presents a literature review of factors influencing the success of cold calling in the modern workplace, with an emphasis on business-to-business transactions. This review will examine current processes speculated to increase the likelihood of a cold call turning into an appointment, meeting, or established relationship with the prospect. These situations demonstrate what can be considered a successful outcome. A common definition for "cold calling" can be accumulated from the literature, describing this process as contacting someone never met, and personally unknown to the caller, with the intention of making them a customer for the caller's business. There is little empirical data on the subject and this review serves to call attention to the need for additional research to test the highlighted methodologies.

Key words: cold calling, prospects, prospecting, sales call, cold outreach, client acquisition, cold canvassing

Intro

Cold calling can be defined as contacting someone, whom the caller has never met before and typically knows nothing about, with the intention of making them a customer for the caller's business. In some situations, anyone in the general public can be subject to cold callers, like in the instance of telemarketers. This review, however, will focus on cold calling as it applies to business-to-business relationships and transactions.

The literature reviewed demonstrates that there is a plethora of different propositions that promise to improve the frequency of positive outcomes in regard to cold calling. However, there is limited empirical testing that has actually tested the validity of these propositions through a scientific method of investigation.

Suggested methods for increasing the rate of cold calling success revolve around a variety of factors including the amount of pre-calling research, the level of confidence associated with the caller, the avoiding of certain words, the use of a call script, and the focus of the call in its entirety. The reviewed literature suggests that appropriately tailoring and focusing the call, while presenting the caller in a light that is confident and helpful, the odds of having a successful instance of cold calling will be greatly increased.

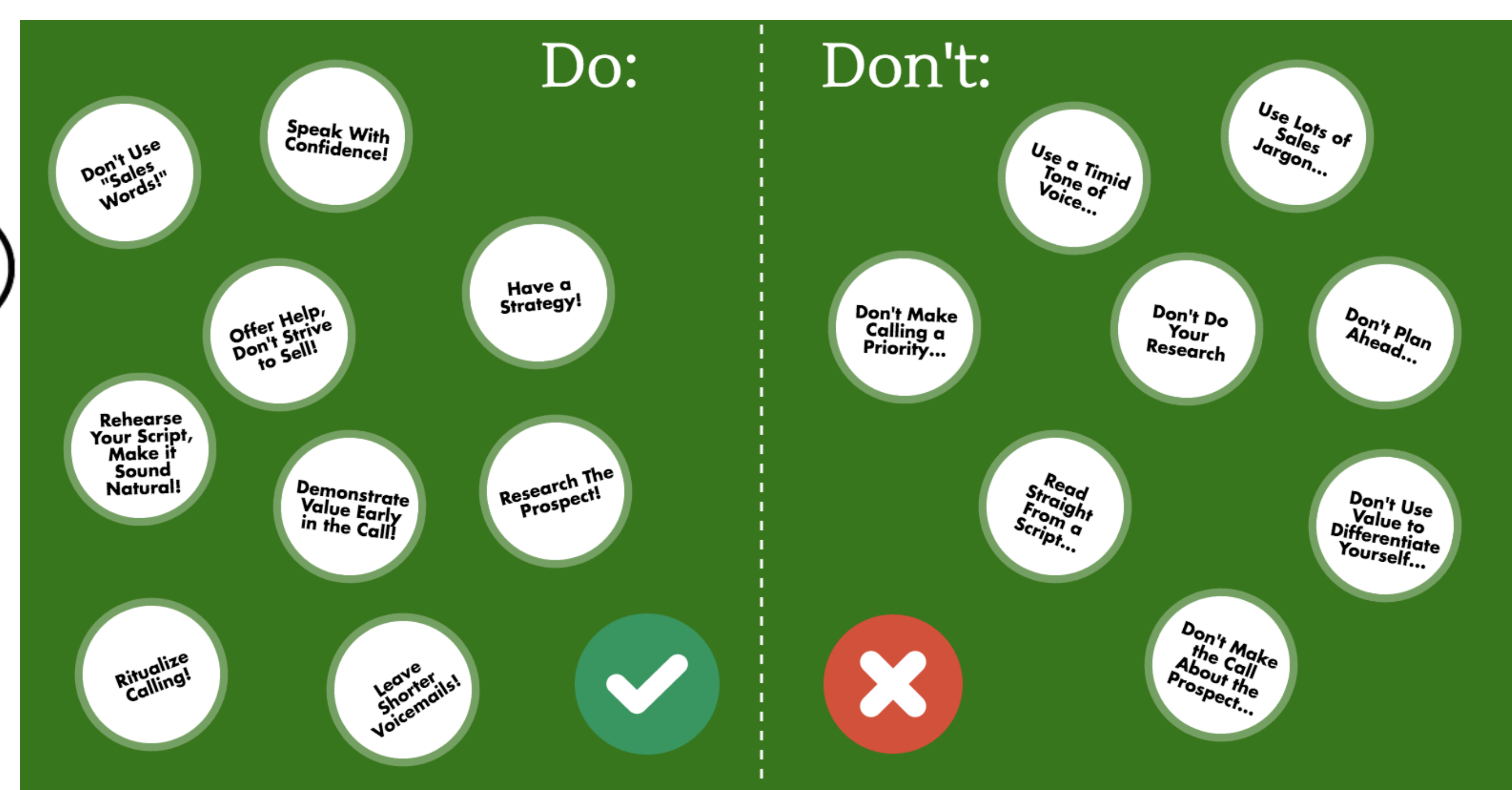
Findings

Current empirical findings:

- The small amount of empirical data that has been conducted demonstrates that positive anticipatory emotions associated with a salesperson
- The more planning and effort that was put into goals had a direct impact on how likely they were to not only reach, but exceed goals
- Personal stakes and anticipatory emotions help in explaining the drive behind the modern sales force
- Demonstrates that sales anxiety, defined as the irrepressible fear of being negatively evaluated and rejected by a customer coupled with a desire to avoid undertaking specific functional actions in selling situations, negatively influenced the performance of 189 mortgage salespeople

Theoretical suggestions for increasing cold call success:

- When a prospect shows interest through a cold call, while speaking with someone he or she has never met, it is often more genuine and may have a higher chance at leading to a sale
- Focusing on helping the prospect, as opposed to trying to make a sale
- Refraining from using common sales language, or disingenuous questions like asking how the prospect is doing
- Being prepared for the call and doing extensive research on the prospect and his or her organization in advance
- Not playing a numbers game, but rather putting thought and strategy into every call
- When using a script, learn it so well that it sounds natural and unforced
- Finding commonalities with the prospect and always aiming to meet face-to-face
- Ritualizing calling so that it becomes an integrated part of daily operations
- Never making the call about the salesperson
- Keeping voicemails brief to be respectful of the prospects time
- Putting the value to be offered to the prospect early on in the call



Research Questions

The questions below highlight the problems and curiosities that this investigation looked to satisfy:

1. What is the ultimate goal of a cold call that can be used to determine success?
2. Are there steps a cold caller should take before ever picking up the phone?
3. Are there certain words or phrases that a caller can use to either better or worsen their chances for success in regard to a cold call?
4. Is cold calling more effective when the caller is working off of a prewritten script?
5. Are there personal aspects, like inflection, tone of voice, or implied confidence that will affect the outcome of a cold call?
6. How soon should the caller introduce what they are selling, or try to make "the sale?"

Conclusions

There is little empirical data that has been published regarding the effects of different factors on the success of cold calling. The research that is readily available highlights a correlation between a salesperson's emotions and drive, and their success in regard to acquiring new clients. These studies showed that not only does an salesperson's innate drive and desire to achieve and meet goals push him or her to perform better, but also that internal social anxieties associated with calling have a definite negative impact on the call's success.

Beyond this, there are many articles that sight theoretical suggestions and applications that may stand to improve a given salesperson's odds at success when calling. These suggestions all share a commonality of encouraging confidence, in-depth research, and a client-oriented method of thinking. Though these suggestions are untested, there is a level of personal confidence exhibited by the authors of these writings.

Future Recommendations

Sales calls are a staple in most business operations. It is shocking how little empirical data has been published on the subject of improving the level of success in cold calling, considering that it is a business practice typically dreaded by the common sales associate. Going forward, it would be beneficial for the community of sales professionals to embark on a study more focused on practices that might enhance the odds of facilitating successful cold call.

Using carefully crafted surveys, administered to a wide range of business-to-business sales professionals, this data could be collected. The data could aid in identifying key success factors and unique personality traits that most heartily contribute to the start of a successful relationship with any given prospect. The survey would need to be crafted in such a way that it all but eliminated sources of internal bias, and encouraged honesty from those to which it was administered. Though it would be a challenging task in gathering genuine and untainted data, it could stand to be a worthy pursuit that would contribute unique findings to a field where empirical data is currently scarce.