# CHAPTER ONE

## *Call-Center Selling: An Overview*

I wrote this book for people who are responsible for managing call centers and supervising call-center salespeople. In some cases, that includes the owners of the call center.

Typically, the people I work with tell me they are frustrated with high turnover of good potential closers, concerned about low activity or not the right activity, or unhappy with consistently low close ratios throughout the sales floor. If any of that is relevant to your world, this book was written for you.

This first chapter will help you understand the difference between outside selling, inside selling, and call-center selling. If you already have a call center, Chapter 1 will be helpful because

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it will encourage the habit of defining your center as what it needs to be: a profit center. If you are you thinking about starting a call center, this chapter will give you an introduction to what's unique about call centers and the people you'll need to find to work there.

At various points in the book after this first chapter, I'll be sharing more specific advice on how best to set up and run a more profitable call center. This will come in two forms: suggestions for you as the manager of the center and suggestions that you can share with salespeople.

## OUTSIDE, INSIDE, AND CALL-CENTER SELLING

Let's look closely at these three different methods of selling.

### Outside Selling

**Outside selling** is what happens when the salesperson actually has to set up an appointment, get in the car—or perhaps even the plane—and visit a prospect in person. Typically the meeting, which is set up ahead of time, will last something like an hour. If the salesperson is a well-trained professional, the purpose of that meeting is qualification. The salesperson wants to find out whether or not the individual is a qualified prospect. The important thing to remember about outside selling is that it is usually anything but a one-call close. Frequently, the salesperson must go back or do something after-the-fact if the sale is to

be secured. Business is seldom concluded on the spot during the first meeting. Sales cycles for the outside-selling salesperson may be relatively short, i.e., a week or less, or they may be very long, i.e., a year or more. It depends on what the person is selling, what the market is doing, and what is likeliest to help the buyer(s) become comfortable enough to make a purchase decision.

## Inside Selling

**Inside selling** is very similar to outside selling, but with the difference that today's advanced communication tools allow the salesperson to close the sale without visiting the prospect in person. Where the outside-selling salesperson sets a meeting at a specific date and time and shows up in person, the inside-selling salesperson might set up a specific date and time for an online video call, an online slide presentation, or a webinar. Twenty years ago, communications technology was not as advanced as it is today, and inside-selling salespeople frequently had to overcome insurmountable obstacles. Now, with meeting tools allowing salespeople to interact with prospects as though they were in the same room, the inside-selling model has gained a lot of traction. Today, there's very little that can be sold by an outside-selling salesperson that can't also be sold by an inside-selling salesperson. One big difference between the two models is that inside selling is far less likely to involve servicing the account once the sale has been closed. In addition, sales cycles for inside selling tend to be somewhat shorter. Another important

difference is that extremely high-dollar-value or complex sales generally do not follow this model.

## Call-Center Selling

Now we come to **call centers,** which are the focus of this book. This type of selling is not to be confused with outside selling, and, though it is a variation on inside selling, the salespeople involved tend to have very different profiles. In a call-center environment, you have anywhere between three and 300 people in a room, on the phone. Typically, they are either: 1) making outgoing calls on a phone that is set up with an automatic dialer so that shortly after they hang up, the next line on the list rings; or 2) receiving incoming calls that have been generated by some kind of marketing effort. In the first situation, call-center employees might make 200 outgoing calls a day. In the second situation, a call-center representative may field between 100 and 200 calls daily. What's interesting for the call center employee, in stark contrast to the outside-selling salesperson and many inside-selling salespeople, is that these sales typically do conclude in one or two phone calls, with a one-call close being by far the most common sale. In those situations when there is a two-call close, that next call typically takes place within 24 to 48 hours. Compared to the other two selling models, this cycle is lightning speed. In some cases, outbound-call call centers focus on setting up face-to-face appointments for outside-selling

salespeople, but this is far less common, and this kind of selling is not the focus of this book.

## WHY CALL CENTERS MATTER

Even in this age of "do not call" lists and voicemail jail, more and more companies are setting up call centers to drive new business. Why is that? Well, it could be because people are spending less and less time shopping and more time just buying. Recently, a study showed that as little as ten years ago, the buying process for most people started when they picked up the phone and started to talk to a salesperson, either in person or on the phone. In today's world with all the data at customers' fingertips, a salesperson isn't contacted until the consumer is much closer to making a buying decision.

For many purchases, people don't feel the need to spend a whole lot of time in front of a salesperson—or even much time on the phone. Therefore, it might make more sense to have a call center since, for these purchases, the conversations and fact-finding are taking up a relatively brief span of time. When you target such consumers, though, there are certain questions you'll have to consider. How do you get them to pick up the phone and stay on the line when you call? Or, in an inbound model: How do you get them to dial the phone and contact your call center? Once you have them on the phone, how do you keep them on the phone and turn that phone call into profit?

## The Pros

Let's take a look now at the benefits of a call center. The first and most obvious benefit is that the cost of the sale goes down. The cost of an outside-selling salesperson is expensive, not so much in salary but in travel and expenses. In today's world, the cost of financing a single outside-selling salesperson in the United States would typically be in excess of $100,000, while the cost of an inside-selling salesperson might be a quarter of that.

Another advantage is that you have more control over people who are sitting inside a call center all day, either accepting incoming calls you point toward them or engaging with people answering the outgoing calls your system generates. You have a far better measurement of dollars per hour, compared to a loss of control and fewer accurate measurements with people selling outside the office.

A third major advantage is the typical sales manager-to-sales-person ratio is 1:8 in the outside-selling world; in a call center, it is typically about 1:25.

## The Cons

Now, how about the downside of call-center selling? There are a lot of factors you'll have to mitigate to make the call center a success.

It takes a special type of employee to sit on the phone all day talking to people who might not be all that friendly, and those

employees are pretty hard to find. Although some will stick around, it's more likely there will be high turnover in the call center no matter how good a job you do of hiring, onboarding, and managing. You should expect to be constantly bringing on and constantly losing people—that's just one of the realities of doing business in this arena.

Most of the time, you will be working with people who need to have the entire sales process scripted out for them in advance.

Your salespeople have a very short period of time to make the right impression with the caller.

Your management style is critical. It must be active, not reactive, and it must incorporate an interactive approach that avoids "pushing the buttons" of employees. Developing this kind of management style takes a little practice. You'll learn more about establishing the right management style a little later on in the book, when we talk about transactional analysis, the foundation of the Sandler Selling System® methodology.

Your compensation plan must be as precise and consistent as the sales roadmap you hand your people. Such a plan takes time and attention to develop.

You have to generate sufficient incoming or outgoing call traffic, and that traffic has to be present all the time your center is in operation. If the phones are not ringing or being dialed, you are losing money. It's that simple.

The call-center sales cycle is much faster than in other selling

environments, which means that some people will not adapt well to this type of selling. Success in other selling environments does not automatically equate to success in the call-center environment.

In order to put the best practices described in this book into action, you will need to operate a high-tech call center. That probably means you will need to make some investments.

## A DEEPER DIVE: FOUR CRITICAL FACTORS FOR CALL-CENTER SUCCESS

There are four critical factors to consider for call-center success.

### People

Understand that not all good call-center salespeople look great, dress great, or even care how they look. Some excellent call-center salespeople will give you a terrible first impression, perhaps by the way they dress and the way they look or even the way they act in person. But get them on the phone and give them a way to make money where they don't have to interact face-to-face, and they will surprise you.

Leave your first-impression criticisms at home. Base your decisions on performance, specifically on how the person sounds. Many of our clients have found that applicants who dressed sharp and "looked the part" of a salesperson were the least likely to last more than 30 days in a call-center job.

## Management

Successful sales managers for a call center have to have two qualities. They have to know how to coach people in the moment, and they have to be great supervisors of daily, weekly, and monthly metrics. Sales managers who want to take their time and wait a month to look over the numbers will not cut it at a call center. A good call-center manager will never be happy with the status quo and will be looking at data hourly.

## Scripts

Scripts are the life blood of a call center and they need to be analyzed, tested, and perfected. Once the right script is found, it must be the path that everyone follows. A change in the script can change the numbers drastically—and quickly. Many managers ask me, "Can we ever go off script?" My answer sounds like this: Going off script only works for the experienced person who has been working with you for a while. This might be someone you allow to experiment. We have often found that veteran salespeople who experiment will watch their own numbers and know quickly if the change from a tested script is worth it or not. You want those sales-people to experiment, and you want them to share the results. Other than that—no. You want your people to stick with the script. (We'll look at what goes into an effective script later on in the book.)

**Phone Systems**

There are pros and cons to all call-center phone systems today. With today's technology, you can make extraordinary increases in sales efficiency. My advice here, which I will elaborate on as we move forward, is pretty simple: Do not go cheap. Buy the best. A good phone system can help filter out background noise, and, as you will see later on, there should be a lot of background noise to filter out. A good phone system will also let you record and click into any phone conversation, which is essential for the sales manager.

## IS THIS FOR YOU?

So, how do you decide whether you should even have a call center?

First, take a look at your sales cycle. Typically a call center is only effective if you have a short cycle or at least a compressed cycle. A call center is also appropriate for a customer service center that is interested in upselling or cross-selling current clients. You might have experienced this firsthand if you have tried to buy something based off a TV commercial. When you called in, you probably noticed that they did their best to sell you several other products or upgrades. They must do this with finesse, of course, so as not to lose the original sale.

Here are some of the other factors to consider in deciding whether this selling model is right for you.

## Product Knowledge

What knowledge will your salespeople need to make the sale? If you are looking for technically savvy salespeople or trying to close a highly technical sale that requires a great deal of collaboration among various people on the prospect's side, then a call center isn't for you.

Of course, there has to be some level of knowledge about the product or service, but the main thing to remember is that, at the end of the day, these are time-driven discussions. Look at an outside-selling representative and contrast that person with an inside-selling representative at a call center. You'll find that the things that a salesperson does inside the call center tend to happen much more quickly. That outside-selling representative might take three meetings to establish rapport and might take another three meetings to identify the pain, or problem, to solve. It's different for the person at the call center. Everything must happen within a very short period of time—typically, within just a few minutes. Everything must be condensed, which means there really isn't time for an in-depth technical discussion about the product.

## Product/Service

If you're trying to sell something over the phone where the call-center representative has to resolve a number of problems for the prospect before even beginning the sales discussion, call centers may not be the best place to do that.

The reason for that should now be obvious. This is a special kind of selling environment. As you've seen, everything is accelerated. The people working in a call center need to establish rapport fast, set an agenda for the conversation fast, and find the problem fast. Then, if there's a match between what you offer and the problem the caller faces, the representatives need to propose a solution, lock down the sale, and move on.

## Customer Base

You don't need a large customer base to get started in call-center selling. Some of the biggest transactions in the call-center world are selling stock trades to customers the salespeople have never met. You can target just about anybody. Just remember that the larger the sale, the more sophisticated and structured your selling process needs to be. Each sales process needs to be broken down in a way that your callers cannot possibly misinterpret as they are executing it.

## Profit

How profitable will your call center be? That's one of the questions this book is designed to help you answer. Only you can give the final answer. I will say, though, that we live in an era in which technology can solve all kinds of problems. The correct marketing can make the phone ring.

So here's my advice. Set up (or update) a solid business plan, double check all your investments against the principles I'll be

sharing with you in this book, and figure out just how profitable you can expect the business to be.

## STILL WITH ME?

If what you've read so far sounds like this book is for you, and if you agree with the stated business objectives, you may decide to keep reading. But I have to warn you about something before we move forward: I'm going to be challenging a lot of preconceived notions about how call centers should work. Specifically, I will be challenging common ideas about the physical layout and structure of the call center and the technology needed to support that structure.

**TO SUM UP:** In these pages, I'll be challenging you to transform your business. You will need to be willing to invest time, effort, energy, and, yes, some money in this transformation. More important than all of that, you're going to need to change the way you think about selling itself.

If you're willing to make that journey, let's get started.